

FUTURE→FORWARD

Sustainability Report 2022



CIMB THAI
ธนาคาร ซีไอเอ็มบี ไทย

Welcome to the first Sustainability Report of CIMB Thai Bank Public Company Limited

This Sustainability Report 2022 is published in accordance with the GRI Standards 2021 for the period 1 January 2022 to 31 December 2022.

We have taken conscious efforts to manage and minimize the environmental impact of our Sustainability Report and related processes. This Sustainability Report is only available in digital format. The Food and Agriculture Organization of the United Nations (UN FAO) estimated that over the decade since 2010, the net loss in forests globally was 4.7 million hectares (almost 30 million rai) per year due to various reasons. Let's play our part to reduce paper consumption.

View our Sustainability Report and other information about CIMB Thai Bank Public Company Limited at www.cimbthai.com.

Contents

10	Message from the President and Chief Executive Officer
12	Voices of CIMB Thai's Everyday Champions
16	Thailand's Sustainability Highlights
18	CIMB Thai at a Glance
34	CIMB Thai's Sustainability Strategy and Approach
54	About CIMB Thai's Sustainability Report
58	Sustainable Action
76	Sustainable Business
92	Governance and Risk
106	Stakeholder Engagement and Advocacy
120	GRI Content Index
126	Appendix

“Our Net Zero Journey in being a Sustainable Bank”

CIMB Thai has committed to achieving Net Zero operational greenhouse gas (GHG) Scope 1 and 2 emissions by 2030. It has also planned to achieve Net Zero GHG Scope 3 by 2050, whereby it has set interim climate targets for financed emissions. At the same time, the Bank is also stepping up commitments on Human Rights across its value chain.

- The Bank has launched its Environmental Management Policy which includes the management of Energy, Emissions, Water, and Waste targets within its operations.
- The Bank has reduced more than 20% of its GHG Scope 1 and Scope 2 emissions in 2022 (compared to 2019 base-year).
- The Bank has engaged with its active vendors to promote collective effort on Sustainable Supply Chain.

"Driving Sustainable Development through Sustainable Finance"

CIMB Thai has strengthened its Sustainability commitment by aligning to CIMB Group's sustainable finance target of RM 60 billion by 2024 under the Group's Green, Social, Sustainable Impact Products and Services ("GSSIPS") Framework. At the same time, CIMB Thai in alignment with the Group has set its first round of 2030 climate targets for two business sectors – thermal coal mining and cement – becoming the second ASEAN bank to publish such concrete targets in alignment with globally recognized 1.5°C climate scenarios.

- The Bank has launched Sustainability-Linked Loans (SLL) to the market towards achieving its GSSIPS target, in addition to Green Loans, Social Loans and Sustainable Loans.
- Approved financing to renewable energy projects, such as solar and wind farms, amounted to more than THB 2 billion in 2022.
- The Bank has committed to halving thermal coal mining sector's exposure by 2030 from 2021 baseline.
- Driving cement sector's emission intensity reduction to 0.46 tCO₂e/t cement produced by 2030 from 2021 baseline of 0.72 tCO₂e/t cement produced.

“Embedding Sustainability within Governance and Risk Management”

The Bank has oversight on positive and negative economic, environmental, and social impacts by having the appropriate management approach and performing the necessary due diligence processes with our internal and external stakeholders. At the same time, the Bank ensures business resilience by managing transition and physical risks relating to climate change.

- The Bank has established a dedicated Sustainability Team to manage and deliver outcomes that relate to our commitments on Sustainability.
- The Sustainability Policy and Sustainable Financing Policy along with other guidelines and tools establish robust Sustainability due diligence procedures for holistic governance and risk management.
- Alignment with United Nations Environmental Programme Finance Initiatives Principles for Responsible Banking (UNEP-FI PRB) and the recommendations of the Taskforce on Climate-related Financial Disclosures (TCFD).

“Joining Forces for the Greater Good”

Stakeholders are at the heart of the Bank’s drive for Sustainability. Engaging with stakeholders helps the Bank identify and manage its negative and positive impacts, while increasing awareness and competencies collectively in the journey to achieving our Sustainability aspirations.

- More than 1,000 stakeholders were involved in the Bank’s Sustainability Survey in 2022, whereby “sustainable and responsible finance”, “cybersecurity and data privacy”, and “governance & ethics” were ranked as the highest concerns.
- Transparent Sustainability disclosures to our stakeholders by complying with the Thai Securities and Exchange Commission’s 56-1 One Report and the Global Reporting Initiative (GRI) Standards.
- Our employees have contributed to more than 23,000 volunteering hours by participating in the Bank’s Corporate Social Responsibility (CSR) initiatives.
- CIMB Thai has hosted a virtual run which has raised THB 369,539 for World Wildlife Foundation’s (WWF) tiger conservation projects in the north of Thailand.

Message from the President and Chief Executive Officer



Dear Stakeholders of CIMB Thai,

We are proud to present to you our inaugural Sustainability Report to showcase our commitment to Sustainability and Environmental, Social and Governance (ESG).

As a part of the CIMB Group which is the founding signatory to the United Nations Environment Programme Finance Initiative (UNEP FI) Principles for Responsible Banking (PRB), we at CIMB Thai believe very strongly in our purpose:

“To build a high performing sustainable organization to help advance customers and society, through leveraging our best-in-class –financial solutions, ASEAN network and technology”.

In addition, CIMB Group is a signatory to the Collective Commitment to Climate Action (CCCA) as part of our engagement with the UNEP FI, as well as the Net-Zero Banking Alliance (NZBA, a constituent of

the Glasgow Financial Alliance for Net Zero), where we are committed to achieving net zero greenhouse gas (GHG) scope 1 and 2 emissions in our operations by 2030, and overall Net Zero GHG by 2050 (including scope 3 financed emissions), in line with Nationally Determined Contributions (NDCs) and the 1.5 degrees scenario of the Paris Climate Agreement.

Not only is CIMB Thai aligned with the Group's overall commitments, but we are also aligned with the latest standards and frameworks such as the Global Reporting Initiative (GRI) Standards, the recommendations of the Taskforce on Climate-related Financial Disclosures (TCFD), and the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard.

At CIMB Thai, we drive Sustainability throughout the entire organization. We have established a dedicated Sustainability Team under the Strategy and CEO's Office Department to implement our Sustainability Strategy covering sustainable actions, sustainable business, governance and risk, and stakeholder engagement and advocacy. The management of all Sustainability aspects are actively monitored by our Management Committee and the Board of Directors. Further, we also engage actively with our central bank – the Bank of Thailand (BOT), to drive greater Environmental, Social and Governance (ESG) outcomes in the banking sector.

I am glad to share that in CIMB Thai, we have exceeded our scope 1 and 2 GHG emissions reduction target for the year 2022. At the same time, we have also established our baselining for scope 3 financed emissions based on the Partnerships for Carbon Accounting Financials (PCAF) standard.

In terms of sustainable finance, we have launched our Sustainability-Linked Loans to the market, supporting our customers to achieve their Sustainability performance targets more aggressively. We have also approved more than THB 2 billion in loans to finance green projects such as for solar rooftop projects and investments in offshore wind farm. On the other hand, we have aligned ourselves with CIMB Group's goals to exit the thermal coal mining sector and reduce financed emissions of the cement sector, thus promoting a speedier transition of Thailand towards a low-carbon economy.

CIMB Thai has further strengthened its Sustainability governance to be more robust, by implementing our Sustainability Policy and Sustainable Financing Policy to manage due diligence and risk management processes when it comes to environmental and social impacts in our activities with our business relations. Furthermore, our Environmental Management Policy ensures that CIMB Thai has a systematic approach to achieve our commitments towards sustainable operations and sustainable supply chain. We are at the final stages of developing our Human Rights Policy which we aim to roll out by 2023.

Being a big believer in volunteerism, I am also proud to share that CIMB Thai has achieved more than 23,000 volunteering hours, a strong sign that our employees were very excited about creating positive impacts around us. Volunteering initiatives included programmes relating to the circular economy and a 3-month virtual run to raise financial support for World Wildlife Fund's (WWF) tiger recovery project in the north of Thailand.

All in all, the Sustainability is no longer a “nice to have” but is becoming progressively embedded into the DNA of being a sustainable and responsible financial institution. Furthermore, having a strong foundation on Sustainability while implementing the relevant measures and the best practices that are forward-looking, build the greater business resilience.

As we continue to drive our long-term strategic growth through our Forward23+ strategy, it is our aspiration to build CIMB Thai to be a bank where future generations can proudly say: “Thank you from tomorrow!”

Paul Wong Chee Kin
President and Chief Executive Officer

Voices of CIMB Thai's Everyday Champions



Embedding Sustainability into the DNA of the Bank and augmenting the Bank's position as a sustainable and responsible bank involves active commitment from our Board, Management Committee, and our "everyday champions". We wish to acknowledge and thank our CIMB Thai Bank champions for contributing in every way towards building a bank that creates positive economic, environmental and social impacts.

Jason Lee

Sustainability Lead
Sustainability Team (Strategy and CEO's Office)

In 2022, the Procurement, Administration and Property Management team has partnered with the Sustainability team to collect and consolidate the relevant information, including electricity and water consumption, and disposal of different types of waste. We drove initiatives to manage the Bank's environmental impacts such as using clean energy by installing solar cell systems and purchasing electric vehicle (EV) for the business operations of the Bank. Additionally, the Bank had begun its waste separation initiatives. These initiatives have been a great success thus far, hence we aim to continue them in the years to come.

We would like to invite everyone to pay more attention to this matter. Let's join hands to create a cleaner and better environment for all.

Nutthera Vararapho

Logistic Services & Reporting
Procurement, Administration and
Property Management (PAM)

Sustainable Business is about presenting products and services that meets the needs of our customers while being responsible towards our society and our environment, and maintaining good governance.

Ekasith Phrutthipalakorn

Head, Consumer Products
Consumer Banking

Sustainability does not only depend on any individual, but it is something that everyone must work together. Focusing on good performance alone will not help us grow and thrive in the long run. For society to flourish, it is necessary to truly unite the power of everyone in our communities.

Mayuree Puangsuwan

Head, CX Measurement and Programme Enabler
Customer Experience Management

We aim to be a sustainable bank, which is to create a balance between economic, social and environmental dimensions, under good governance, for the sake of sustainable growth in the future.

Wanthicha Pothanun
Head, Funding and Money Markets
Treasury Money Market

Building a sustainable organization is not just about organizing activities that are “good”. It must be built into the DNA of everyone in the organization by first having clear vision and goals, and designing systems and having work policies that are consistent with Sustainability. The important thing is employees at all levels should build this together, until it becomes a working culture that becomes sustainable in itself, which can be passed to the next generation.

Pe Suwansakornkul
Future skills and Leadership Development
Human Resources

BE RESPONSIBLE, BE SUSTAINABLE

You need to consider yourselves responsible for your actions – that is the way to save our planet Earth. Save today for a better tomorrow.

Zethjak Leeyakars
Head, Compliance

Let’s imagine if we are “Mother Earth”. How would you expect others to take care of us? Likewise, we have to treat our earth the same way. Don’t wait for others to take action... Start with yourself. Then true Sustainability will be possible for our planet.

Sunitta Yodsheewan
Head, Corporate Brand
Corporate Communications

Banks are the largest source of funding for corporations, from eco-friendly renewable energy companies to billion-dollar oil companies, thus determine the direction of the economy and to an extent, the future of societies. As the push for sustainability in business and net-zero grows across the globe, Sustainability requirements have firmly landed at the top of banks’ agendas. More and more stakeholders expect banks to embrace environmental, social, and governance commitments to mitigate the impacts of climate change. We need to walk the talk in terms of sustainability initiatives and demonstrate commitment to green goals. Adapting to new Sustainability requirements may be demanding, but it will bring many new business opportunities for us. Most importantly we need to sustain our mother earth for all living creatures.

Jitrinee Tanskul
Head, Conglomerates
Corporate Banking

All of us are part of the solution.

Arthit Masathirakul
Head, Risk Management

Thailand's Sustainability Highlights

The Global Climate Risk Index 2021 ranked Thailand among the top 10 countries in the world most affected by climate change and extreme weather events. Hence, Sustainability has become the defining issue of our time. Our Prime Minister has made strong commitments in the 2021 United Nations Climate Change Conference (COP26) that Thailand aims to reach Carbon Neutrality by 2050 and net zero greenhouse gas emissions by 2065.

Thailand has demonstrated a commitment to tackle climate change and the urgent need for transition to a more sustainable economy by incorporating commitments of the United Nations' 2030 Agenda for Sustainable Development and the Paris Climate Agreement into its 20-Year National Strategy. Additionally, Thailand's Nationally Determined Contributions (NDCs) Roadmap 2021–2030 has identified action plans for sectors including energy, transportation, industrial processes, product use, and waste management, and it is estimated that measures under the NDC Sectoral Action Plans have the potential to reduce greenhouse gas emissions by 156.86 MtCO₂eq in 2030. Thailand's long-term strategy to achieve Carbon Neutrality by 2050 and Net Zero GHG emissions by 2065 will also depend mainly on emission reductions in the energy sector, including using Carbon Capture, Utilization, and Storage (CCUS) technologies.

Aligned with the nation's commitments and aspirations, many Thai corporations have announced their commitments to achieve their own net-zero target and their adoption of the United Nations' Sustainable Development Goals (SDGs). Furthermore, leading corporations in Thailand have integrated Sustainability into their corporate strategies and established Sustainability Teams to drive Sustainability initiatives and manage Sustainability impacts. Some corporations have been going the extra mile by synchronizing their operational Key Performance Indicators (KPIs) with Environmental, Social and Governance (ESG) and Sustainability aspects to enhance the robustness of their overall performance.

Corporations are not the only ones who are concerned about Sustainability, investors also value the Sustainability tremendously. They not only care about their investees' Sustainability performances, but they are also concerned about how resilient the latter's businesses are when faced with Sustainability risks. To be able to gain the confidence of investors, Thai corporates are taking an effort to demonstrate how they manage key risks from climate change and transitional opportunities towards a low-carbon economy. The Stock Exchange of Thailand (SET) has announced that Thai listed firms are in the top Dow Jones Sustainability Indices (DJSI) list in ASEAN for the 9th consecutive year.

When it comes to the government regulations, the Ministry of Natural Resources and Environment was mandated to draft Thailand's long-awaited Climate Change Act that functions as a core mechanism for domestic climate action, and it is set to be submitted to the cabinet for approval in 2023. This law is expected to provide both regulatory measures, such as stricter emission standards, and incentive mechanisms, such as a carbon tax and carbon credit, to help promote a climate-friendly investment and voluntary carbon market.

In the financial sector, the Bank of Thailand will launch its Thailand Taxonomy in 2023 to provide a common framework for classifying economic activities to enable the market to mobilize green financing to drive climate action outcomes. Aligned with the European Union's Taxonomy, the Thailand Taxonomy which has been in development since 2022, is intended to support green financing as corporations transition towards the Thai government's Bio-Circular-Green (BCG) economic model for sustainable development. The first phase of its implementation will focus on energy and transportation sectors.

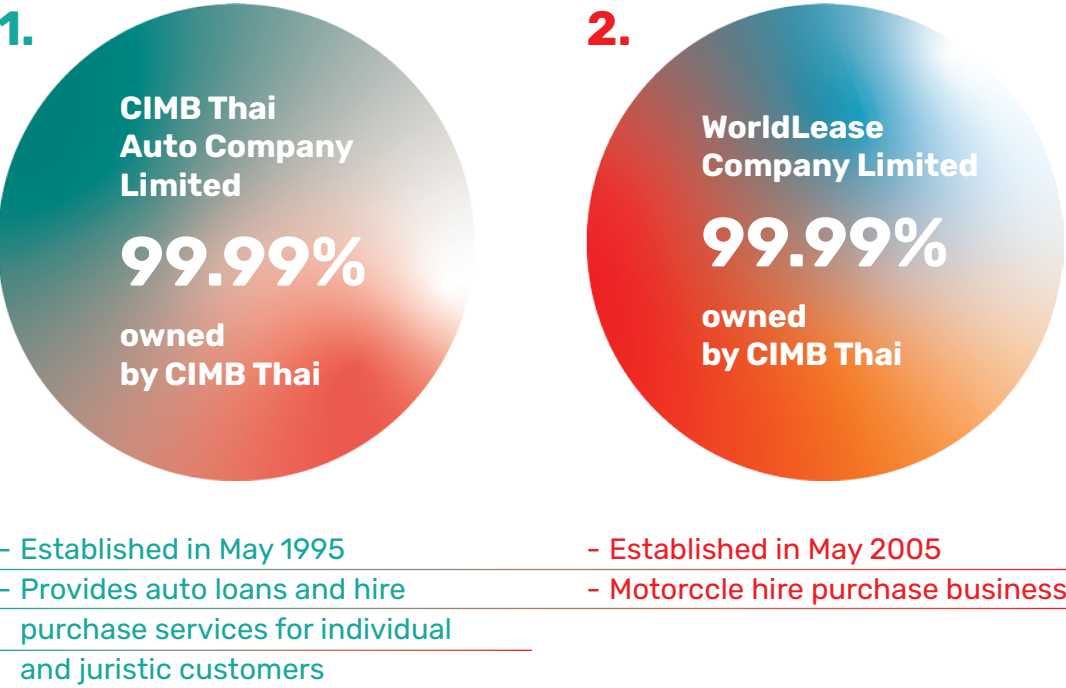
Thailand has been ranked the first in ASEAN in the latest Sustainable Development Report by United Nations Sustainable Development Solutions Network (UNSDSN). The Sustainable Development Report 2022 marks the seventh edition of the annual assessment of progress of all UN Member States towards the Sustainable Development Goals. Thailand is ranked the first in ASEAN with 74.13%, ahead of Vietnam (72.76%), Singapore (71.72%), Malaysia (70.38%), Indonesia (69.16%), Brunei (67.10%), Philippines (66.64%), Myanmar (64.27%), Cambodia (63.75%) and Laos (63.39%).

CIMB Thai Bank Public Company Limited, previously known as Bank Thai Public Company Limited, was established in 1998 and represents CIMB Group’s banking franchise in Thailand.

The Bank is licensed by the Ministry of Finance and relevant authorities to engage in commercial banking business, which constitutes the primary business of the Bank. We focus on offering quality and efficient products and services that can add value to the customers, particularly fee-based products and services, such as cash management, financial advisory and treasury, besides deposits and loans. Our customer base covers individual customers and business customers ranging from small and medium enterprises to large enterprises at home and across ASEAN via universal banking network of CIMB Group. Product and service offering is carried out through both physical branch and business center network and digital banking on mobile phone.

At present, the Bank is listed on the Stock Exchange of Thailand and operates 53 branches across the country. CIMB Thai serves more than 600,000 customers, delivering a wide range of services covered by its key business pillars – Consumer Banking, Wholesale Banking and Treasury & Markets.

CIMB Thai has two subsidiaries, namely CIMB Thai Auto Company Limited and WorldLease Company Limited. For more details on CIMB Thai’s subsidiaries, please refer to CIMB Thai’s Annual Report 2022.



Our Value Chain

Upstream Entities	CIMB Thai’s Business Activities	Downstream Entities
<p>Vendors: 159 active vendors providing goods and services to the Bank</p> <p>Outsourcing partners :</p> <ul style="list-style-type: none">- Business Partner: Entities or individuals with contracts or agreements with financial institutions to provide services as business partners acting on behalf of financial institutions such as financial agents and outsourced service providers or other forms of business alliances that conduct business with financial institutions to facilitate business advantage which may include a connection to the technology work system with financial institutions.- Third party providers: Outside entities or individuals who are information technology service providers or are connected to information technology systems of financial institutions, or who have access to sensitive information of financial institution or customer information controlled by financial institutions. However, third parties do not include customers who use products and services of financial institutions.	<p>Key Business Drivers in CIMB Thai:</p> <ul style="list-style-type: none">• Consumer Banking<ul style="list-style-type: none">- Deposits & Payments- Consumer Financing- Wealth Management- Digital Banking• Corporate Banking<ul style="list-style-type: none">- Loan & Credit Facilities- Foreign Exchange (FX) & Derivatives- Debt Capital Market (DCM)- Cash And Saving Accounts (CASA)- Cash Management• Financial Institutions<ul style="list-style-type: none">- Non-Bank Financial Institutions (NBFi)- Institutional Investors- FX, Bond Trading, Bond Forward• Investment Banking and Debt Capital Markets<ul style="list-style-type: none">- Bonds- Equity Capital Market (ECM)/ Initial Public Offering- Mergers and Acquisitions• Treasury & Markets<ul style="list-style-type: none">- Structured Products, Structured Deposits- Bonds- Foreign Exchange (FX)- Hedging- Derivatives• Transaction Banking<ul style="list-style-type: none">- Cash Management- Trade Finance	<ul style="list-style-type: none">• Retail customers in Thailand• Non-retail customers in Thailand and across markets covered by CIMB Group:<ul style="list-style-type: none">- Agriculture& Forestry- Construction- Financial Services- Hospitality- Infrastructure- Livestock & Fisheries- Manufactured Goods- Mining & Quarrying- Oil & Gas- Personal Consumption- Real Estate- Services- Sovereigns & Sub-sovereigns- Telecommunication, Media & IT- Transport & Storage- Utilities- Wholesale & Retail- Others• Financial institutions• CSR beneficiaries (schools, non-profit organizations, non-governmental organizations)

Upstream Entities	CIMB Thai's Business Activities	Downstream Entities
	<div>Key Business Drivers in CIMB Thai's Subsidiaries:<ul style="list-style-type: none">CIMB Thai Auto Company Limited has been providing a full range of auto loan services to meet the needs of customers, both individual and corporate since 1995. The company provides personal and commercial car hire purchase, used car hire purchase and CIMB Thai Auto cash products. Currently, the company has 31 branches in every region across Thailand.WorldLease Company Limited has operated hire-purchase service of motorcycles in Thailand since 1994. Currently, the company has 14 branches in Bangkok and selected provinces.</div>	

Our Employees and Workers

Our employees and workers are the key drivers of our value chain and business activities, where they can affect the success or performance of the Bank.

As defined by the GRI Standards, an employee is an individual who is in an employment relationship with the Bank according to Thai national law or practice:

- A full-time employee is an employee whose working hours per week, month, or year are defined according to national law or practice regarding working time.
- A temporary employee is an employee with a contract for a limited period (i.e., fixed term contract) that ends when the specific time period expires, or when the specific task or event that has an attached time estimate is completed (e.g., the end of a project or return of replaced employees).

In addition to employees, the Bank also engages workers who are not employees – those who perform work for the Bank but are not in an employment relationship with the organization. The Bank may have sole control of the work or share control with one or more organizations (e.g., service providers or other outsourcing entities). Types of workers who are not employees and whose work is controlled by the organization include agency workers, and contractors.

At the Bank, workers include those who are hired by our vendors but are working at the Bank's various operational locations while being paid by the Bank under operational expenditure, and those who are involved in project-based activities provided under capital expenditure of the Bank.

At CIMB Thai, Sustainability means understanding and managing positive and negative impacts that relate to people, including effects on their human rights, as a result of our activities or business relationships. Our employees and workers are our main stakeholders whereby they have interest that are affected or could be affected by the Bank's activities.

Our employee and workers data are reported in accordance with the following categorization:

- Permanent employees, and a breakdown by gender and by region;
- Temporary employees, and a breakdown by gender and by region;
- Full-time employees, and a breakdown by gender and by region;
- Part-time employees, and a breakdown by gender and by region

As of 31 December 2022, our employee data are as below.

Type of employment/Gender	CIMB THAI			CIMB THAI AUTO			WorldLease			Total
	Female	Male	Total	Female	Male	Total	Female	Male	Total	
Permanent/Regular Employee	1603	802	2405	209	238	447	167	177	344	3196
Temporary Worker	10	12	22	0	1	1	1	1	2	25
Contractor	180	168	348	179	83	262	29	10	39	649
Total	1793	982	2775	388	322	710	197	188	385	3870

Type of employment/Gender	CIMB THAI			CIMB THAI AUTO			WorldLease			Total
	Female	Male	Total	Female	Male	Total	Female	Male	Total	
Full-time	1793	982	2775	388	322	710	197	188	385	3870
Part-time	0	0	0	0	0	0	0	0	0	0
Total	1793	982	2775	388	322	710	197	188	385	3870

Type of employment/Location	CIMB THAI			CIMB THAI AUTO			WorldLease			Total
	Bangkok Metropolitan	Elsewhere	Total	Bangkok Metropolitan	Elsewhere	Total	Bangkok Metropolitan	Elsewhere	Total	
Permanent/Regular Employee	2253	152	2405	237	210	447	162	182	344	3196
Temporary Worker	22	0	22	0	1	1	2	0	2	25
Contractor	298	50	348	181	81	262	39	0	39	649
Total	2573	202	2775	418	292	710	203	182	385	3870

Type of employment/Location	CIMB THAI			CIMB THAI A UTO			WorldLease			Total
	Bangkok Metropolitan	Elsewhere	Total	Bangkok Metropolitan	Elsewhere	Total	Bangkok Metropolitan	Elsewhere	Total	
Full-time	2573	202	2775	418	292	710	203	182	385	3870
Part-time	0	0	0	0	0	0	0	0	2	0
Total	2573	202	2775	418	292	710	203	182	385	3870

The breakdown of workers who are not employees as of 31 December 2022 are shown below:

Type of employment/Gender	CIMB THAI			CIMB THAI AUTO			WorldLease			Total
	Female	Male	Total	Female	Male	Total	Female	Male	Total	
Contractor	180	168	348	179	83	262	29	10	39	649
Total	180	168	348	179	83	262	29	10	39	649

Type of employment/Gender	CIMB THAI			CIMB THAI AUTO			WorldLease			Total
	Female	Male	Total	Female	Male	Total	Female	Male	Total	
Full-time Employee	180	168	348	179	83	262	29	10	39	649
Part-time Employee	0	0	0	0	0	0	0	0	0	0
Total	180	168	348	179	83	262	29	10	39	649

Type of employment/Location	CIMB THAI			CIMB THAI AUTO			WorldLease			Total
	BKK and vicinity	Elsewhere	Total	BKK and vicinity	Elsewhere	Total	BKK and vicinity	Elsewhere	Total	
Contractor	298	50	348	181	81	262	39	0	39	649
Total	298	50	348	181	81	262	39	0	39	649

Type of employment/Location	CIMB THAI			CIMB THAI AUTO			WorldLease			Total
	BKK and vicinity	Elsewhere	Total	BKK and vicinity	Elsewhere	Total	BKK and vicinity	Elsewhere	Total	
Full-time Employee	298	50	348	181	81	262	39	0	39	649
Part-time Employee	0	0	0	0	0	0	0	0	0	0
Total	298	50	348	181	81	262	39	0	39	649

Our Governance and Governing Bodies

A robust corporate governance framework supports the navigation of risks and creates a culture of transparency and accountability. At CIMB Thai, corporate governance includes our principles of sustainability, where we recognize the relationship between business, the environment and society. With the goal of long-term value creation along with the aspirations of creating positive impacts to people and the planet, we are committed to adopting and implementing responsible policies, leading practices and forward thinking procedures that meet the requirements of regulators, the interest of our shareholders, and our obligations towards our stakeholders.

Corporate Governance Policy and Guidelines

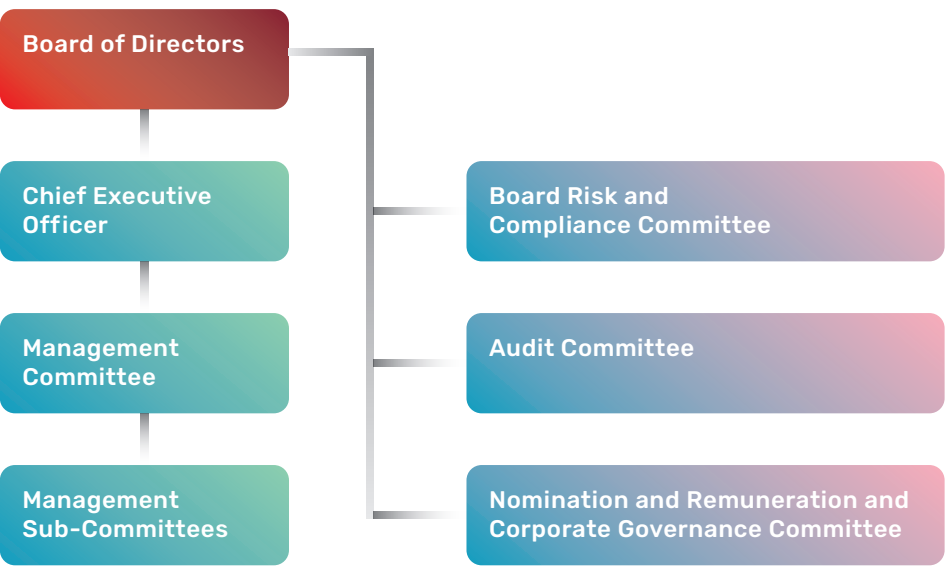
The Board of Directors has assigned the Nomination, Remuneration, and Corporate Governance Committee to take charge of considering the Corporate Governance Policy, monitoring its implementation and compliance, as well as reviewing and updating the aforementioned Policy to ensure it is appropriate, up-to-date, and complies with the latest regulatory authorities’ rules and regulations.

Independent decision-making by the Board of Directors and management is important to the Bank. Thus, the clear segregation of duties between the Chairman and the President and Chief Executive Officer are defined. Furthermore, the membership of the Board of Directors, of whom more than half must be independent directors, is explicitly established in the Bank’s Corporate Governance Policy.




The Bank’s Corporate Governance Structure

The Board of Directors is the highest governing body of the Bank which has duties and responsibilities in overseeing CIMB Thai’s business operations; reviewing and approving the vision, mission, policies, and strategic plan; and monitoring the implementation of governance and internal controls in accordance with the rules and regulatory requirements of related government agencies. The Board also provides an oversight on CIMB Thai’s sustainability agenda and directs its efforts in managing material ESG issues, as well as opportunities and risks, supported by the Management Committee.

The major duties and roles of the Management Committee are to oversee and ensure that the Bank’s business and operations are in line with its strategies, policies and regulations as approved by the Board. The Management Committee also drives CIMB Thai’s vision and strategies bank-wide, in alignment with CIMB Group’s overall targets, commitments, strategic frameworks.



Composition of the Board of Directors

 Gender	 Types	 Tenure
Male Directors: 80% (8 persons)	Executive Directors: 30% (3 persons)	Less than 5 years: 90% (9 persons)
Female Directors: 20% (2 persons)	Non Executive Directors: 10% (1 person)	More than 5 years: 10% (1 persons)
	Independent Directors: 60% (6 persons)	

Board Structure

The Board of Directors is composed of 10 members (as of December 2022) with proven leadership abilities, business knowledge and ethics, with the awareness of business impact on environment and society, and possessing diverse professional skills and specific business competencies to provide the necessary oversight on the Bank’s business operations to achieve sustainable growth.

The election of Board members follows the resolution of the shareholders’ meetings and as set out in the Bank’s Articles of Association which stipulates that the number of directors on the Board shall not be fewer than five and not more than twelve persons. The structure and composition of the Board of Directors and the setup of Board Committees are as prescribed by the Bank of Thailand (the BOT)’s Notification regarding corporate governance of financial institutions and the Capital Market Supervisory Board’s Notification regarding application and permission for initial public offering, and further amendments thereof.

The Board of Directors appoints one of its directors to be the Chairman. The Chairman shall be a non-executive director. Additionally, the Chairman and the President and CEO shall not be the same person. To ensure there is appropriate check and balance, the Board of Directors determines that there shall be independent directors not exceeding half of its total members. A separation between authorities and duties of the Board of Directors and management is clearly defined, which helps ensure that no single individual has unfettered decision-making power and enables the Chairman to be independent in giving objective views on the business administration by the management.

Board Committees

Various committees are appointed by the Board of Directors and are responsible for monitoring and overseeing the Bank’s business operations within the scope of work assigned by the Board of Directors. To enable the Board of Directors to carry out its responsibilities effectively and efficiently, the Bank’s performance and the committee’s deliberations must be routinely reported to the Board of Directors.

The Board delegates responsibility for the overall business and day-to-day management of CIMB Thai to the President and Chief Executive Office (CEO), Mr. Paul Wong Chee Kin. The President and CEO is responsible for leading the management and for making and implementing operational decisions, and is assisted by the Management Committee and other committees.

1. **Audit Committee**
The Audit Committee’s scope of duties and responsibilities encompasses assisting the Board of Directors in reviewing the effectiveness of internal controls, risk management processes, accounting, reporting practices and good corporate governance taking into account the requirements of relevant guidelines associated with banking business issued by the regulators.
2. **Nomination, Remuneration and Corporate Governance Committee**
The Nomination, Remuneration and Corporate Governance Committee has 3 main duties and responsibilities, which are;

1. Nomination - to select and nominate names of qualified candidates for the Bank’s directors or persons with management power

2. Remuneration - to propose for the Board’s approval on remuneration and other benefits payment and ensure that the directors and persons with management power’s remunerations are commensurate with their duties and responsibilities.

3. Corporate Governance - to formulate and review the Corporate Governance Policy and Codes of Conduct and oversee the Bank’s compliance with corporate governance principles set forth by regulators.

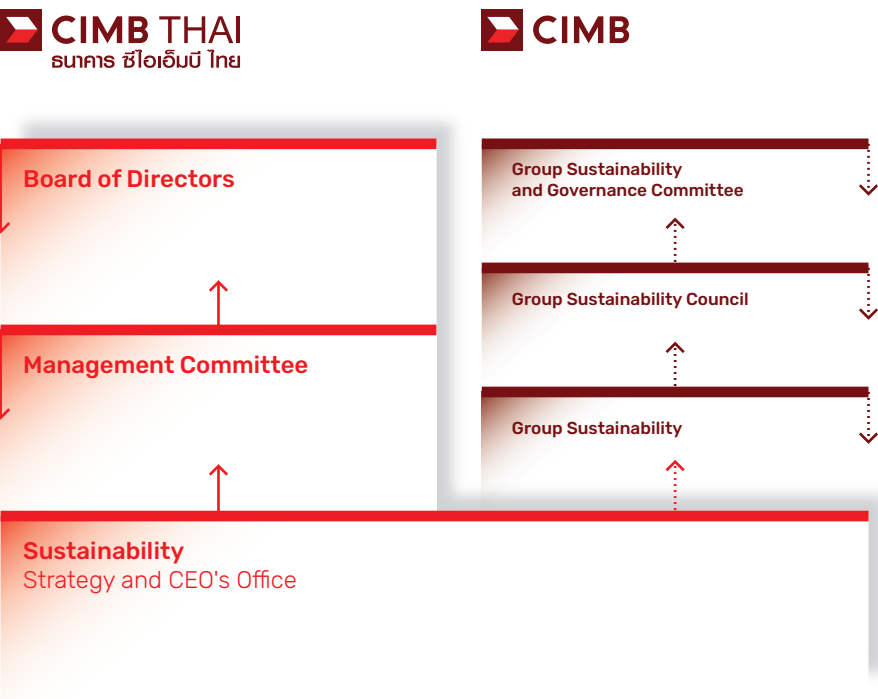
3. **Board Risk and Compliance Committee**

The Board Risk and Compliance Committee’s duties and responsibilities are to oversee the entire risks and capital management functions of the Bank and the efficiency of the Bank’s overall management of compliance and AML/CFT risk.

The Bank’s Governance on Sustainability

CIMB Thai’s Board and all management levels play a significant role in building and strengthening our organizational capability to become a sustainable organization whilst following the principles of sustainable banking. Our sustainability governance framework defines the roles and responsibilities of the Board and Management with the aims to mitigate sustainability risks, provide policy support for material issues and promote accountability through metrics and transparent disclosures. To enhance sustainability performance while taking into account regulatory requirements, we conduct regular reviews of our sustainability strategy, operating model and related framework.

Overview of CIMB Thai’s Sustainability Governance Structure



Director and Executive Development

The Bank encourages all directors to participate regularly in the training programs, seminars, and lectures, organized by the Bank, CIMB Group Holdings Berhad (an indirect shareholder of the Bank), regulatory authorities, and external organizations, which relate to their roles and responsibilities as Board members to provide them with skills, and assist them in developing visionary thinking for the sake of moving the Bank towards to sustainable growth.

In 2022, the Bank’s directors attended directorship-related training courses and seminars for performance enhancement as follows:

Director’s Name	Training Course/Seminar
1. Dato’ Robert Cheim Dau Meng	<div><div>- Knowledge Sharing by Dr. Tanai Khiaonarong: Payment Outages – What’s Next?, arranged by CIMB Thai Bank Plc.</div><div>- CIMB Expert Talk Series: Net Zero Pathways: Managing Risks & Taking Opportunities arranged by CIMB Group Holdings Bhd</div><div>- Joint Board Meeting on Risk Posture arranged by CIMB Group Holdings Bhd</div><div>- 5th Directors’ Sharing Session arranged by CIMB Group Holdings Bhd</div><div>- Culture Workshop arranged by CIMB Thai Bank Plc.</div><div>- Managing Cyber Risk arranged by CIMB Thai Bank Plc.</div></div>

Director’s Name	Training Course/Seminar
2. Mr. Anon Sirisaengtaksin	<div><div>- Director Certification Programme (DCP) 73/2549 arranged by Thai Institute Of Directors and Director Accreditation Programme (DAP) 52/2549 arranged by Thai Institute Of Directors</div><div>- Data Processing Agreement (DPA) and Data Protection Impact Assessment (DPIA)” arranged by The Securities and Exchange Commission, Thailand</div><div>- AIB Dinner Talks Series 2022: Thailand Financial Perspective Beyond 2022 arranged by CIMB The Association of International Banks</div><div>- CIMB Expert Talk Series: Net Zero Pathways: Managing Risks & Taking Opportunities arranged by CIMB Group Holdings Bhd</div><div>- Sustainability Update to the The Board of Directors arranged by CIMB Thai Bank Plc.</div><div>- Joint Board Meeting on Risk Posture arranged by CIMB Group Holdings Bhd</div><div>- 5th Directors’ Sharing Session arranged by CIMB Group Holdings Bhd</div><div>- Culture Workshop arranged by CIMB Thai Bank Plc.</div><div>- Managing Cyber Risk arranged by CIMB Thai Bank Plc.</div></div>
3. Mrs. Oranuch Apisaksirikul	<div><div>- Knowledge Sharing by Dr. Tanai Khiaonarong: Payment Outages – What’s Next? arranged by CIMB Thai Bank Plc.</div><div>- AIB Dinner Talks Series 2022: Thailand Financial Perspective Beyond 2022 arranged by CIMB The Association of International Banks</div><div>- CIMB Expert Talk Series: Net Zero Pathways: Managing Risks & Taking Opportunities arranged by CIMB Group Holdings Bhd</div><div>- Sustainability Update to The Board of Directors arranged by CIMB Thai Bank Plc.</div><div>- Joint Board Meeting on Risk Posture arranged by CIMB Group Holdings Bhd</div><div>- 5th Directors’ Sharing Session arranged by CIMB Group Holdings Bhd</div><div>- Culture Workshop arranged by CIMB Thai Bank Plc.</div><div>- Managing Cyber Risk arranged by CIMB Thai Bank Plc.</div></div>
4. Mr. Chanmanu Sumawong	<div><div>- Record of Processing Activity (ROPA) and preparing and communicating the Privacy Notice, arranged by The Securities and Exchange Commission, Thailand</div><div>- “Easy listening: Accounting Tip EP.2” arranged by The Securities and Exchange Commission, Thailand</div><div>- CIMB Expert Talk Series: Net Zero Pathways: Managing Risks & Taking Opportunities arranged by CIMB Group Holdings Bhd</div><div>- Sustainability Update to The Board of Directors arranged by CIMB Thai Bank Plc.</div><div>- Joint Board Meeting on Risk Posture arranged by CIMB Group Holdings Bhd</div><div>- 5th Directors’ Sharing Session arranged by CIMB Group Holdings Bhd</div><div>- Culture Workshop arranged by CIMB Thai Bank Plc.</div><div>- Managing Cyber Risk arranged by CIMB Thai Bank Plc.</div></div>

Director's Name	Training Course/Seminar
5. Dr. Rom Hiranpruk	<ul style="list-style-type: none">- Data Subject Right and Incident handling/Personal data breaches arranged by The Securities and Exchange Commission, Thailand- “Easy listening: Accounting Tip EP.2” by the Securities and Exchange Commission (the SEC).- Knowledge Sharing by Dr. Tanai Khiaonarong: Payment Outages – What’s Next? arranged by CIMB Thai Bank Plc.- AIB Dinner Talks Series 2022: Thailand Financial Perspective Beyond 2022 arranged by CIMB The Association of International Banks- CIMB Expert Talk Series: Net Zero Pathways: Managing Risks & Taking Opportunities arranged by CIMB Group Holdings Bhd- Sustainability Update to The Board of Directors arranged by CIMB Thai Bank Plc.- Joint Board Meeting on Risk Posture arranged by CIMB Group Holdings Bhd- 5th Directors’ Sharing Session arranged by CIMB Group Holdings Bhd- Culture Workshop arranged by CIMB Thai Bank Plc.- Managing Cyber Risk arranged by CIMB Thai Bank Plc.
6. Mr. Niti Jungnitnirundr	<ul style="list-style-type: none">- Director Certification Programme (DCP) 73/2549 arranged by Thai Institute Of Directors and Director Accreditation Programme (DAP) 52/2549 arranged by Thai Institute Of Directors- Advance Audit Committee Program (45/2022) arranged by Thai Institute Of Directors- Role of the Chairman Program (50/2022) arranged by Thai Institute Of Directors- Data Processing Agreement (DPA) and Data Protection Impact Assessment (DPIA)” arranged by The Securities and Exchange Commission, Thailand- Knowledge Sharing by Dr. Tanai Khiaonarong: Payment Outages – What’s Next? arranged by CIMB Thai Bank Plc.- CIMB Expert Talk Series: Net Zero Pathways: Managing Risks & Taking Opportunities arranged by CIMB Group Holdings Bhd- Sustainability Update to The Board of Directors arranged by CIMB Thai Bank Plc.- 5th Directors’ Sharing Session arranged by CIMB Group Holdings Bhd- Culture Workshop arranged by CIMB Thai Bank Plc.- Managing Cyber Risk arranged by CIMB Thai Bank Plc.

Director's Name	Training Course/Seminar
7. Mr. Natasak Rodjanapiches	<ul style="list-style-type: none">- Data Subject Right and Incident handling/Personal data breaches arranged by The Securities and Exchange Commission, Thailand- Knowledge Sharing by Dr. Tanai Khiaonarong: Payment Outages – What’s Next?, arranged by CIMB Thai Bank Plc.- CIMB Expert Talk Series: Net Zero Pathways: Managing Risks & Taking Opportunities arranged by CIMB Group Holdings Bhd- Sustainability Update to The Board of Directors arranged by CIMB Thai Bank Plc.- Joint Board Meeting on Risk Posture arranged by CIMB Group Holdings Bhd- 5th Directors’ Sharing Session arranged by CIMB Group Holdings Bhd- Culture Workshop arranged by CIMB Thai Bank Plc.- Managing Cyber Risk arranged by CIMB Thai Bank Plc.
8. Dato’ Abdul Rahman Ahmad	<ul style="list-style-type: none">- CIMB Expert Talk Series: Net Zero Pathways: Managing Risks & Taking Opportunities arranged by CIMB Group Holdings Bhd- Joint Board Meeting on Risk Posture arranged by CIMB Group Holdings Bhd- 5th Directors’ Sharing Session arranged by CIMB Group Holdings Bhd- Culture Workshop arranged by CIMB Thai Bank Plc.
9. Mrs. Vera Handajani	<ul style="list-style-type: none">- CIMB Expert Talk Series: Net Zero Pathways: Managing Risks & Taking Opportunities arranged by CIMB Group Holdings Bhd- Joint Board Meeting on Risk Posture arranged by CIMB Group Holdings Bhd- 5th Directors’ Sharing Session arranged by CIMB Group Holdings Bhd- Culture Workshop arranged by CIMB Thai Bank Plc.- Managing Cyber Risk arranged by CIMB Thai Bank Plc.
10. Mr. Paul Wong Chee Kin	<ul style="list-style-type: none">- Director Certification Program (DCP) arranged by Thai Institute Of Directors and Director Accreditation Program (DAP)- Knowledge Sharing by Dr. Tanai Khiaonarong: Payment Outages – What’s Next? arranged by CIMB Thai Bank Plc.- CIMB Expert Talk Series: Net Zero Pathways: Managing Risks & Taking Opportunities arranged by CIMB Group Holdings Bhd- 5th Directors’ Sharing Session arranged by CIMB Group Holdings Bhd- Culture Workshop arranged by CIMB Thai Bank Plc.

Evaluation of the Board’s and Board Committees’ Performance

The Bank has conducted an annual evaluation of the Board’s and Board Committee’s performance to allow Board and Board Committee members to jointly review their performance, raise problems and obstacles concerned, and give observations and recommendations for improvement of operational efficiency and alignment with the business direction on enhancing sustainable growth. The evaluation result will be compiled and concluded by the Board Secretary before presenting to the Chairman of the Board.

As for Board Committees, namely Audit Committee, Nomination, Remuneration and Corporate Governance Committee, and Board Risk and Compliance Committee, their performances are evaluated on a yearly basis so that each Board Committee can review its performance in the past year relative to the duties and responsibilities assigned by the Board and use the evaluation results for improvement of its performance of duties. The evaluation is by way of self-assessment of the committee as a whole and on an individual basis. The Board Secretary will send the evaluation form to each committee member for the conduct of self-assessment and later compile and conclude the results of which together with recommendations from each Board Committee before presenting to the Chairman of the Board.

Moreover, the Bank will conduct annual evaluation of the President and Chief Executive Officer’s performance, taking into consideration the key performance indicators determined based on the Bank’s strategies and targets each year. The evaluation results will be compiled and concluded by the Board Secretary before presenting to the Chairman of the Board.

Remuneration of Directors

The Board has a policy to disclose information on the remuneration of its directors and senior executives in compliance with the Public Limited Companies Act, B.E. 2535 (1992) and the requirements of the supervisory and regulatory bodies and has assigned the Nomination, Remuneration and Corporate Governance Committee to consider and determine the criteria for payment of remuneration and other benefits to the directors at appropriate rates commensurate with the scope of duties and responsibilities assigned and in line with or on a par with those paid by other banks of similar ranks.

The shareholders will approve the monetary compensation structure and rate for Board and Board committee members, while the determination of any compensation that is deemed appropriate resides with the Nomination, Remuneration and Corporate Governance Committee.

Please refer to CIMB Thai’s Annual Report 2022 (Form 56-1 One Report) for further details on remuneration and compensation of Directors and executive management.

Codes of Conduct

CIMB Thai is committed to operating its business in accordance with ethical standards and responsibility for all stakeholders. Codes of conduct are an integral part of good corporate governance. The Board of Directors has approved the Codes of Conduct as a set of standards of behavior that are expected from all employees of CIMB Thai as well as the Board in terms of engagement with customers, business associates, regulators, colleagues, and other stakeholders.

The Bank has put in place 11 principles of the codes of conduct for its directors and employees of all levels to strictly adhere to in carrying out business operations as follows:

- **Customers**

The Bank is determined to protect the interests of, pay attention to and take responsibility for, as well as bring maximum satisfaction to the customers, by offering quality and efficient services and products.
- **Shareholders**

The Bank is determined to operate its business efficiently, effectively and transparently, with appropriate and consistent growth and stability of returns to the shareholders, and to put best efforts in maintaining its assets, reputation and good image.
- **Employees**

The Bank considers all staff a valuable resource and is thus determined to promote and develop their knowledge and capabilities for their career progress and stability and proper remuneration commensurate with their capabilities and performance.
- **Trade partners/creditors**

The Bank adheres to operating its business with integrity on the basis of contractual compliances and under business conditions which are fair and equitable to the creditors.
- **Integrity, Fairness, and Morality**

The Bank is determined to operate its business with integrity under code of best practice and with due adherence to equitable provision of services. It will not support or compromise on any violation of the laws, rules and regulations, as well as code of best practice.
- **Corporate Social Responsibility**

Corporate social responsibility (CSR) is part of the Bank’s policy of giving back to the society by strictly complying with the relevant laws and regulations, and assisting and supporting activities that benefit the community and the society as a whole.
- **Responsibility for Competitors**

The Bank has a policy to promote competition under fair and transparent rules and circumstances, with no access to competitors’ confidential information in an unethical manner and no ill intention to the reputation of competitors through false or unfair statements or acts.
- **Customers’ Confidentiality**

The Bank is determined to build customers’ trust by keeping customers’ confidential information, thereby no such information shall be disclosed unless upon customers’ written permission or in case of disclosure as required by law.

• **Knowledge and Capabilities in Business Operations**

The Bank will operate its business to be on par with the professionals in the same field by performing its duties effectively according to academic principles with combination between new knowledge and technologies. At the same time, it shall promote the use of specialists within the field to serve customers in order to achieve its business operational aim and to provide the utmost benefits to its customers.

• **Strict Adherence to and Compliance with Rules and Regulations**

The Bank is determined to operate its business with sincerity and in conformity to the laws and regulatory rules, criteria and standards, code of conduct and best practice for employees, to ensure optimum benefits to customers and service users.

• **Cooperation with Regulators**

The Bank has put in place a policy to fully cooperate with relevant regulators by reporting news and information on an accurate, complete, timely and regular basis to ensure its business operations in line with the principles of good corporate governance.

The Bank has policies in place to prevent conflicts of interest, and inappropriate connected transactions or related-party transactions. These include:

- Policy for consideration of the granting of credits to and investments in, and undertaking contingent liabilities or other credit-like transactions with, the Bank’s major shareholders and related persons thereof or businesses with beneficial interest related to the Bank, or the directors or persons with managing authority of the Bank, which must adhere to the ratios stipulated by the BOT. Any such grant must be approved unanimously by the Board, and no director or person with managing authority who benefits from the granting of credits and investments, and the undertaking of contingent liabilities or other credit-like transactions, can take part in the decision-making process. In addition, the Bank has in place the policy relating to prohibition of and criteria for granting of credits and undertaking contingent liabilities or other credit-like transactions with the Bank’s directors or persons with managing authority of the Bank and/or subsidiaries in the financial business group of the Bank, including the related persons thereof. Such transactions and undertakings are monitored to ensure compliance with the relevant laws and regulatory requirements.
- Conflict Management, Chinese Wall and Personal Account Dealing Policies which set ethical principles, prohibitions, criteria and practice guidelines for employees to prevent access to or use of internal information on the customers that has not yet been disclosed publicly for personal benefits or benefits of any persons in relation to the employees’ performance of duties assigned by the Bank.
- Policy for undertaking major transactions as provided in the corporate governance principles of the Bank, comprising entering into connected transactions and/or making transactions to acquire or dispose of the Bank’s core assets and/or rights to acquire or dispose of the Bank’s core assets. The Bank must comply with the requirements of regulatory agencies.

Membership Associations

CIMB Thai and its representatives play significant roles in various associations and advocacy organizations in Thailand. We participate in projects and committees to drive various agendas

in line with our regulators such as the Bank of Thailand and the Stock Exchange of Thailand. For instance, as a member of the Association of International Banks and the Thai Bankers Association, the Bank’s Sustainability Team has been actively involved in the working group of the upcoming Thailand Taxonomy, which is part of the Bank of Thailand’s drive towards sustainable finance.

Association	Type of Association
The Association of International Banks (AIB)	Trade Association
The Thai Chamber of Commerce	Trade Association
Board of Trade of Thailand	Trade Association
The Thai Bankers’ Association (TBA)	Trade Association
Thai Listed Companies Association (TLCA)	Trade Association
The Stock Exchange of Thailand (SET)	Regulator
The Securities and Exchange (SEC)	Regulator
Thailand Securities Depository Company Limited (TSD)	Regulator

Compliance with Laws and Regulations

As a sustainable and responsible bank, we address any non-compliance, or failure to comply with, laws and regulations that are applied to the Bank. Compliance with laws and regulations give insight into the ability of the Bank’s management to ensure that we conform to robust performance parameters.

For the purposes of reporting in accordance with the GRI Standards, laws and regulations include:

- International declarations, conventions, and treaties;
- National, subnational, regional, and local regulations;
- Binding voluntary agreements made with regulatory authorities and developed as a substitute for implementing a new regulation;
- Voluntary agreements (or covenants), if the organization directly joins the agreement, or if public agencies make the agreement applicable to organizations in their territory through legislation or regulation.

For the reporting year 2022, there were no significant instances of non-compliance with laws and regulations or no fines were paid.

However, the Bank has incurred additional fee to the Stock Exchange of Thailand (the SET) because the Bank had not met the free-float criteria of SET this year. The SET requires a listed company to maintain its free-float at a certain level after being listed, by not having less than 150 minor shareholders or not having minor shareholders holding less than 15% of paid up capital as per the shareholder list as of the closing date for the annual general meeting of shareholders. Any listed company not meeting the free-float criteria will be obliged to pay additional fee apart from the annual listing fee. Nevertheless, this has no material Sustainability impacts on the Bank or its stakeholders.

CIMB Thai's Sustainability Strategy and Approach

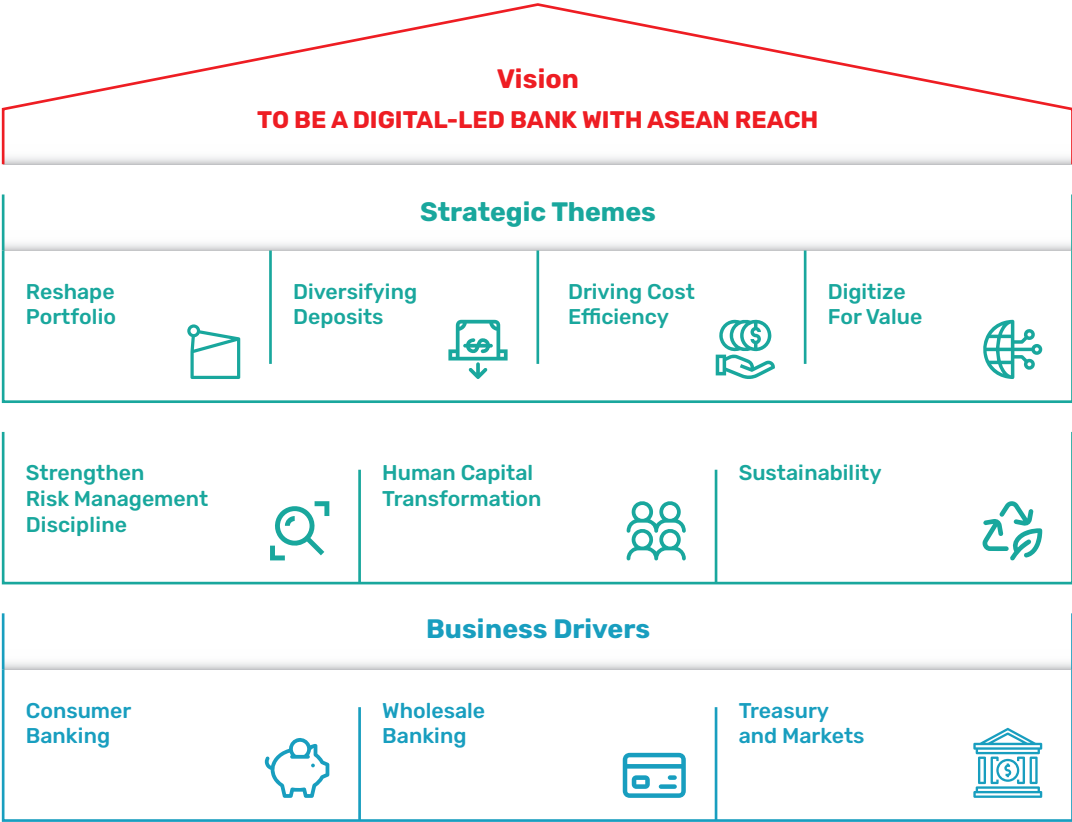
The Bank places Sustainability as a key strategic pillar and value driver, this is reflected in our Forward23+ strategic plan which aligns our aspirations towards becoming a visible shaper of Sustainability practices in the ASEAN community for strategic differentiation and future-proofing of the Bank as part of the CIMB Group.

CIMB Thai has developed internal governance structures, policies, and frameworks to manage environmental and social risks as part of CIMB Group, in our dealings with customers, partners, and other stakeholders. In order to put our sustainability commitments into practice, we have implemented various programs to propel ourselves towards a more sustainable banking model. These programs include embarking on carbon footprint reduction projects within our operations, empowering employees to contribute towards Sustainability within the organization, managing longer-term climate risks in our business portfolio, assessing Human Rights risks across the Bank, and engaging and encouraging our customers and peers towards Sustainable practices.

Key focus areas include enhancing our Sustainability risk management processes through developing and implementing policies and procedures that help to ensure CIMB Thai manage indirect environmental and social impacts arising from our financing of customers. Through CIMB Thai's core businesses, we work with a diverse set of customers and industries across the Thai market and in ASEAN. These include, but are not limited to, agriculture, construction and infrastructure, oil and gas, manufacturing, technology, financial institutions, as well as power and utilities sectors.

Since Sustainability is one of the key strategic themes for CIMB Thai to become a purpose-driven organization and it is an essential part of our Forward23+ transformation journey, we continue to deepen integration of sustainability considerations into decision making in our core business. We have refined and enhanced our Sustainability commitments by setting ambitious targets.

- CIMB Thai's Sustainability targets are aligned with CIMB Group's targets, which include:
- Achieving net zero GHG Scope 1 and 2 emissions in our operations by 2030 and overall net zero GHG by 2050 (including Financed Emissions and other categories in Scope 3).
 - No Deforestation, No Peat, No Exploitation (NDPE) commitment
 - Mobilizing sustainable finance – CIMB Thai contributes to the group-wide target of RM60 billion by 2024 under our Green, Social, Sustainable Impact Products & Services ("GSSIPs") Framework, which is doubled from the RM30 billion target previously announced in 2021
 - Halving the financing and investment exposure to the thermal coal mining sector by 2030 and exit the coal mining sector by 2040
 - Volunteer hours per employee

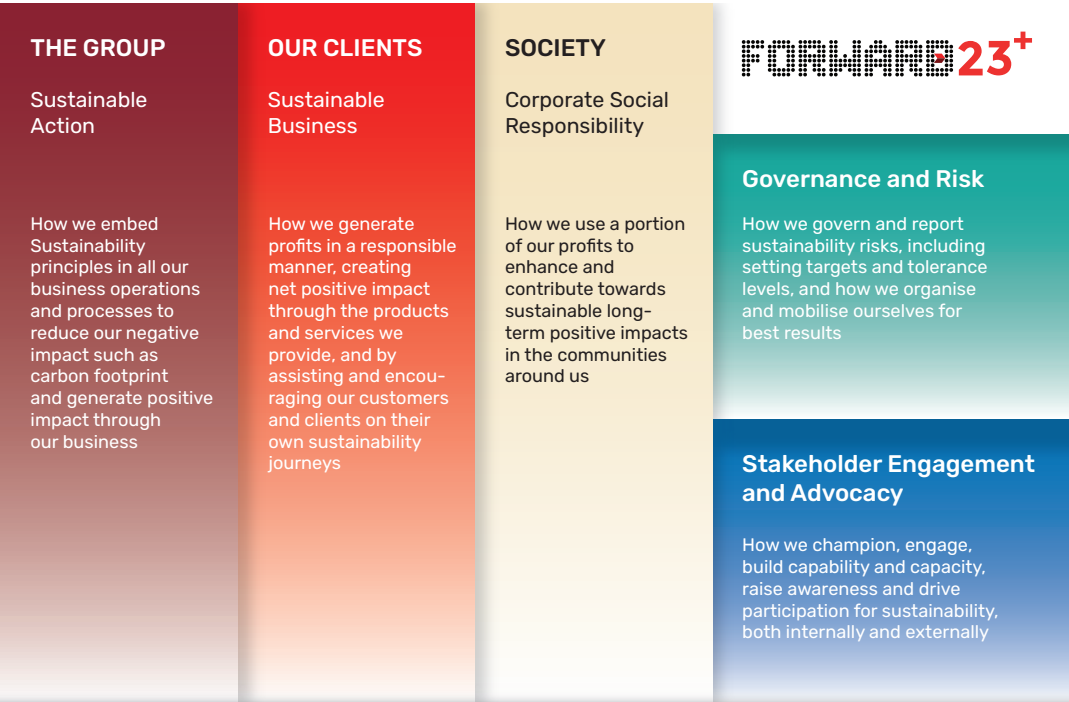


In 2019, the Bank signed the Memorandum of Understanding (MOU) on the Responsible Lending Guideline by the Thai Bankers' Association (TBA), signaling our commitment towards building a sustainable future and embedding sustainability practices into our business operations. The Bank's Board and Management play a significant role in building and strengthening our organizational capability to become a sustainable organization whilst following the principles of sustainable banking.

In 2020, we launched the Sustainability Policy (SP) and Sustainable Financing Policy (SFP) which are a set of fundamental guidelines used to navigate our businesses and operations to be aligned to our sustainability goals.

The Bank began to set up a formal Sustainability Division since 2021 under the Strategy and CEO's Office to drive, anchor and monitor key sustainability initiatives. We operate according to CIMB Group's Sustainability framework and work closely with key representatives from Malaysia, Indonesia, Singapore and Cambodia to share best practices within the region.

In September 2021, we signed TBA's Statement of Commitment to "Sustainable Thailand" along with other Thai banks across the country, which declared CIMB Thai's commitment towards conducting our business responsibly based on the principles of sustainable banking and investments aligned to the United Nations Environment Program Finance Initiative (UNEP FI).



Our Sustainability Roadmap

Our Group-wide Sustainability roadmap is designed to operationalize and deliver on our sustainability philosophy and aspirations. The roadmap covers all identified material matters across the Economic, Environmental, Social and Governance (EES&G) spectrum, and aims to deliver net positive impacts to our stakeholders, including the economy, communities and environment.

Our impact in these areas occur in our operations, downstream with our customers, and upstream with our vendors and suppliers. While we can directly effect change in our own operations, we strive to positively influence our key stakeholders towards better sustainability performance. We focus especially on working with our customers to create positive change, for example, by providing access to financial services to the underbanked and unbanked, and providing innovative sustainable finance solutions to further our customers’ own sustainability efforts.

Here in CIMB Thai, we manage impacts and deliver our commitments through our Sustainability pillars:

- 1. Sustainable Action
- 2. Sustainable Business
- 3. Governance and Risk
- 4. Stakeholder Engagement and Advocacy (including Corporate Social Responsibility)

Roles and Responsibilities in Sustainability

The Bank allocates responsibility to implement the commitments across different levels within the organization. We actively integrate commitments into organizational strategies, operational policies, and operational procedures.

In alignment with CIMB Group which established the Group Sustainability Department in 2019, CIMB Thai has since 2021 began establishing the Bank’s dedicated Sustainability Team under the Strategy and CEO’s Office. By 2022, the Bank had a fully functional Sustainability Team to support the Bank’s governance and oversight on all sustainability and Environmental, Social and Governance (ESG) matters, as well as drive to strategies and action plans that meets our regulatory, Group and stakeholder requirements and expectations.

Role	Responsibility
CIMB Thai Sustainability Lead, in alignment with CIMB Group Head of Sustainability and Group Chief Sustainability Officer	<ul style="list-style-type: none">(a) Develop Sustainability strategies and frameworks, and oversee implementation, adequacy and effectiveness of policies and key controls.(b) Monitor key regulatory developments and ensure alignment.(c) Provide updates to governance committee on policy related matters, risks and areas of concern as identified from time-to-time.
CIMB Thai Sustainability Team under Strategy and CEO’s Office, with alignment with CIMB Group Sustainability	<ul style="list-style-type: none">(a) Drive and oversee implementation of overall sustainability framework and strategy.(b) Oversee adequacy and effectiveness of policies and key controls and provide updates to the Group Sustainability Council on policy related matters, risks and areas of concern as identified from time-to-time.(c) Monitor key regulatory developments and ensure alignment.(d) Review Policy dispensation requests, ensure adequate Sustainability due diligence is conducted by Business Units and Business Enablers, conduct in depth Sustainability investigations where required, and provide recommendations from a Sustainability perspective to the appropriate party for approval where required.(e) Support, supervise and enable Business Units and Business Enablers in their application of policies and ensure alignment and consistency of the Sustainability standards throughout the Bank. In this coordinating role, the team actively liaises with the other departments within the bank on Sustainability issues, oversees Sustainability governance and facilitates Sustainability reporting internally and externally.(f) Conduct annual reviews of the policies to assess the need for any additions or changes.

Role	Responsibility
CIMB Thai Management Committee	<div><div>(a)</div><div>Oversee and drive the Bank’s Sustainability vision and strategies bank wide, in alignment with the overall CIMB Group Sustainability strategy.</div></div> <div><div>(b)</div><div>Oversee the Sustainability risk profile of the Bank’s business activities and to ensure the implementation of appropriate frameworks, policies, methodologies, procedures and/or controls so as to mitigate Sustainability risks.</div></div> <div><div>(c)</div><div>Review, recommend or approve (whichever is applicable) business activities or transactions with high sustainability risk, ensuring that the Bank’s activities meet regulatory guidelines, approved policies and procedures as well as risk appetite from a Sustainability risk perspective.</div></div> <div><div>(d)</div><div>Review material Sustainability risks for the Bank and track management responses and actions in order to ensure active management of Sustainability risks.</div></div>
Board of CIMB Thai	<div><div>(a)</div><div>Establish, in conjunction with management, the Sustainability framework and strategy in support of the Bank’s vision, and oversee and monitor the effectiveness of overall Sustainability strategies, policies and commitments.</div></div> <div><div>(b)</div><div>Review and approve appropriate policies for the Bank</div></div> <div><div>(c)</div><div>Ensure and oversee the institutionalization and embedding of Sustainability as part of the Bank’s business strategy and operations.</div></div>
Business Units and Business Enablers	<div><div>(a)</div><div>Business Units are responsible for integrating Sustainability considerations, risks and opportunities into business and risk management policies and processes and report on progress. Although implementation of the Sustainability strategies, policies and management of environmental and social risk are the responsibilities of all employees, frontline units are the primary owners of risk. Frontline units are responsible for performing the appropriate due diligence on new and potential business relations to ensure that the business relations and proposed transactions are consistent with the Sustainability standards of the Bank.</div></div> <div><div>(b)</div><div>Business Enablers, whilst also responsible for ensuring adherence to Sustainability policies, perform a secondary role and must escalate to the Sustainability Team appropriately when they encounter Sustainability risks.</div></div>

Role	Responsibility
CIMB Group Sustainability Council	<div><div>(a)</div><div>To monitor the Sustainability risk profile of CIMB Group’s group-wide business activities and to ensure the implementation of appropriate frameworks, policies, methodologies, procedures and/ or controls so as to mitigate Sustainability risks.</div></div> <div><div>(b)</div><div>To review (via notification or otherwise), recommend or approve (whichever applicable) business activities or transactions with high Sustainability risk, ensuring that CIMB Group and CIMB Thai’s activities meet regulatory guidelines, approved policies and procedures as well as risk appetite from a Sustainability risk perspective.</div></div> <div><div>(c)</div><div>To review material Sustainability risks for the Group and track on management responses and actions in order to ensure active management of Sustainability risks.</div></div>

Our Sustainability Policies and Commitments

CIMB Thai adheres to CIMB Group’s Sustainability philosophy where our view of our business goes beyond short-term profits. We continue to be a progressive financial institution, fulfilling not only the expectations of our stakeholders today, but safeguarding the needs of future generations.

Our core business of banking aspires to fulfil the promise of a better future, where economic growth empowers people and businesses, creates new opportunities, and reduces risks such as social inequalities and environmental harms.

Our philosophy on Sustainability is to enable the following:

- Proactively integrate economic, environmental and social considerations in our financing, investments, procurement, and in managing our people and operational impacts.
- Engage actively and openly with our stakeholders regarding the management of sustainability risk, and to identify opportunities for sustainable growth.
- Create net positive impact, adopting an inclusive approach to our business relations, and strive to positively influence their own sustainability performance and commitment.
- Respect human rights and exercise a precautionary approach, taking due care and diligence to evaluate, adopt and advocate measures that will prevent and minimize environmental harm as well as promote social equality and equity.
- Recognize and be guided by internationally recognized principles from key organizations to promote responsible performance in a manner consistent with the size, scale and complexity of our business and risk profile.




Our policy commitments apply to all of the Bank’s activities and business relationships equally. Policy commitments need to be read, agreed to, or regularly signed by employees, business partners, and other relevant parties, such as governance body members, whenever necessary or appropriate.



Policy commitments are effectively communicated through formal and informal meetings, newsletters, email announcements, corporate website, internal database, contractual agreements and through the control and effectiveness testing process. Potential barriers to the communication or dissemination of the policy commitments are removed by making them accessible and available in English and Thai languages.

Our sustainability principles are aligned and guided by our commitments, including:

- 1. THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (SDGs) – We have prioritized seven SDGs which form the cornerstone of our sustainability programs and initiatives. Our Green, Social, Sustainable Impact Products and Services (GSSIPs) Framework guides our initiatives that lead to meeting the SDGs.
- 2. UNEP FI PRINCIPLES FOR RESPONSIBLE BANKING – We were one of the banking groups that drafted the Principles for Responsible Banking (PRB), and are one of the founding signatories. The six Principles align banks with the SDGs and the Paris Climate Agreement. They set the global benchmark of a responsible bank and provide actionable guidance for how to achieve this.

<p>Principle 1 :</p>  <p>Alignment</p> <p>We will align our business strategy to be consistent with and contribute to individuals' needs and society's goals, as expressed in the Sustainable Development Goals, the Paris Climate Agreement and relevant national and regional frameworks.</p>	<p>Principle 2 :</p>  <p>Impact & Target Setting</p> <p>We will continuously increase our positive impacts while reducing the negative impacts on, and managing the risks to, people and environment resulting from our activities, products and services. To this end, we will set and publish targets where we can have the most significant impacts.</p>	<p>Principle 3 :</p>  <p>Clients & Customers</p> <p>We will work responsibly with our clients and our customers to encourage sustainable practices and enable economic activities that create shared prosperity for current and future generations.</p>
<p>Principle 4 :</p>  <p>Stakeholders</p> <p>We will proactively and responsibly consult, engage and partner with relevant stakeholders to achieve society's goals.</p>	<p>Principle 5 :</p>  <p>Governance & Culture</p> <p>We will implement our commitment to these Principles through effective governance and a culture of responsible banking.</p>	<p>Principle 6 :</p>  <p>Transparency & Accountability</p> <p>We will periodically review our individual and collective implementation of these Principles and be transparent about and accountable for our positive and negative impacts and our contribution to society's goals.</p>

- 3. COLLECTIVE COMMITMENT TO CLIMATE ACTION – CIMB Group is a signatory to the Collective Commitment to Climate Action, and are committed to align our portfolios to reflect and finance the low-carbon, climate-resilient economy required to limit global warming to well below 2 degrees Celsius, striving for 1.5 degrees Celsius. We commit to mobilize our products, services and relationships to help facilitate the economic transition necessary to achieve climate neutrality.
- 4. NET-ZERO BANKING ALLIANCE – As part of this Race to Zero commitment, we will align our financing and investment portfolios with Net-Zero emissions by 2050. Combining near-term action with accountability, we will be setting intermediate targets for 2030 or sooner, using robust, science-based guidelines.

Sustainability Policy (SP)

CIMB Thai fully rolled out our Sustainability Policy to guide our overarching sustainability actions, embedded into all business decisions and processes that involve our business relations. The Bank’s Sustainability Policy outlines our approach to sustainability including our sustainability risk management.

The policy seeks to provide clarity and transparency around how Sustainability risks and opportunities are managed across the Bank, in consideration of risks arising from our business relationships and diverse stakeholder expectations:

- 1) Internal Operations: The Bank will aim to ensure that the management of its internal operations and employees is consistent with applicable Sustainability policy requirements.
- 2) Business Activities and Relations: The Bank will not knowingly engage in business activities or with business relations that do not meet its Policy requirements.
- 3) Net Positive Impact: We will always strive to create a net positive impact on our business relations and the community. We will adopt an inclusive approach to our business relations and strive to positively influence their sustainability performance and commitment.
- 4) Opportunities for Sustainable Growth: The Bank will engage actively and openly with our stakeholders regarding proactive management of Sustainability risk and identification of opportunities for sustainable growth.
- 5) Integrating Economic, Environmental and Social Risk Assessments: The Bank will take a proactive approach to integrate economic, environmental and social risk assessments in central processes such as lending/financing, investments, procurement, and managing operational impacts.

In driving these Principles, we take the following approach:

- Our focus on environmental and social issues / risks must begin with addressing impacts from our own operations and how we manage our employees. The Bank will take appropriate measures to ensure that its internal operations and employees are managed in a manner that is in alignment with the spirit and intent of the Policy requirements.
- We will take appropriate measures to manage the Sustainability risk of our business activities to the extent possible, and will not knowingly engage in business activities or with business relations that are on our Exclusion List of activities. The Bank will take reasonable steps to assess the Sustainability risk of business relations. If the Bank concludes that the business relation is not committed to a level of Sustainability performance that meets policy requirements, or that the business relation is engaged in any Exclusion List activities, the Bank will not engage with the business relation.
- Upholding a just transition along our transformation in greening the economy in a way that is as fair and inclusive as possible to everyone concerned, creating decent work opportunities, and leaving no one behind.
- Whilst we recognize that our business relations are fully responsible for their own actions and decisions, we will use our influence and relationships to steer them towards Sustainable practices. We will strive to engage and equip them with knowledge and skills that may be required for championing and meeting Sustainability commitments. Our ultimate objective is to continue providing seamless access to finance across geographies where we operate, and the business landscape that we cover, as well as enhancing financial knowledge and supporting people and businesses to fulfil their aspirations and achieve meaningful growth.
- CIMB Thai maintains a constructive and open exchange of ideas on Sustainability with a broad range of its stakeholders. The Bank is committed to having a transparent process and will demonstrate its engagement on Sustainability issues by actively discussing environmental and social matters with its stakeholders, in terms of both risks and opportunities.

- CIMB Thai adopts the precautionary principle is set out in Principle 15 of the UN Rio Declaration on Environment and Development. It states: ‘Where there are threats of serious or irreversible damage, lack of full scientific certainty shall not be used as a reason for postponing cost-effective measures to prevent environmental degradation.’ The precautionary principle means taking early action to prevent and mitigate potential negative impacts in situations where conclusive scientific understanding or evidence is lacking, but there is sufficient reason to expect serious or irreversible damage. While the precautionary principle is most often associated with the protection of the environment, it is also applied to other areas, such as health and safety.

Sustainable Financing Policy (SFP)

The Sustainable Financing Policy provides guidance on relevant environmental and social risks and their related impacts to our customers, stakeholders, environment and ourselves. The SFP enables the Bank to make informed decisions according to our values and aspiration to provide responsible and sustainable financial services.

This policy is a key component of CIMB Group’s Sustainability Risk Management Framework, and is implemented in CIMB Thai to integrate environmental and social considerations into the Bank’s financing decisions at the customer and transaction level, in order to manage environmental and social risks arising directly or indirectly from customers and activities. Aggregate risks at the overall sector and portfolio level are controlled via other components of the Group’s Sustainability Risk Framework, such as via sector limits and scenario analysis for sensitive sectors.

The SFP has been developed considering the commitments, principles, and standards to which the Bank will be accountable to. Through the policy, we seek to identify, assess, and manage risks arising from financing customers and sectors that have the most impact on, and are most vulnerable to, environmental and social risks.

All new financing and existing uncommitted facilities are covered within the scope of the SFP. This includes annual renewal and reviews of existing uncommitted facilities, such as working capital loans/ financing and bank guarantees.

High Sustainability Risk Sector Guide

CIMB Thai maintains a list of sectors and subsectors which are deemed to be faced with high current or potential environmental and social risks. This list of high-risk sectors is reviewed periodically to ensure continued relevance.

Palm Oil	Customers involved in the planting of oil palm, and manufacturing palm oil and its products
Forestry	Customers involved in logging activities in natural forests and silviculture (forest plantations), including rubber plantations

Construction & Infrastructure	Customers involved in the following activities: <ul style="list-style-type: none">Construction of roads, railways, utility projects, airports, harbors and other civil engineering projectsInfrastructure including for airports, harbours, highways and bridgesConstruction of real estate developmentsDemolitionSite preparation
Oil & Gas	Customers involved in upstream activities of the oil & gas industry, including support activities for those businesses and/or projects and in the construction of oil & gas pipelines
Mining & Quarrying	Customers involved in the mining and quarrying of raw materials, including but not limited to extraction of gold and tin, mining of iron ores, non-ferrous metals, radioactive materials, chemical and fertiliser minerals quarrying of stone, sand and clay, extraction of peat
Coal & Power Generation	Customers involved in mining of coal, coal-fired electric power generation, transmission and distribution, shipping of coal infrastructure built for coal, manufacturing of coal and its products, and coal contractors
Manufacturing	Customers involved in manufacturing, including processing of mined materials i.e. coal, iron ore, oil and gas; automotive and transport, materials used in construction including cement and steel; agricultural products including pulp and paper and rubber products; semi-conductor & computer equipment, electrical & electronic equipment, machinery, chemicals, plastics, textiles, apparel and leather goods
Permitted Exemption Activities	Arms & Munitions, Casino and Gaming, World Heritage Sites <i>(as described in the section on Permitted Exemptions to Exclusion List)</i> .

Exclusion List

CIMB Thai’s Sustainability Exclusion List as stipulated in the Bank’s Sustainability Policy includes activities that contravene laws and regulations, and where there is an imminent risk to life and wellbeing. Financing of activities on our Exclusion List is prohibited.

We will not engage with customers proven to be involved in illegal activities, bribery, illegal logging or, terrorism, or operating in breach of national labour laws. We will also not finance any new (or expansions of) coal-fired power plants and thermal coal mines.

Financing involving Casinos and Gaming, Arms and Munitions, and developments within World Heritage Sites are also on our Exclusion List, although there are very specific and limited Permitted Exemptions in place, subject to escalated approvals.

Environmental Management Policy (EMP)

The environment and natural resources are fundamental to the well-being of people. We are aware that climate change and global warming have wide-ranging impacts on all sectors and believes that businesses and financial institutions should play a significant role in mitigating climate change by working to lessen the negative environmental effects of its operations and encouraging the preservation of natural resources.

Aligning with the United Nations Sustainable Development Goals (UN SDGs) and the Paris Climate Agreement, the Bank takes critical accountability and responsibility to conduct its business through efficient utilization of energy and resources to reduce and prevent any negative environmental impact that may contribute to climate change.

CIMB Thai’s Environmental Management Policy seeks to provide clarity and holistic approach on the Bank’s environmental management towards contributing to climate action, climate change adaption and sustainable development in a manner consistent with the CIMB Group’s Sustainability aspirations and framework and other internal / external expectations.

The objectives of the EMP are as follows:

1. Avoid or minimize our negative environmental impacts and ensure optimal environmental management and resource efficiency;
2. Raise awareness and ensure collective participation in enhancing CIMBT’s environmental performance and in achieving the environmental targets and objectives;
3. Ensure compliance with national and/or international regulatory authority stipulations and guidelines.

Human Rights Policy

CIMB Thai’s Human Rights Policy commitments outline our principles and approaches to human rights as well as provide guidance on identifying, assessing, and managing salient human rights risk which present the most severe potential negative impacts.

We define Human Rights risk as: “Risk arising from the Bank’s role as a financier, employer, purchaser, investor, service provider, operator, advisor, business partner, sponsor, or a corporate donor due to a breach of human rights, which are basic rights that allow individuals the freedom to lead a dignified life, free from fear or want, and free to express independent beliefs. These rights apply equally and universally in all countries. Human Rights risk may manifest in different forms of violations such as human trafficking, modern slavery, forced or debt bonded labour, child labour, poor working conditions, forced or involuntary displacement of indigenous communities, amongst others.”

We are committed to upholding and complying with the following international human rights laws and standards including:

1. The International Bill of Human Rights, including the Universal Declaration of Human Rights, International Covenant on Civil and Political Rights, and the International Covenant on Economic, Social and Cultural Rights
2. UN Guiding Principles on Business and Human Rights, in particular, the recognition of the role of business enterprises as specialized organs of society performing specialized functions, to comply with all applicable laws and to respect human rights.
3. International Labour Organization Declaration on Fundamental Principles and Rights at Work
4. International Labour Organization Conventions ratified and in force in Thailand

Whistle Blowing Policy and Mechanism

CIMB Thai’s Whistle Blowing Policy sets out avenues for legitimate concerns to be objectively investigated and addressed. The Board of Directors has put in place channels to receive report on suspicious fraud/corruption incidents or behaviors, or any conduct which employees and stakeholders believe or suspect that may be involved with fraudulent/corruption acts in the future.

• Channels for Whistleblowing and Complaints

Any employees or stakeholders who find illegal conduct, fraud or action against the rules and procedures in place can report to the Chairman of the Board, the Audit Committee Chairman, or the President and CEO:

Address

: CIMB Thai Bank Public Company Limited
No. 44, 21st Floor, Langsuan Road, Lumpini, Patumwan, Bangkok 10330

Email

: chairman@cimbthai.com
ac_chairman@cimbthai.com
ceo@cimbthai.com

Tel

: 02 626 7000 or 02 638 8000

The Bank will carry out an investigation by maintaining confidentiality on the whistleblower’s or the complainant’s identity to prevent any negative impact or any form of retaliation. The Bank is to proceed in accordance with the steps and procedures in place, together with having a written record of the investigation results, which must be safely kept in confidentiality and only accessible by authorized persons.

• Complaints lodging channels

The following are generally accepted as improper and reportable conduct for whistleblowing, of which the list is not exhaustive:

- Any unlawful or illegal activities, whether criminal or breach in civil law
- Breach of policies and/or procedures;
- Fraud, theft, embezzlement or dishonesty
- Corruption/bribery
- Bullying and harassment
- Actions which can cause physical danger/harm to another person and/or can give rise to risk of damage to properties/assets

- Forgery or alteration of any documents belonging to the Company, customers, another Financial Institution, or agents of the Company
- Poor or unethical sales practices, including mis-selling
- Profiteering as a result of insider knowledge
- Gross mismanagement or dereliction of duties
- Conflict of interest
- Misuse of position or information
- Any other similar or related irregularities

The Bank is aware of reputation risk and importance of customer satisfaction. It has thus set up an independent centralized complaint management unit, i.e. Customer Experience Management (CX), which works closely with customer touchpoints such as CIMB Thai Care Centre and other units to efficiently govern handling of customers’ complaints and queries. CIMB Group’s Customer Complaint Handling Policy and Procedures have been used in CIMB Thai to set out the standard framework and mechanism for dealing with customers’ complaints in accordance with local regulatory requirements and group-wide standards. This would ensure that all complaints are handled objectively by relevant subject matter experts in a fair and timely manner.

Lastly, the Bank has also put in place robust processes to provide for the remediation of negative impacts or risks that it has caused or contributed to in its operations:

1. For operational risk events with an impact of Critical or High, an escalation alert email must be sent by the Business Unit to the defined distribution list. The alert or escalation e-mail should be sent by the end of the following working day upon event detection. The Business Unit should also ensure that such events are escalated to the Head of Business Unit and to Operational Risk Management (ORM) the same day.
2. For non-regulatory events with a Critical or High impact, Root Cause Analysis (RCA) Report must be completed by the Designated Compliance and Operational Risk Officer (DCORO) or their delegate within 4 weeks of the event being notified. Events with regulatory impact regardless of the impact category must be reported in accordance with the Bank’s Compliance Procedure. In the event if the Business Unit has its own investigation report (e.g., Major Incident Review Report or Compliance Monitoring Review Report) it can opt to use this report. However, these reports should state the root cause of the event and submitted for ORM team’s review and action.

Our Identification and Management of Material Topics

As CIMB Thai continues its journey to be a more responsible and sustainable Bank, it is expected to manage and thereafter report information about the most significant impacts of our activities and business relationships on the economy, environment, and people, including impacts on their Human Rights.

The process of determining Material Topics is informed by the Bank’s identification and assessment of impacts in its business relations and business activities. The identification and assessment of impacts involves engaging with relevant stakeholders and it is conducted in line but sometimes independently of the sustainability reporting process.

In 2022, the Bank has established a “Stakeholder Engagement, Impact Assessment, and Materiality” (SIM) Taskforce along with the Group’s regional Sustainability departments including Malaysia, Indonesia, Singapore and Cambodia, to determine the Group and individual country’s Material Topics. This taskforce was chaired by a representative from CIMB Thai’s Sustainability

Team, under the direction of CIMB Group’s Head of Sustainability, with taskforce members comprising representatives from Sustainability counterparts in CIMB’s regional entities.

Stakeholders are individuals or groups that have interests that are affected or could be affected by the Bank’s activities. An interest is something of value to an individual or group, which can be affected by the activities of the Bank. Stakeholders can have more than one interest but not all interests are of equal importance. For instance, stakeholders have a vast array of social interest, but human rights have a particular status as an entitlement of all people under international law. The most acute impacts any company can have on people are those that negatively affect their human rights.

Stakeholder interests can be negatively or positively affected by the Bank’s business activities and business relations. Due diligence is process used to identify stakeholder interests that are or could be negatively affected in this regard.

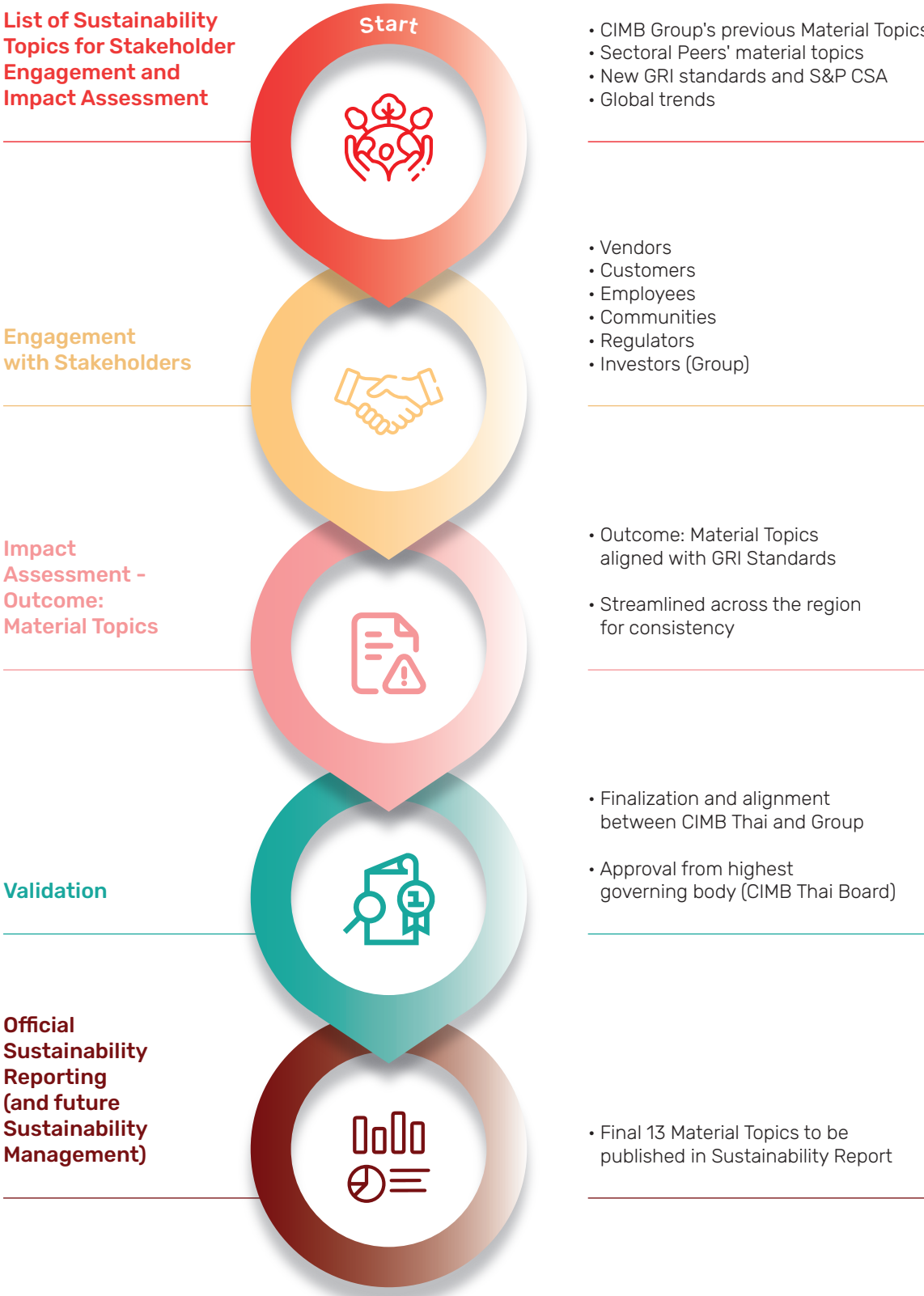
Due diligence refers to the process through which the Bank identifies, prevents, mitigates, and accounts for how it addresses its actual and potential negative impacts on the economy, environment, and people, including impacts on their human rights. Our due diligence in our business-as-usual processes and in Sustainability management, is aligned with the United Nations (UN) Guiding Principles on Business and Human Rights, the Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises, and the OECD Due Diligence Guidance for Responsible Business Conduct.

Sustainability impacts are identified in our business-as-usual due diligence processes, and our annual stakeholder engagement and impact assessment process which covers all economic, environmental and social aspects that are relevant to the Bank. Sustainability impact refers to the effect the Bank has or could have on the economy, environment, and people, including effects on their human rights, as a result of the our activities or business relationships. The impacts can be actual or potential, negative or positive, short-term or long-term, intended or unintended, and reversible or irreversible. These impacts indicate the Bank’s contribution, negative or positive, to sustainable development.

The impacts of the Bank’s activities and business relations on the economy, environment, and people can also have risks and consequences for the Bank itself. These risks and consequences can be operational, reputational or market-driven, and may lead to financial implications. For example, the Bank’s high use of non-renewable energy contributes to climate change but could also result in increased energy costs for the Bank due to decarbonization policies such as carbon caps or carbon taxes in the energy sector that seeks to shift energy use toward renewable sources.

Our management of Material Topics begins with our Materiality process. In accordance with the GRI Standards 2021, the Bank has followed the four steps in determining its Material Topics broken down into five key processes:

- Step 1: Understand the organization’s context
- Step 2: Identify actual and potential impacts
- Step 3: Assess the significance of the impacts
- Step 4: Prioritize the most significant impacts for reporting



In terms of establishing the base parameters for impact assessment, a list of Sustainability topics have been pre-determined based on the Bank’s Sustainability context as a financial institution in Thailand, this list forms the basis of every Materiality process, unless if there are major changes in the Bank’s organizational structure or operational model:

1	Financial inclusion, access to financial services, and financial literacy
2	Sustainability-related financial products and services
3	Responsible financing and banking products
4	Responsible and sustainable supply chain
5	Corporate governance, ethics and compliance
6	Responsible tax management
7	Reducing materials and waste
8	Supporting industry innovation and digitalization
9	Climate change, including mitigation (e.g. greenhouse gas reduction) and adaptation (e.g. resilient infrastructure)
10	Safeguarding biodiversity (marine and land) and protecting the environment
11	Safeguarding water resources and preventing water pollution
12	Talent attraction, growth and retention (including training and capacity building)
13	Health and safety standards and practices
14	Promoting diversity, inclusion, and non-discrimination
15	Upholding human rights and fair labour practices
16	Responsible marketing and communications, and fair dealing
17	Cybersecurity, privacy and data governance
18	Customer experience
19	Organizational culture and values
20	Community engagement and support, and volunteerism
21	Economic performance and business resilience
22	Supporting national policies and initiatives on reducing poverty
23	Access to affordable and clean energy
24	Building sustainable cities and communities
25	Contributing to peace, justice and safeguarding strong institutions

This predetermined list of Sustainability topics are relevant to how the Bank causes, contributes to, or is directly linked to positive or negative Sustainability impacts in its operations and business relations.

The Bank ‘causes’ a negative impact if its activities on their own result in the impact, for example, if any party representing the Bank engages in corruption or bribery.

The Bank ‘contributes to’ a negative impact if its activities lead, facilitate, or incentivize another entity to cause the impact. On the other hand, the Bank can also contribute to a negative impact if its activities in combination with the activities of other entities cause the impact. For example, if the Bank sets an unreasonable delivery lead time for a vendor to deliver a product or service, this could result in excessive overtime for the vendor’s workers to meet the deadline. In such a case, the organization may contribute to negative impacts on the health and wellbeing of these workers.

In CIMB Thai, we understand that both “causing” and “contributing to” negative impacts, can also arise when the we fail to take prevention or mitigation actions.

The Bank is “directly linked” to a negative impact if its operations or services may be directly linked to a negative impact by its business relation. For example, if the Bank uses materials in its services that is manufactured using child or forced labour, the negative impact (human rights violation) is directly linked to the Bank through the tiers in its supply chain even though we have not caused or contributed to the negative impact itself.

Stakeholder engagement surveys are then designed based on these Sustainability topics and distributed to various stakeholder groups for stakeholder engagement and impact assessment. The major internal and external stakeholders that have been identified for the Bank consists of vendors, customers, employees, communities, regulators and investors.

- Stakeholder surveys are designed to enable stakeholders to reflect the significance of the Bank’s impacts in the course of business. The significance of an actual impact is determined by the severity of the impact, whereby the severity of an actual or potential negative impact is determined by the following characteristics:
- i. Scale: how grave the impact is.
 - ii. Scope: how widespread the impact is, for example, the number of individuals affected or the extent of environmental damage.
 - iii. Irremediable character: how hard it is to counteract or make good the resulting harm

The Surveys are designed for stakeholders to rate the significance of each Sustainability topic based on the severity of the impact in the course of business with the Bank. The higher the rating, the more significant the positive or negative impact.

Upon the completion of stakeholder surveys, results were then weighted across stakeholders groups according to criticality:

- Customers – 25%
- Regulators – 25%
- Employees – 15%
- Investors – 15%
- Vendors/Suppliers – 10%
- Communities – 10%

Impacts are thereafter determined based on the consolidated impact ratings provided by all stakeholder groups, and are amalgamated based on the stakeholder weightages. The final outcome would be a list of Material topics for the Bank to further manage these impacts and report it accordingly.

The Materiality process is undertaken every 2 years, or whenever there is a major change in the Bank’s organizational structure or operating model, in order to refresh and update on the latest material topics. In between every Materiality cycle, the Sustainability Team and governance and oversight bodies in the Bank continues to manage the Material Topics and track the relevant outcomes.

Our policies and procedures such as the Sustainability Policy, Sustainable Financing Policy, Environmental Management Policy and Human Rights Policy mentioned above are part of how the Bank manages our Material Topics and other risks and impacts that are currently not ranked as highly material.

The CIMB Thai Sustainability Report 2022, the first Sustainability Report published by the Bank, provides an objective and holistic view of our Sustainability journey, and for us to reflect upon the challenges that we face. Doing this allows us to adapt our approach, strengthen our effort, drive continuous improvement, and promote transparency, so that we can thrive in the long term.

CIMB Thai Bank Public Company Limited has reported in accordance with the GRI Standards for the period 1 January 2022 to 31 December 2022, whereby the scope covers CIMB Thai Bank and its subsidiaries namely CIMB Thai Auto Company Limited and WorldLease Company Limited. The Bank's annual Sustainability reporting is aligned with the same reporting period as covered in its Form 56-1 One Report.

This Sustainability Report and its contents have been approved and reviewed by our highest governance body, i.e. the Board of Directors. For any questions or clarifications with regards to this Sustainability Report, the Sustainability Team can be contacted via email: Sustainability@cimbthai.com.

For the purposes of Sustainability Reporting, the GRI Standards 2021 is effective for reports or other materials published on or after 1 January 2023. The new GRI Universal Standards 2021 include:

- GRI 1: Foundation 2021
- GRI 2: General Disclosures 2021
- GRI 3: Material Topics 2021

Further, this Sustainability Report adheres to the GRI Standard's Reporting Principles of:

- Accuracy
- Balance
- Clarity
- Comparability
- Completeness
- Sustainability context
- Timeliness
- Verifiability

This Sustainability Report also includes references and alignments to:

1. Securities and Exchange Commission's Annual Registration Statement (Form 56-1)
2. United Nations Sustainable Development Goals (UN SDGs)
3. United Nations Environment Programme Finance Initiative Principles for Responsible Banking (UNEP FI PRB)
4. Task Force on Climate-related Financial Disclosure Recommendations (TCFD)

CIMB Thai's Sustainability Report is disclosed and published both in English and Thai language. In the event of any inconsistency between the English language version of this Sustainability Report and any other language translation, the English language version shall take precedence.

Our Material Topics

In 2022, CIMB Thai has performed its first Stakeholder Engagement, Impact Assessment and Materiality (SIM) process to establish its Material Topics.

Over 5,000 stakeholders across Malaysia, Indonesia, Thailand, Singapore and Cambodia participated in the Sustainability surveys for an array of Stakeholder groups, throughout CIMB Group's entire SIM process in 2022. For CIMB Thai stakeholder groups, the surveys were translated into Thai language so that the respondents can have improved clarity and understanding for the survey requirements. For the Bank, more than one thousand stakeholder representatives responded in the survey.

In accordance with the pre-determined Sustainability topics that is established based on the Bank's Sustainability context, each topic in the surveys was assigned scores to determine the degree of significance from neutral to very significant impacts. Results from stakeholders' surveys were consolidated by also factoring weightages that were accorded to each stakeholder group.

Ranking	Material Sustainability Topics	EES Areas
1	Sustainable and Responsible Finance	Economic
2	Cybersecurity and Data Privacy	Social
3	Governance and Ethics	Economic
4	Risk Management and Business Resilience	Economic
5	Digitalization and Innovation	Economic
6	Human Rights	Social
7	Diversity and Inclusion	Social
8	Climate Change	Environmental
9	Financial Inclusion and Literacy	Social
10	Customer Experience	Social
11	Workplace Culture and Talent Development	Social
12	Biodiversity and Ecosystem Integrity	Environmental
13	Health and Safety	Social

The list of material topics have been reviewed and approved by the Board of CIMB Thai.

Material topics, which can be referred to in the GRI Content Index, are disclosed in this report based on the GRI Topic Standards:

- GRI 201: Economic Performance
- GRI 418: Customer Privacy
- GRI 205: Anti-Corruption
- GRI 417: Marketing and Labeling
- GRI 203: Indirect Economic Impacts
- GRI 410: Security Practices
- GRI 405: Diversity and Equal Opportunity
- GRI 406: Non-Discrimination
- GRI 302: Energy
- GRI 305: Emissions
- GRI 413: Local Communities
- GRI 416: Customer Health and Safety
- GRI 404: Training and Education
- GRI 401: Employment
- GRI 304: Biodiversity
- GRI 403: Occupational Health and Safety

Essential information are also disclosed beyond the GRI Topic Disclosures to provide a clearer and more balanced view of the Bank’s Sustainability performance and achievements.

External Assurance

To strengthen the quality of our Group-wide reporting, key information published in CIMB Group’s Sustainability Report 2022 have been independently assured by the third party assurance service provider KPMG PLT in Malaysia.

As part of KPMG’s external assurance coverage for CIMB Group, key Sustainability performance indicators in Thailand, Indonesia, Singapore and Cambodia were also included for selected key indicators. This means that even though external assurances was not sought for information provided in the Sustainability Report of CIMB Thai per se, the processes and information related to these key indicators have underwent the same stringent pre-assurance and limited assurance expectations as part of the CIMB Group.

Ranking	Indicators	Assurance/Pre-Assurance
Social	Absenteeism Rate (%)	Limited Assurance
Social	Green, Social, Sustainable Financing (RM)	Limited Assurance
Environmental	Total Energy Consumption (MWh)	Limited Assurance
Environmental	GHG Emissions (Scope 1) (tCO ₂ e) - Fuel Consumption	Limited Assurance
Environmental	GHG Emissions (Scope 2) (tCO ₂ e) - Purchased Electricity	Limited Assurance
Environmental	Financed Emissions	Pre-Assurance
Environmental	Emissions from Business Travel	Pre-Assurance
Environmental	Water Use	Pre-Assurance

KPMG PLT refers to its KPMG Sustainability Assurance Manual (“KSAM”) in executing its proposed approach, be it for pre-assurance or limited assurance. KSAM is also prepared based on ISAE 3000 (Revised) Assurance Engagements other than Audits or Reviews of Historical Financial Information and ISAE 3410 Assurance Engagements on Greenhouse Gas Statements.

Restatement of information

As this is the first Sustainability Report published by CIMB Thai in accordance with the GRI Standards, there are no restatements of information made from previous reporting periods.

“Our approach to integrating Sustainability principles and standards to our business practices.”

Across our operations in Thailand, CIMB Thai’s business activities and business relations contribute to various environmental impacts across our organization and operational boundaries, and to various social impacts that relate to our more than 3,000 employees. We are committed to continuously improving our business relationships, creating positive impacts in our social relationships, and minimizing our environmental footprint. We strive to be a bank that “walks the talk” on Sustainability, an employer of choice, and an exemplary customer to our vendors in terms of being ethical, responsible and fair.

Key Highlights: Sustainable Action in 2022

- 1. Roll out of CIMB Thai’s Sustainability Policy across 100% of Business Units and Business Enablers in CIMB Thai. In order to reduce language barriers, the Sustainability Policy and Procedures are published in both English and Thai.
- 2. Establishment of GHG Accounting and Management Program Charter which includes CIMB Thai’s Net Zero Target to achieve net-zero operational Scope 1 and Scope 2 GHG emissions by the year 2030.
- 3. Establishment of a Scope 1 and Scope 2 GHG Emissions Dashboard for monthly tracking by the Sustainability Team and reporting to the Bank’s Management Committee.
- 4. Initiation of “Project Helios” to reduce Scope 2 GHG Emissions by increasing renewable energy in our energy mix, focusing on Solar Rooftop Projects across the Bank’s branches and exploring Renewable Energy Certificates (REC) in Thailand.
- 5. Roll out of Environmental Management Policy to anchor our commitments to reduce negative environmental impacts and improve positive environmental impacts by setting reduction targets and action plans on energy, emissions, water and waste.
- 6. The “Green Canteen” in CIMB Thai’s Corporate Headquarters in Bangkok was set up, using renewable energy in our electricity energy mix, LED lighting, collection point for plastic bottle recycling, food waste separation, and price-discounts for employees who bring their own containers when they purchase food and drinks in the canteen to reduce usage of packaging materials.
- 7. As part of driving to build a Sustainable Supply Chain, the Bank has rolled out the Vendor Code of Conduct to 100% of its active vendors.
- 8. The Bank began its Vendor Training and Engagement Program on Sustainability which was participated by 65 active vendor companies in 2022.

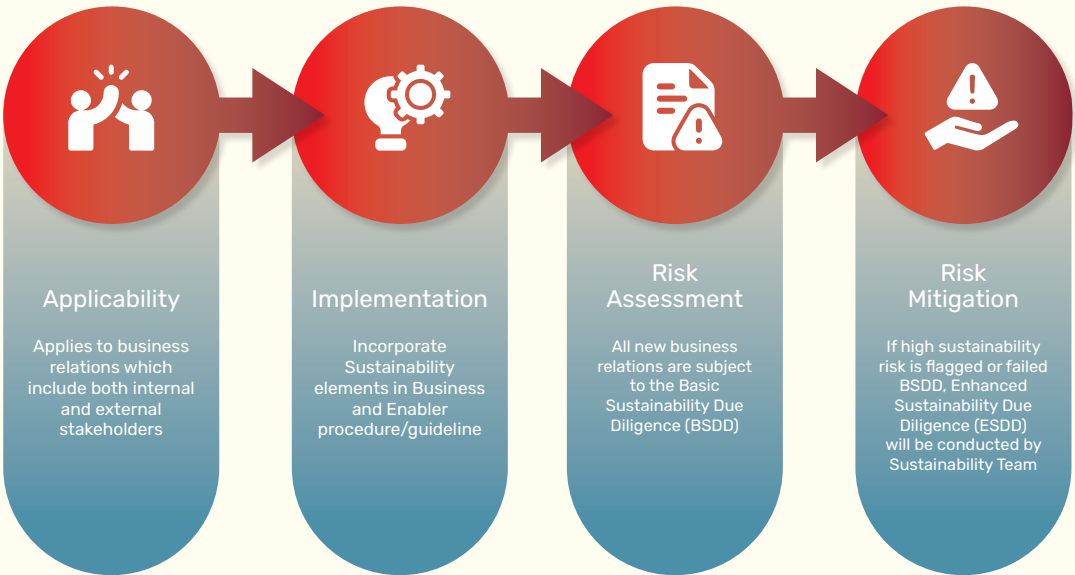
Our Material Topics in Sustainable Action

Ranking in Overall Material Topics	Sustainability Topics
6	Human rights
7	Diversity and inclusion
8	Climate change
12	Biodiversity and ecosystem integrity
13	Health and safety

Sustainability Policy

CIMB Thai recognizes that our business decisions have the potential to negatively and positively impact our surrounding communities and the environment. Therefore, timely identification and management of Sustainability risk, with transparency and accountability, is critical for the Bank in building a culture of responsible banking and driving sustainable growth strategies.

The Sustainability Policy, as a core of our Sustainable Action, seeks to provide clarity and transparency around how Sustainability risk is managed in a manner consistent with the Bank’s risk framework, and other internal and external expectations.



In CIMB Thai, we define Sustainability risk as: “Risk of financial and non-financial impact arising from environmental, social and ethical issues stemming from transactions and/or activities associated with:

- 1. A business relation and its operations, and/or
- 2. The Bank’s own internal operations and employees.

This includes the risks that may be exposed because of changing social and environmental conditions.

This Policy applies to all Business Units including all products and services provided, Business Enablers and geographies across CIMB Thai, and all entities within the CIMB Thai, i.e. its subsidiaries.

To build a robust policy that covers all bases in terms of the Bank’s stakeholder-ecosystem, business relations which fall under the scope of the Sustainability Policy include:

- 1. Customers
- 2. Investee companies
- 3. Corporate Responsibility Program partners or grantees
- 4. Suppliers, vendors and outsourcing partners
- 5. Joint-venture or tie-up partners, whether or not there is any equity ownership
- 6. Members of the Boards of Directors of CIMBT entities

Business Units, Business Enablers, and our subsidiaries through their front line and risk teams must determine if a proposed relationship, product, service or operational activity presents high potential environmental or social risks. The aforesaid checks and processes:

- 1. Are driven by a number of factors, including: cross-referencing our Exclusion List; understanding our business relations’ business, industry, management and reputation; application of our policies; adherence to regulation; and consultation with Group Sustainability (or other subject matter experts, where necessary) and teams focused on stakeholder screening and onboarding; and
- 2. Include assessment of a business relation’s Sustainability performance, which evaluates the business relations’ commitment, capacity and track record in managing environmental and social issues

In accordance to the Sustainability Policy, Sustainability due diligence must be conducted on all new business relations before subsequent approvals are sought. All Business Units and Business Enablers are strictly prohibited from directly engaging in, or knowingly engaging with business relations who are engaged in activities listed in our Exclusion List.

At CIMB Thai, the Sustainability due diligence process has two levels, namely the Basic Sustainability Due Diligence (BSDD) where business relations are first checked on whether there are any existing and unresolved environmental and social issues, and the Enhanced Sustainability Due Diligence where the business relation has failed the BSDD and the Sustainability Team conducts in-depth Sustainability checks to provide a final recommendation to proceed or otherwise.

The Bank conducts Control Effectiveness Testing (CET) on the Sustainability Policy every 6 months, conducted by the Sustainability Team along with the Designated Compliance & Operational Risk Officer (DCORO) of related Business Units and Business Enablers, to track the effectiveness of the actions, evaluate progress, and identify gaps for continuous improvements.

All applicable local regulations are taken into consideration in conjunction with the Sustainability Policy. The Bank abides with all prevailing and future regulations in our respective jurisdictions.

Human Rights

Human rights are rights inherent to all human beings, which include, at a minimum, the rights set out in the United Nations (UN) International Bill of Human Rights and the principles concerning fundamental rights set out in the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work.

Additionally, other UN instruments elaborate further on the rights of indigenous peoples, women, nationality or ethnic, religious, and linguistic minorities, children, persons with disabilities, and migrant workers and their families. There are also standards of international humanitarian law that are applied in situations of armed conflict, such as the International Committee of the Red Cross (ICRC) Geneva Conventions of 1949.

At CIMB Thai, we are committed to respecting and upholding human rights in all forms throughout our employment process, our business activities, our supply chain and our customer network. The Bank understands clearly that we cause human rights impacts in our management of employees and workers, contribute to human rights impacts via our financing, investments and capital-raising service to various business sectors, and are directly linked to human rights impacts in our supply chain.

We recognize that in the business environment, human rights and labor rights are inseparable. With regard to labor rights, we are committed to:

1. Avoid causing or contributing to Labor Rights violations;

2. Respect the rights of our employees, including:

a. freedom of representation;

b. right to collective bargaining;

c. a safe and healthy work environment;

d. fair recruitment and other people practices;

e. preventing modern slavery; and

f. respecting regulations on minimum wage and maximum working hours.

3. Eliminate discrimination in the workplace, and promote diversity and inclusion

CIMB Thai’s approach to human rights is guided by the following principles:

- (a) We respect and uphold human rights and seek to identify, prevent, mitigate adverse human rights impacts which may arise through our activities or business relations including customers suppliers, vendors and outsourcing partners; joint venture or other partners; strategic investments; employees; and Corporate Responsibility Program partners or grantees.

(b) We will take a proactive approach to integrate human rights considerations into our decision-making processes such as lending, investments, procurement, and operations, taking steps to avoid causing or contributing to human rights infringements.

(c) We will take a risk-based approach to assess actual and potential human rights impacts across the Bank, recognizing that it is important to focus on the impacts of people and not just our business.

(d) We will take appropriate action to mitigate adverse human rights impacts in our own operations, and those we enable in our business relations, including providing for or cooperating in remediation in line with our responsibility.

(e) We will take a holistic approach to our policies and business decisions, in particularly with regard to safeguarding human rights in our Sustainability policies, where we strive for a just transition in our efforts to mitigate climate change.

(f) We will track the effectiveness of our actions.

(g) We will be transparent about our human rights impacts and communicate how we fulfil our responsibility to respect human rights.

(h) We will engage actively and openly with our business relations, including our employees, with the objective of achieving greater awareness and improvement of human rights practices.

In CIMB Thai, the Bank has already established its Human Rights Policy since 2012. However, to strengthen the effective management of human rights impacts and risks, the Sustainability Team has in 2022 begun undergoing a revamp and update of the existing Human Rights Policy to reflect the latest international frameworks, local regulations, and CIMB Group’s policies.

The updated Human Rights Policy which will be launched in 2023 in CIMB Thai, outlines the Bank’s commitments, principles and approaches to human rights as well as provides guidance on identifying, assessing, and managing salient human rights risk which present the most severe potential negative impacts.

Through a risk-based approach, the Bank is committed to continuous human rights due diligence to identify, prevent, and mitigate adverse human rights impacts identified across the Bank. Such human rights due diligence will be conducted through various appropriate methods and channels, in line with the Bank’s Sustainability Policy, including:

1. Employees

We will conduct direct consultation with employees, focus groups and surveys as well as through representative organizations including employee unions.

2. Customers

We require non-individual customers to meet our High Sustainability risk Sector Guide requirements which are continually updated in alignment with the latest developments in the sectors. For customers in certain high-risk sectors such as Palm Oil and Forestry, they are required to consult with affected communities and obtain Free, Prior and Informed Consent prior to major land use conversion projects affecting land rights and water resources. For customers in industries with large numbers of migrant and/or low wage workers, they are required to establish their own human rights policy including due diligence and grievance mechanisms.

3. Suppliers, Vendors and Partners

We will conduct human rights due diligence through our Sustainability Due Diligence and the acknowledgement of CIMB Thai’s Vendor Code of Conduct as laid out in the Sustainability Policy. For partners including our Corporate Social Responsibility Program partners, strategic investees, and joint venture partners, we will conduct human rights due diligence through our Sustainability Due Diligence as laid out in the Sustainability Policy and Corporate Responsibility Policy.

Where we identify human rights risks within our own business activities, the Bank will seek to put in place mechanisms to avoid and remedy adverse human rights impacts. In an event that we are exposed to human rights risks through our customers and other business relations, we strive to use our leverage to influence them towards standards outlined in our policies.

In our other business relationships, as per our Sustainability Policy, within a practical timeframe, we seek to decouple ourselves from any business relation that repeatedly misses action plan targets without justifications, where negative human rights impacts and risks are considered to be too high.

The Bank will establish and/or participate in grievance mechanisms for human rights issues through both internal and external channels and shall be made accessible to our key business relations and other stakeholder groups which includes communities affected by bank-financed operations. Furthermore, we recognize our responsibility to contribute to remediation including apologies, restitution, rehabilitation, financial or non-financial compensation and the prevention of harm.

If human rights abuse has taken place, we will take appropriate steps to ascertain whether we have caused or contributed to the adverse human rights impact and take appropriate actions in line with our responsibility. We will conduct a half yearly process to identify, assess, remediate, and report human rights violations.

Because human rights is such an important material topic for CIMB Thai, we focus on the conduct of security personnel towards our employees, workers and those who enter our premises, and the potential risk for excessive use of force or other violations of human rights. Security personal who attends to our security needs must also adhere to good security practices.

Providing effective training in human rights therefore helps to make sure that security personnel understands when to use force in an appropriate way, and how to ensure respect for human rights.

We have outsourced services for security personnel at our premise, covering CIMB Thai corporate headquarters and branches as well as our subsidiaries, namely WorldLease Company Limited and CIMB Thai Auto Company Limited.

In this respect, the private security staff that provides security and protection services is mandated to have a license to be a licensed security guard granted by the Registrar in Thailand, which requires all personnel to complete the stipulated security training for not less than 40 hours to ensure that all security staff is equipped with relevant qualifications and is not under any prohibitions under the Security Guard Business Act 2015 regulations. The Registrar in Bangkok is the Metropolitan Police Bureau commissioner while each provincial police chief is the registrar in other provinces.

Only security service companies and security personnel that comply with the regulations can be considered to provide security services to CIMB Thai and its subsidiaries to ensure that the rights of our employees, workers and those who enter into our premise are respected and not infringed upon.

Diversity and Inclusion

Diversity and inclusion positively contribute towards shaping a sustainable and high-performing organization. We are committed to a workplace that celebrates a diverse and inclusive workforce, built on a foundation of equality and fairness. In other words, we strive to create an environment where our people feel welcomed and are given equal, fair and inclusive opportunities, regardless of gender, age, background, beliefs, ethnicity, skills and abilities. Our policy of non-discrimination ensures that employees are selected, developed, progressed and rewarded based on merit, and are able to equally access available opportunities within the Bank.

In this respect, CIMB Group as a whole introduced the Group Employee Diversity and Inclusion Policy in 2021, which was then adopted by CIMB Thai in 2022. The policy covers non-discrimination, which ensures that our employees are selected, developed, rewarded fairly and based on merit regardless of gender, age, race and background. CIMB Group and CIMB Thai both recognize and acknowledge that the diverse backgrounds and voices of our workforce represented collectively makes us stronger and better equipped to make a positive impact to our business and communities.

Across CIMB Thai, various engagements activities and initiatives have been carried out to support the implementation of this policy. To boost our employee experience and provide empowerment, we continued our People With Disability (PWD) support Program and explored a Women in Tech Program in collaboration with Microsoft. We also launched a fertility support Program (Jetanin Program) where our employees could receive special consultation services at selected clinics.

In 2022, the People with Disability support Program included 2 permanent employees in CIMB Thai’s operations, while the Bank supported the hiring of 22 persons through the Red Cross Society and 10 persons through the social enterprise Vulcan Coalition.

As part of our employees’ development plan, we introduced Diversity and Inclusion (D&I) awareness trainings in CIMB Thai’s “Back-To-School” Program which is an education Program to increase the knowledge of our employees on various topics and issues that impact our lives.

Additionally, we have embedded anti-harassment and anti-discrimination clauses into our Code of Ethics and Conduct policy in which our employees would need to strictly adhere to at all times. This is to create a safe working environment for all our employees and workers that come from all walks of life and different believes.

The Bank has in 2022 began the process of developing a Digital Compensation framework to be launched in 2023. This framework was created in addition to our front-liner incentives as a means to compensate employees with digital niche skillsets to align ourselves with our aspiration to become a digital-led bank. Diversity and inclusion and digitalization go hand in hand because we believe that the broadening of our talent pool could become a catalyst in our digitalization journey.

In CIMB Thai and its subsidiaries, our diversity and inclusion categories include gender, age and people with disabilities. The composition of these categories in 2022 are shown below. In CIMB Thai, the composition of female employees is significantly higher than that of males.

	Composition of employees in CIMB Thai and Subsidiaries	Composition in CIMB Thai’s Management Committee	Composition of CIMB Thai Board Members
	Gender		
Male	38%	69%	80%
Female	62%	31%	20%
	Age Group		
<30	11%	0%	0%
30 - 50	22%	31%	20%
>50	67%	69%	80%
	Employees with Disabilities		
	0.1%	0%	0%

Total Remuneration Ratio (Basic Salary)	
Gender	
Male	42%
Female	58%
Location	
Bangkok	92%
Others	8%

In terms of geographic location, the majority of our employment centers around Bangkok metropolitan area, while having our presence in other provinces of Thailand.

Geographical location	Composition of Employees
Bangkok	83%
Others	17%

Climate Change

In 2022, Climate Change was ranked at the 8th position in the list of the Bank’s Material Topics. This shows that the severity of Climate Change impacts is very significant as assessed by the Bank’s stakeholders.

In Thailand, policies driven by the government continue to increase objective visibility on Climate Change. Hence, Climate Action and Climate Adaptation especially in terms of energy usage and greenhouse gas (GHG) emissions are become at the forefront. Climate Change commitments and policies in Thailand include:

1. By 2030, 20% reduction in GHG emissions compared to 2005 levels, economy-wide.
2. By 2030, conditional reduction of up to 25% of GHG emissions, compared to 2005 levels, subject to adequate and enhanced access to technology development and transfer, financial resources and capacity building support.
3. By 2030, reduce energy intensity by 25%, compared with 2005 levels.
4. By 2036, increase of renewable energy to around 20,000 MW.
5. By 2036, 20% of net national electrical energy demand to be supplied by renewable energy sources.
6. By 2036, 15-20% renewable energy in electricity production.
7. By 2036, 6,000 MW of electricity generated by solar.
8. By 2036, 3,002 MW of electricity generated by wind.
9. By 2036, 25% share of renewable energy in fuel consumption of transportation sector.
10. By 2036, 30% of final energy consumption to be from renewable energy sources.
11. Requiring large-scale energy businesses, e.g. those in the electricity, oil and natural gas industry, to implement energy conservation promotion measures to encourage their customers to reduce energy use by a specified minimum standard (Energy Efficiency Resource Standards: EERS), instead of allowing such measures to be voluntarily undertaken as previously practiced.



In response to Climate Change, CIMB Group has in 2021 announced its commitments towards mitigating climate change, including net zero operational greenhouse gas (GHG) scope 1 and 2 emissions by 2030 and net zero overall GHG emissions by 2050. The Group had then embarked on developing a group-wide four-pronged strategy which will guide the Group in reducing its group-wide operational GHG emissions in the most effective, responsible and cost-optimized manner. This is illustrated in the graphic below, arranged according to decreasing priority.

CIMB Thai as both a Thai bank and a part of the CIMB Group, aligns all our commitments and actions to the country’s Nationally Determined Contributions (NDC) commitments and policies, as well as the CIMB Group’s Net Zero targets and strategy.

Lever 1: Business Premises Optimization

In 2022, the Bank has been undergoing strategic reviews on branch optimization to find the best balance in the reduction of business premises. Through the use of strategic analysis that is aligned the Bank’s business model and compliance with regulators, the optimization of branch resources will reduce our energy and emissions footprint, reduce premise-related costs, as well as redirect resources to more strategic locations.

Lever 2: Avoiding and Reducing Energy Consumption

The Bank has been conducting ongoing energy audits and consumption baselining throughout our business locations including our corporate headquarters and branches. The Procurement, Administration and Property Management (PAM) Division and its building management teams have adjusted the operation time and temperature of the air-condition systems of the buildings in order to save energy while ensuring a comfortable working environment for employees and workers. The Bank’s Technology and Data Division has also been working with the Sustainability Team to track the energy usage of its Data Centers, and how the consolidation of Data Centers can reduce our energy and emissions footprint.

In 2022, we have replaced a total of 725 tubes of fluorescent lighting to LED lights. At the same time, we have also begun replacing aged equipment to Energy Star or energy efficient labelled equipment.

Additionally, the Bank has begun replacing its existing company-owned internal combustion engine (ICE) vehicles with electric vehicles to reduce the usage of fossil-fuel and hence lowering its Scope 1 emissions. The Bank has purchased its very first EV which has a 50kWh battery and a can drive up to 400 kilometers on one full charge. Conventionally, around 30 liters of fuel is used to travel 400 kilometers.

Lever 3: Green Electricity

In 2022, we have completed the upgrade of the Rooftop Solar panels in the Bank. The 66 square meter panels were installed in the rooftop of CIMB Thai’s corporate headquarters in Bangkok, whereby the output is estimated to be 1,555 kWh per month with electricity cost savings of slightly more than THB 5,000 a month. Even though this is a very small contribution to the total energy mix, the Bank is taking one step at a time in implementing renewable energy throughout our operations. The Rooftop Solar provides live electricity to our Green Canteen, whereby live output data is displayed at a monitor at the entrance of the Green Canteen.

The Sustainability Team had in 2022 initiated “Project Helios” with the Procurement, Administration and Property Management Division of the Bank. This project involves a series of Rooftop Solar installations across multiple branches. Planned installations for 2023 include our Chiang Mai branch and other branches within Bangkok metropolitan area. Project Helios will span the next few years as the Bank plans to “green” all its branches.

Lever 4: Carbon Offsets

Our priority is to maximize our GHG reduction through Levers 1 to 3. However, not all emissions can be reduced through those levers. Therefore, we are closely monitoring developments in Thailand, and will consider obtaining Renewable Energy Certificates and purchasing carbon credits and carbon offsets to achieve net zero GHG Scope 1 and 2 emissions in our operations by 2030.

Beyond the 4 levers in alignment with the Group, CIMB Thai has also established and rolled-out its own Environmental Management Policy that extends the management of environmental parameters from energy and emissions, to water and waste as well.

An overall approach to the management of environment impacts is the Bank’s Environmental Management Policy. The policy is implemented in stages in accordance with the complexity of the business operations and the level of readiness within CIMB Thai, and the regulatory and business landscape where the Bank operates in. This policy applies to all Business Units, Business Enablers and all Entities including subsidiaries.

The policy covers the main articles below:

1. Energy management and consumption

To maintain and achieve optimum energy consumption throughout the Bank and to minimize energy costs and wastage while taking into account environmental and economic objectives, the Bank commits to conserving energy, using energy more efficiently, and opting for renewable energy sources. The Bank shall implement and develop proper energy management system with energy conservation designated as part of its operations in line with pertinent national or international legislation, standards, and/or agreements and communicating the same to staff for their awareness and implementation thereof.

2. Water management

In response to the increasingly critical water shortages and water pollution worldwide, the Bank commits to water stewardship, which includes continuously improving water efficiency at our offices, consistently reducing water withdrawals, and ensuring environmentally friendly wastewater treatment. The Bank commits to identify, monitor, and control its water-related effects, and it prescribes efficient water management strategies based on the 3Rs principle (Reduce, Reuse, and Recycle). It also encourages collaboration and knowledge sharing on water management excellence.

3. Waste management

The Bank is aware of its responsibility to manage the waste, including e-waste, associated with its operations, which may have an impact on society and the environment and commits to implement environmentally sound waste management, and to prevent and reduce waste through reuse and recycling initiatives towards various Sustainability goals and targets. The Bank is committed to minimize unnecessary waste generation by improve resource efficiency in its operations and ensure sustainable waste disposal method whereby waste disposal methods can include composting, reuse, recycling, recovery, and municipal incineration and landfill (which can be used for waste-to-energy projects).

4. Green house gas management

The methodology relating to GHG emissions shall be based on the “GHG Protocol Corporate Accounting and Reporting Standard” (GHG Protocol Corporate Standard) and the “GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard” (GHG Protocol Corporate Value Chain Standard). To achieve the net zero target, the Bank shall manage its own environmental footprints with a wide range of initiatives and climate mitigation Programs to reduce its GHG emissions. The Bank shall also engage with its external stakeholders, such as suppliers and customers, to address issues relating to GHG emissions and the reduction of negative impacts in this area.

5. Target setting and action plan

The Bank shall take into consideration establishing a base year and short- to long-term targets, create action plans, and use key performance indicators to measure whether it meets the relevant targets. Relevant metrics, deliverables, and achievements with regards to environmental and climate-related matters shall be periodically reported and disclosed to the Bank’s governance bodies and also publicly, in accordance with the relevant regulations, standards, and frameworks.

Roles and responsibilities are also set out in this policy, comprising those of the Sustainability Team, the Procurement, Administration and Property Management Division, the Management Committee, the Board of Directors, and all Business Units and Business Enablers.

The Environmental Management Policy is to be reviewed and updated at least once in every two years or as and when there are changes made to the policy to reflect current practices arising from changes in applicable laws, regulations, guidelines or changes as requested by the Board.

In 2022, CIMB Thai had continued to track our environmental management data. When there are targets, such as net zero targets, data is tracked to our base-year 2019. Additionally, we have tracked data in accordance with the 56-1 Structured Data requirements set forth by the Stock Exchange of Thailand.

Standards, methodologies, assumptions, and/or calculation tools used include the Greenhouse Gas (GHG) Protocol Corporate Accounting and Reporting Standard and emissions factors released by the government agencies of Thailand and other international references. Emissions factors include:

- 1. Petrol (Vehicles): 0.002410 tCO₂e/liter
- 2. Petrol (Generator Sets): 0.002647 tCO₂e/liter
- 3. Diesel (Vehicles): 0.002679 tCO₂e/liter
- 4. Diesel (Generator Sets): 0.002410 tCO₂e/liter
- 5. Water: 0.000344 tCO₂e/m³
- 6. Purchased Electricity: 0.000497 tCO₂/kWh

	2019	2020	2021	2022
Diesel Consumption (Litres)	30,522.74	29,633.69	14,818.50	16,899.26
Petrol Consumption (Litres)	356,976.49	265,002.12	170,991.41	146,943.07
Electricity Consumption (kWh)	10,982,052.86	10,493,375.74	9,696,587.63	9,306,061.21
Water Consumption (m ³)	96,059.88	79,758.84	61,460.65	54,912.13
Non-hazardous Waste (kg)	178,686.00	112,644.00	59,103.00	159,265.00
Scope 1 GHG Emissions (tCO ₂ e)	941.89	519.71	492.03	418.52
Scope 2 GHG Emissions (tCO ₂ e)	5,458.08	5,215.21	4,819.20	4,618.93

As of 31 December 2022, our total energy consumption from within the Bank is 10,862,491.13 kWh. Our total self-generated Electricity (Solar Panel) is 12,445.70 kWh.

Petrol	kWh	1,390,081.47
Diesel	kWh	178,794.15
Electricity	kWh	9,306,061.21
Total energy consumption	kWh	10,862,491.13

As of 31 December 2022, our energy intensity viz-a-viz the total area of our premises is 182 kWh/m².

Total Energy Consumption (kWh)	Total Area (m ²)	Energy Intensity (kWh/m ²)
10,862,491.13	59,658	182

As of 31 December 2022, the Bank’s direct Scope 1 GHG emissions is 418.52 tCO₂e

Scope 1	GHG Emissions (tCO ₂ e)	2019 (Base year)	2022 YTD Dec 2022	% Reduction
Petrol	tCO ₂ e	860.18	354.08	-58.84%
Diesel	tCO ₂ e	81.71	45.20	-44.68%
Refrigerant Recharge (R-410A)	tCO ₂ e	-	19.24	-
Total	tCO ₂ e	941.89	418.52	-55.57%

As of 31 December 2022, the Bank’s energy indirect Scope 2 GHG emissions is 4,618.93 tCO₂e

Scope 2	GHG Emissions (tCO ₂ e)	2019 (Base year)	2022 YTD Dec 2022	% Reduction
Energy Indirect (Electricity purchased)	tCO ₂ e	5,458.08	4,618.93	-15.37%

As of 31 December 2022, the Bank’s energy direct Scope1 and indirect Scope 2 GHG emissions is 5,037.45 tCO₂e

Scope 1 and Scope 2	GHG Emissions (tCO ₂ e)	2019 (Base year)	2022 YTD Dec 2022	% Reduction
Petrol	tCO ₂ e	860.18	354.08	-58.84%
Diesel	tCO ₂ e	81.71	45.20	-44.68%
Refrigerant Recharge (R-410A)	tCO ₂ e	-	19.24	-
Energy Indirect (Electricity purchased)	tCO ₂ e	5,458.08	4,618.93	-15.37%
Total	tCO ₂ e	6,399.97	5,037.45	-21.29%

Biodiversity and Ecosystem Integrity

Protecting biological diversity is important for ensuring the survival of plant and animal species, genetic diversity, and natural ecosystems. In addition, natural ecosystems provide clean water and air, and contribute to food security and human health. Biodiversity also contributes directly to local livelihoods, making it essential for achieving poverty reduction, and thus sustainable development.

Biodiversity, as a material topic of CIMB Thai, is being managed as an outcome of the Environmental Management Policy. Key areas such as water consumption and waste management, impacts biodiversity and ecosystems where the Bank operates in. Even though the Bank as a financial institution does not have very explicit impacts on biodiversity and ecosystem integrity, we ensure that the Bank does not contribute to or is directly linked to negative impacts through our supply chain and business relations.

In terms of our supply chain, our Sustainability Policy and our Vendor Code of Conduct ensures that our business relations undergo due diligence so that environmental impacts in this area can be identified. The Bank avoids associating with any business relations who create negative impacts on biodiversity and ecosystem integrity in the latter’s business operations.

Further, all of our branches and operational sites operational site owned, leased, or managed or in or adjacent to any protected areas and areas of high biodiversity value outside protected areas. For future expansion of the Bank’s premises, we ensure that we do not own, lease or manage sites that are in or adjacent to these protected areas and areas of high biodiversity value.

Occupational Health and Safety

In CIMB Thai, we comply with Thailand’s Occupational Safety, Health and Environment Act 2011. Further, we have established the Occupational Safety, Health and Environment Working Team to promote workplace safety in order to prevent accidents, injuries, illness, and unsafe conditions related to the Bank’s business operations. The Bank had established its Safety, Occupational Health, and Working Environment Policy as a practical policy for employees. This policy is compliant with the requirements of the Ministry of Labor in Thailand that establishes standards for occupational safety, health, and environment management. In addition, occupational safety, health, and environment management has been established for each of CIMB Thai’s buildings and branches.

Occupational health and safety committees are established at the senior management and staff levels for efficiency and to prevent any arising risks. All employees were provided training and working guidelines, along with evaluation processes that are qualitative, quantitative, proactive, and reactive.

The Bank’s employees and workers are required to follow Work Regulations established by our Human Resources Division as well as Administration & Property Management (APM) Policies. The locations where these policies apply include premises and buildings of CIMB Thai and premises of CIMB Thai are either owned, leased, or rented for the purpose of conducting the business of CIMB Thai. Our policies set the requirement in managing and adhering to administration and property management functions relating to renovation projects, property

and premises, telecommunication facilities, fleet, mailing, office equipment, office supply, offsite box storage services, and workplace facilities management.

The Bank’s processes and procedures are implemented to ensure that all employees identify work-related hazards and assess risks on a routine and non-routine basis. Roles and responsibilities are spread across three levels:

1. Safety, Occupational Health, and Working Environment Committee

a. Consider and propose policies and procedures on how to create safety in workplaces, also prevent and reduce any incident that might occur causing any accidents, illness, disturbing events toward the Bank’s performance.

b. Report and propose guidelines for improvement according to the law to ensure and promote a safe workplace for all employees and workers (including contractors and third parties).

c. Consider rules and manuals to ensure workplace safety.

d. Survey and evaluate the result of implementations on a monthly basis.

e. Consider and plan for providing safety training to all levels of employees.

f. Create systems and guidelines.

g. Follow up on policies and procedures proposed to the Board of Directors.

h. Create and present annual reporting on workplace safety by identifying causes, challenges, and solutions to the Board of Directors.

i. Manage and control any safety issues escalated to the Committee.
2. Safety, Occupational Health, and Working Environment Management Level

a. Manage and ensure workplace safety standard and procedures are rolled out in each Business Unit and Business Enablers.

b. Propose workplace safety projects to the management.

c. Promote, support, and follow up on all workplace safety projects.

d. Manage and supervise improvements on issues relating to workplace safety.
3. Safety, Occupational Health, and Working Environment Supervisor level

a. Manage and supervise all subordinates in Business Units and Business Enablers to strictly follow workplace safety guidelines and manuals.

b. Provide training to all employees on workplace safety.

c. Monitor all working equipment on a daily basis before commencing operations.

d. Report all incidents relating to any accidents, illnesses, and any other related events

e. Investigate the causes of accidents, illness, and any other related events and thereafter report any solutions to the Bank immediately.

f. Promote and support activities that contributes to workplace safety.

g. Manage and supervise for any improvements relating to workplace safety issues.

h. Employees and workers can inform their supervisor immediately at the occurrence of any safety related event. The supervisor in each Business Unit and Business Enabler communicates with APM directly, whereby the APM will identify the type of hazard, and send the appropriate contractor to solve the issue.

i. At the occurrence of any safety-related incidents, records will be kept on a daily basis, along with the cause of incidents, solutions, and how each case is solved. These records will be presented in the monthly report to the committee. Each case will be evaluated for improvement, in order to better manage similar incidents that will potentially occur in the future.

These 3 levels are formally participated and represented by employees and workers, ensuring that feedback and concerns toward any hazards are recognized and improved. The Occupational Safety and Health Administration (OSHA) unit of the Bank will be in-charge of the identification of hazards, assessment of risks, application of hierarchy of controls, investigation of incidents, audits, decision-making about the use of contractors and outsourcing, and also provide training to all employees and workers.

Further, air quality check and carbon dioxide detection, monthly test of fire extinguishing system, and work environment inspections, are carried out on a monthly basis to comply with the Occupational Safety, Health, and Working Environment Policy.

In compliance with fire safety requirements stipulated in the Occupational Safety, Health and Environment Act 2011, the Bank maintains its fire protection and prevention plan available at the facility for inspection. The Bank also conducts firefighting and evacuation drill at least once a year.

The Bank has a designated emergency response team and a director. The emergency response team receives training in fire prevention, use of fire equipment, first aid and emergency medical rescue. The Bank also has at least 40% of employees who have received basic firefighting from a local firefighting authority or other competent training organization annually.

Additionally, CIMB Thai views the promotion of health and wellbeing very seriously which includes occupational and non-occupational aspects of employee health and wellbeing. The Bank provides group medical insurance to all employees, which covers Out-patient Department (OPD) and In-patient Department (IPD) treatments, and annual health checks beyond the Labor Act requirements. All employees are given the benefit of taking 30 days non-occupational health leave when any employee is experiencing major non-occupational health risks.

As of 31 December 2022, there were no incidents of fatalities as a result of work-related injury, high-consequence work-related injuries, or recordable work-related injuries in the 5,558,000 hours worked, for all employees.

As of 31 December 2022, there were no incidents of fatalities as a result of work-related injury, high-consequence work-related injuries, or recordable work-related injuries in the 314,930 hours worked, for all workers who are not employees but whose work and/or workplace is controlled by the Bank.

As of 31 December 2022, there were no cases of fatalities as a result of work-related ill health or recordable work-related ill health, for all employees. There were also no such cases for all workers who are not employees but whose work and/or workplace is controlled by the Bank.

“Our intent is to generate profit in a responsible manner while creating positive impacts through our products and services.”

While we strive to manage environmental and social impacts caused or contributed by our own business operations, how our customers conduct their business and how every business sectors are transforming, are also major concerns for us. As a responsible provider of financial services, our customers are at the heart of everything we do. It is our responsibility to provide secure processes which help to protect our customers’ data privacy and finances.

We aim to ensure a seamless customer experience and inclusive access to financial services that are relevant, and which help individuals, families and businesses achieve their goals. As a responsible bank, we recognize that we are also accountable towards business activities that we enable and support, through the provision of our financial services. We also see opportunities in influencing our customers to adopt business models and engage in business activities that creates positive impacts towards sustainable development.

Key Highlights: Sustainable Business in 2022

- 1. In CIMB Thai, we have established a robust High Sustainability Risk Sector Guide covering a total of 7 business sectors that are deemed to be high risk in alignment with CIMB Group
- 2. The Bank has established the process of baselining Scope 3 Financed Emission in accordance with the GHG Protocols and Partnership for Carbon Accounting Financials (PCAF) to identify the Bank’s exposure to our customers’ operational Scope 1 and Scope 2 emissions that are attributed to the Bank via our financing.
- 3. As an internal taxonomy for sustainable financing and capital raising, the Bank has established and rolled out its Green, Social, Sustainable Impacts Products and Services (GSSIPs) Tool to assess in principle whether facilities requested by our customers meet Green, Social or Sustainable criteria.
- 4. Representatives of CIMB Thai’s Sustainability Team (as a member of the Association of International Banks) participated in the Bank of Thailand’s Thai Taxonomy Working Group to develop Thailand’s first taxonomy for green financing to be rolled out in the country by the beginning of 2023.
- 5. The Bank had approved interest rate discounts for Sustainability Linked Loans (SLL) that are in accordance with Loan Market Association’s (LMA) Sustainability Linked Loan Principles.
- 6. The Bank had approved more than THB 2 billion loans for renewable energy projects, and launched its “Maxi Flexi ESG” structured notes that protect the principle at 100% and provide a return on investment (ROI) at 0.25% to 0.75% annually depending on the investment format. The Maxi Flexi ESG structured notes offer additional yield from the increased price of Citi FlexiBeta ESG USD VT5 index, which is available exclusively at CIMB Thai.

Our Material Topics in Sustainable Business

Ranking in Overall Material Topics	Sustainability Topics
1	Sustainable and Responsible Finance
2	Cybersecurity and data privacy
5	Digitalization and innovation
9	Financial inclusion and literacy
10	Customer experience



Our Green, Social, Sustainable Impact Products and Services (GSSIPS) Framework

The GSSIPS Framework by the CIMB Group as an internal taxonomy provides a guide for the Group to deliver impactful sustainable finance. It is a living document that allows for emerging sectors, technologies, and financing instruments, where we can support our customers to transition to a low-carbon and sustainable future.

In 2021, the Group achieved an accumulated RM25.9 billion towards the Group’s initial target to mobilize RM30 billion in sustainable finance by 2024. This includes all forms of financial services, including financing, equity and debt capital market transactions, wealth management and

deposits aligned to the GSSIPS Framework. In 2022, the Group doubled its sustainable finance commitment to RM60 billion by 2024 after achieving the initial RM30 billion target two years ahead of schedule in the first half of the year.

In CIMB Thai, we are also aligned with the GSSIPS Framework in promoting and developing our sustainable business. Annual GSSIPS results in CIMB Thai contributes to the group-wide collective sustainable finance target set by the Group.

CIMB Thai’s Business Units and the Sustainability Team have been actively pursuing sustainable business opportunities in the space of lending, capital raising, advisory, and treasury and markets, among others. Beyond traditional green deals such as those for renewable energy, the Business Units hold active discussions with corporate customers from various industries to proactively identify opportunities and help customers transition to a low carbon and socially responsible business model.

The Bank’s GSSIPS related products and services are conforms to global standards and principles. Frameworks and principles established by the International Capital Markets Association (ICMA), the Loan Markets Association (LMA) and Loan Syndications & Trading Association (LSTA) forms the foundation of how we design, promote and provide sustainable finance to our customers.

The principles, sourced from ICMA, LMA and LSTA are as below:

Green Bond Principles: The Green Bond Principles (GBP) are used when issuing bonds to finance environmentally sound and sustainable projects that foster a net-zero emissions economy and protect the environment. GBP-aligned issuance provides transparent green credentials alongside an investment opportunity. Customers that issue Green Bonds report on the use of Green Bond proceeds based on the GBP. This promotes transparency that facilitates the tracking of funds to environmental projects, while simultaneously aiming to improve insight into their estimated impact.

Social Bond Principles: The Social Bond Principles (SBP) are used when issuing bonds to finance socially sound and sustainable projects that achieve greater social benefits. SBP-aligned issuance provides transparent social credentials alongside an investment opportunity. Customers that issue Social Bonds report on the use of Social Bond proceeds based on the SBP. This promotes transparency that facilitates the tracking of funds to social projects, while simultaneously aiming to improve insight into their estimated impact.

Sustainability Bond Guidelines: Sustainability bonds are bonds where the proceeds will be exclusively applied to finance or re-finance a combination of both green and social projects. The Sustainability Bond Guidelines (SBG) share the same principles as the GBP and SBP, where customers that issue Sustainability Bonds report on the use of Sustainability Bond proceeds that have both green and social objectives.

Sustainability-Linked Bonds: Sustainability-Linked Bonds (SLBs) aim to further develop the role that debt markets can play in funding and encouraging companies that contribute to Sustainability (from an Environmental and/or Social and/or Governance perspective, “ESG”). Sustainability-Linked Bonds incentivize our customers’ achievement of material, quantitative, pre-determined, ambitious, regularly monitored and externally verified Sustainability (ESG) objectives through Key Performance Indicators (KPIs) termed as Sustainability Performance Targets (SPT).

Green Loan Principles: Green loans are any type of loan instrument made available exclusively to finance or re-finance, in whole or in part, new and/or existing eligible Green Projects. Green loans must align with the four core components of the GLP that builds on and refers to the Green Bond Principles (GBP).

Social Loan Principles: Social loans are any type of loan instrument made available exclusively to finance or re-finance, in whole or in part, new and/or existing eligible Social Projects. Social loans must align with the four core components of the SLP that builds on and refers to the Social Bond Principles (SBP).

Sustainability-Linked Loan Principles: Sustainability-Linked Loans (SLL) are any types of loan instruments and/or contingent facilities (guarantee lines or letters of credit) which incentivize the borrower’s achievement of ambitious, predetermined Sustainability performance objectives. The borrower’s Sustainability performance is measured using predefined Sustainability performance targets (SPTs), as measured by predefined key performance indicators (KPIs), which may comprise or include external ratings and/or equivalent metrics, and which measure improvements in the borrower’s Sustainability profile. If the borrower achieves or exceeds its SPTs as stipulated in the SLL, it is typically rewarded with lower interest rates and fees.

In 2022, CIMB Thai has increased its commitment to sustainable finance by aggressively promoting Green, Social and Sustainable Loans and Bonds, while providing incentives for Sustainability-Linked Bonds and Sustainability-Linked Loans.

Sustainable and Responsible Finance

As part of being a sustainable and responsible bank, we recognize our accountability for the activities that we enable through our financial services, and the influential role that we can play in requiring or encouraging our customers to limit their adverse environmental and social impacts. CIMB Thai has a real and present stake in ensuring that our customers are future-proof. As such, we seek to actively support our customers in their transition to more sustainable and resilient business models and practices.

CIMB Thai’s Sustainable Financing Policy (SFP) lays out our commitment to and approach when identifying, assessing, managing and mitigating risks arising from financing and capital raising activities of our non-individual customers. This is especially vital in sectors that are most exposed to environmental and social risks, and those with activities that have significant potential adverse impacts on the environment and society. The SFP takes a risk-based approach when evaluating our customers’ Sustainability risks arising from the nature of their business activities, geographical location, and supply chain. These risks could result in impacts to our customers or their stakeholders, which in turn contributes to the risks of financial impacts on the Bank.

The SFP has been approved in 2020 and have been rolled out throughout all the Business Units of the Bank subsequently, whereby this policy applies to:

- 1. Non-individual borrowing customers with any type of loan/ financing (such as but not limited to term loans, working capital loans, syndicated loans, merger or acquisition financing, leveraged financing, etc.); and
- 2. Customers who engage with the Bank for capital raising through IPOs and bond issuances, including where CIMB Thai serves as principal adviser, lead arranger, lead manager, bookrunner, primary subscriber, or provides financing or underwriting for secondary issuances.

The objective of this policy is to integrate environmental and social considerations into the Bank’s key decisions in relation to financing and capital raising, in order to manage environmental and social risks linked to our customers and their activities. The policy represents the commitments, principles and standards to which the Bank will be accountable. Through this policy, we seek to identify, assess, manage, and mitigate risks arising from financing and capital raising through IPOs and bond issuances related to customers and sectors that are most vulnerable to environmental and social risks, as well as harness opportunities to create positive impact and value to all stakeholders.

The SFP sets minimum expectations on customers’ Sustainability performance and risk management. Although not explicitly required by this policy, the Bank encourages customers to make Sustainability commitments beyond the minimum expectations to improve their Sustainability performance.

This policy sets out the Bank’s approach and minimum requirements for managing Sustainability risk, as defined in the Sustainability Policy, in its financing and capital raising and is to be read in conjunction with:

- 1. CIMB Thai’s Sustainability Policy
- 2. CIMB Thai’s High Sustainability Risk Sector List
- 3. CIMB Thai’s High Sustainability Risk Sector Guide

The robust approach to due diligence set forth in our SFP includes the Bank’s Exclusion List and Watchlist.

The Bank will not conduct business with customers or potential customers who are engaged in activities that are listed in our Exclusion List as listed in the Sustainability Policy, which includes activities listed under Prohibited Credits, unless they are classified as Not Permissible Credit or Permitted Exemptions.

In addition to the Exclusion List, CIMB Thai’s Sustainability Team maintains a Watchlist of companies, comprising customers or potential customers who have been identified to have unacceptable Sustainability Risk levels, or who have been Watchlisted as a result of repeatedly not complying with their committed Sustainability Action Plans and Conditions attached to their previous or existing facility.

This policy details a holistic approach to due diligence and risk assessment in relation to Sustainability when it comes to onboarding new customers or renewing any facilities. It has become the responsibility of all parties involved in the credit and deal approval process to identify and assess high potential Sustainability risks in the customers, to the best of their ability. Checks and processes include but are not limited to:

1. Understanding our customers’ business, industry, management and reputation, and their adherence to laws and regulations, while carrying out the necessary consultation with Sustainability subject matter experts and teams focused on customer screening and on-boarding.
2. Assessment of the customers’ Sustainability performance and risks, by evaluating the customer’s commitment, capacity and track record in managing environmental and social issues, guided by considerations including:
 - a. Use of proceeds: Whether the financing or capital raising will enable activities that result in significant environmental or social risk, including climate change.
 - b. Physical and transition risk arising from climate change: Business activities that may be impacted by climate change leading to business disruption and/or negative financial impacts in the future.
3. Assessment of reputational risk: Headline Sustainability issues and controversies highlighted in national and/or international media, with regard to alleged issues such as illegality of operations, imminent risk to life and other major controversies.

These checks and processes are encapsulated in the SFP’s Sustainability Due Diligence procedures which comprises two levels, consistent with the Bank’s Sustainability Policy. The Sustainability due diligence process is required to be completed prior to final credit approval for new or existing customers seeking new or additional financing facilities including renewal of uncommitted facilities, and prior to final credit approval for review of committed financing facilities.

The first level of assessment is done through Basic Sustainability Due Diligence performed by the frontlines of our Business Units, i.e. the Relationship Managers (RM) that manages our non-individual customers. An Enhanced Sustainability Due Diligence would be performed by the Sustainability Department if there are any issues raised in the Basic Sustainability Due Diligence process.

The purpose of the Enhanced Due Diligence process is to ensure that there is a robust check on environmental and social issues and to flag material issues that could be a risk to both the customer and the Bank. At the same time, a controversy check is performed to ensure that material environmental and social issues which had surfaced within the last 3 years are identified for further deliberation. At the end of the process, the Sustainability Team will provide its recommendation as to whether to proceed with this customer at that current point in time, based on the outcome of the various checks and deliberations.

In addition to the Basic and Enhanced Due Diligence processes, the Bank has also implemented its High Sustainability Risk Sector Guidance for 7 sectors, comprising:

1. Palm Oil
2. Forestry
3. Oil & Gas
4. Construction & Infrastructure
5. Coal
6. Mining & Quarrying
7. Manufacturing

When evaluating whether any customers fall into these 7 sectors, the Bank cross-checks the customer’s business activity with the Bank’s internal sector codes that are aligned with Bank of Thailand’s International Standard of Industrial Classification (ISIC) codes. Customers who fall into the list of High Risk Sectors are required to undergo further assessment based on the sector guidance:

1. Prohibit – The Bank will not proceed further with any customer or potential customer who engages in activities listed in this section. For example, CIMB Thai prohibits any forms of asset-level or general corporate financing including project financing and capital raising that are specified as being for greenfield thermal coal mines and/ or greenfield coal-fired power plant projects, as well as expansions and Mountain Top Removal (MTR) mining, in any locations.
2. Expect – Customers that have met all the following requirements under this category are deemed to have satisfied CIMB Thai’s expectations in terms of environmental and social practices. For example, customers in the manufacturing sector are expected to have an Occupational Health and Safety (OHS) Management Plan covering key risks, mitigation and monitoring process.
3. Encourage – Highlights best practices among practitioners in the industry. CIMB Thai’s position is that we will encourage customers to adopt these industry-leading practices.

The Basic Sustainability Due Diligence, Enhanced Sustainability Due Diligence, and High Sustainability Risk Sector Guidance procedures demonstrate CIMB Thai’s commitment to be a leading bank in Thailand when it comes to sustainable and responsible finance by ensuring that the Bank does not cause, contribute to or is directly linked to negative Sustainability impacts when doing business our customers. This in turn significantly reduces and mitigates our own Sustainability risks, and enables us to build a more resilient financing portfolio.

Steps Involved

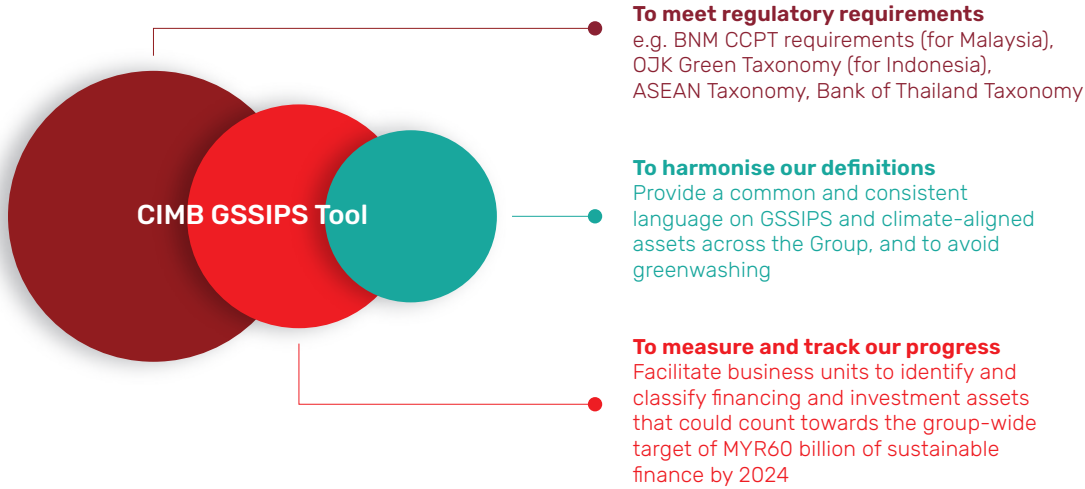


Being a bank that commits to sustainable and responsible finance, CIMB Thai takes “greenwashing” very seriously, both within the Bank and in the businesses of our customers. The Sustainability Team of CIMB Thai refers to the proposed definition of the International Capital Markets Association (ICMA):

“For financial regulatory purposes, greenwashing is a misrepresentation of the Sustainability characteristics of a financial product and/or of the sustainable commitments and/or achievements of an issuer that is either intentional or due to gross negligence.”

CIMB Thai is committed to actively avoiding any greenwashing in our business activities and in the provision of financial products and services to our customers. In this regard, the Bank aligns with the CIMB Group in the development and implementation of our internal tool for sustainable finance – the GSSIPS Tool.

The GSSIPS tool is designed to provide a common and consistent language on financing and investment assets that are considered in line with the local central banks and CIMB Group’s own GSSIPS Framework. Meant for group-wide application, the GSSIPS Tool is a living document that will be regularly reviewed and expanded to cater to multiple taxonomies such as the Bank Negara Malaysia Climate Change and Principle-based Taxonomy (BNM CCPT), the Indonesian Green Taxonomy by Otoritas Jasa Keuangan, the ASEAN Taxonomy and, and by 2023, the upcoming Thai Taxonomy of the Bank of Thailand.



In 2022, the Sustainability Department had rolled out the GSSIPS Tool with our Business Units. The CIMB Thai GSSIPS Tool comprises GSSIPS Eligibility Criteria that is based on the Thai sector codes of assets and activities. The GSSIPS Tool includes assessments such as whether the facility is for green, social, Sustainability, Sustainability-linked or transition financing, the total revenue of the customer in the GSSIPS focus areas, and whether the use of proceeds of the facility is for any GSSIPS focus area.

The Bank avoids and mitigates greenwashing risks in our portfolios by substantiating all our GSSIPS assets with objective classifications. The added advantage of implementing our GSSIPS tool is that, when the Bank issues its own use-of-proceeds bonds in line with the ICMA principles, the Bank is able to provide accurate use-of-proceeds reporting based on the relevant eligibility criteria.

As of 31 December 2022, CIMB Thai has achieved the following numbers in terms of sustainable finance aligned with our GSSIPS framework and eligibility criteria:

1. Corporate Banking: Approved loans and financing to GSSIPS projects for a total of THB 2,181,512,250
2. Debt Capital Market under Investment Banking: Issuance of green debenture, green bond and Sustainability-linked Bond at a total amount THB 15,750,000,000, as Joint Lead Manager (JLM)
3. Treasury and Markets: THB 918,000,000 from “Maxi Flexi ESG” structured notes linked to Citi Flexibeta ESG USD VT5 Index which is available exclusively at CIMB Thai

Cybersecurity and Data Privacy

Cybersecurity and data privacy are ranked as significant material topics because the Bank is responsible for safeguarding the Bank’s and customers’ data. As digital banking becomes the dominant way banks deliver their services, we need to ensure robust processes are in place to detect and respond to cyberattacks.

Our people, processes and technology are benchmarked against the best in the industry, where we adhere to the best security standards in the financial services as well as the local regulatory policy and procedural compliances in our jurisdiction.

In Thailand, the Cybersecurity Act had come into force in 2019. The legislation aims to combat cyber threats and equip law enforcement personnel with the ability to protect digital infrastructure in Thailand. Cyber threats are categorized into three tiers: non-critical threats, critical threats, and crisis-level treats. Organizations that use or provide computer systems for key areas including financial services and services targeted towards the public have to:

- Conform to Code of Conduct and cybersecurity standards as prescribed by law;
- Conduct thorough risk assessment; and
- Notify instances of cyber threats to stakeholders
- For organizations that deal with information infrastructure, investigate the affected data, check the systems that have been threatened, and mitigate the risks involved, when a cyber-threat occurs

From June 2022, Thailand’s new Personal Data Protection Act 2019 (PDPA) governing data protection came into full effect after a 2-year delay caused by the COVID-19 pandemic. The law is the first of its kind to be introduced in the country, which sets forth requirements on how data is processed, stored, received and disclosed. Applicability of the law applies to all data users, controllers and processors, including both public and private entities across the country.

In response to the new law taking effect, CIMB Thai has aligned all of its internal processes to meet the new regulation across all key business lines. The Bank has also appointed a Data Protection Officer (DPO) to ensure that all personal data managed, processed and received are in compliance with the PDPA regulation and serves as a focal point for PDPA issues with authorities and data subjects i.e. our customers. Additionally, to enable our employees at all levels of the organization to be aware of the PDPA law plus its principles and impacts, we have extensively engaged all level of staff through as internal training programs well as newsletters across the year.

As part of ensuring our customers’ data is protected and safeguarded at all times, CIMB Thai continually reviews and upgrades our bank’s security on our key banking systems and applications. Our efforts in amplifying our cybersecurity can be shown as we achieved zero data breaches in 2022.

In 2022, there were 3 cases of customer complaints that were related to data breaches (but investigation results show no actual data breaches). The Bank had taken appropriate measures and actions to address the complaints, and has successfully closed all complaints with the respective customers within the 2022.

Total No. of Data Breaches in 2022	Total No. of Customer Complaints Related to Data Breaches in 2022
0	3

CIMB Thai continues to put significant emphasis on safeguarding cybersecurity and data privacy throughout our business activities and our dealings with our vendors and other stakeholders. We commit to building a robust technology and data environment that actively prevents losses of customer data and breaches of customer privacy.

Digitalization and Innovation

CIMB Thai continues to thrive towards our vision of becoming a digital-led bank with ASEAN reach.

We recognize that the importance of digitization and innovation is growing not only for customers, but also for all businesses and stakeholders around us. Thus, we have embedded digital-driving forces in key strategic themes as part of our Forward23+ strategy.

- Digitalization in our strategy include:
- Diversifying deposit and CASA growth by focusing on lower cost deposits and driving digital acquisition
 - Scaling-up consumer digital banking and leverage partnerships to drive customer acquisition
 - Scaling-up secondary bond business via digital channels such as the Bank’s CIMB TH Digital Banking App.

Our CIMB TH Digital Banking App has also been growing and seeing good traction with more than 280,000 users. An estimated 1 out of every 2 active Consumer Banking customers are digital, while 3 out of every 4 Consumer Banking transactions are done on the CIMB TH Digital Banking App. Almost half of the Bank’s active retail base actively use and transact via the Application.

In 2022, the Bank recorded growth of 390% in bond subscriptions through CIMB TH Digital Banking App and 370% growth in terms of deposits through its digital platform.

Digital and technological investments are driven towards investments in core systems to drive business scalability and boost technological resiliency, Digital Banking core system enhancements, and fraud systems.

Digitalization in banking contributes to significant indirect economic impacts. Digital banking facilitates businesses and households in the transition to a digital economy and helps them effectively manage environmental impacts. Environmental impacts include the significant reduction of paper and stationary materials used in physical transactions, while at the same time reducing the demand for energy usage and other resources necessary to operate physical facilities. On the social aspect, digitalization enables broader access to financial services through mobile devices where economic growth is driven by increased commercial transactions. Communities with physical disabilities can also easily access to financial services digitally.

Financial Inclusion and Literacy

In the Financial Access Survey of Thai Household 2020 conducted by the Bank of Thailand (currently this survey was not published for 2022), the central bank defined financial access, whereby:

- 1. Access refers to households who use at least one financial service, and those who have access to a financial service but choose not to use any financial service
- 2. No access refers to households who have demand for a financial service but are not able to use any financial service.

Here the Bank of Thailand listed out and reports the access to 4 basic financial services, namely:

- 1. Deposits and savings service - In 2020, 97.2% of households had access to deposits/savings service, up from 96.9% in 2018.
- 2. Loan service (excluding credit card) - 95.0% of households had access to loan service (excluding credit cards), a similar level to that in 2018 (95.8%).
- 3. Money transfer service - 97.2% of households were able to access money transfer service, similar to the access level in 2018 (97.8%).
- 4. Payments - 99.2% of the surveyed households had access to payment service, a similar level to 2018 (99.3%), but the usage rate increased significantly to 80.4%, up from 67.9% in 2018, with commercial banks and banking agents (such as Thai Post and convenience stores) serving as the main service providers.

When managing financial inclusion and literacy in CIMB Thai, the Bank’s financial products and services had provided access to the 4 basic financial services as listed out by the Bank of Thailand. The Bank continues to engage with our central bank in order to meet expectations of our stakeholders and regulators, so that the Bank continues to provide financial access in a more holistic fashion in accordance with its business strategies.

In terms of deposits and savings services for individuals, the Bank provides Chill D Savings by CIMB Thai, Speed D Plus Savings by CIMB Thai, CIMB THAI e-Savings, Speed Savings, Extra Savings, and Basic Banking Account. CIMB Thai provides businesses with current deposit, cash management savings, corporate super savings, fixed deposit and foreign currency deposit. Retail customers can just open a current deposit account with a low minimum deposit of THB 10,000. The Bank’s PHEMKHA SABAI-JAI Fixed Deposit Account requires minimum monthly fixed deposit amount of only THB 1,000.

For loan services, the Bank provides for individuals with Personal Cash, Extra Cash and Cash Link loans. For housing related and multi-purpose needs, customers can access Home Loan 4U and refinancing facilities, as well as the Bank’s Mortgage Power, and property loans.

To access to money transfer services, the market is provided with the Bank’s remittances services through SpeedSend and CIMB THAI International Money Transfer.

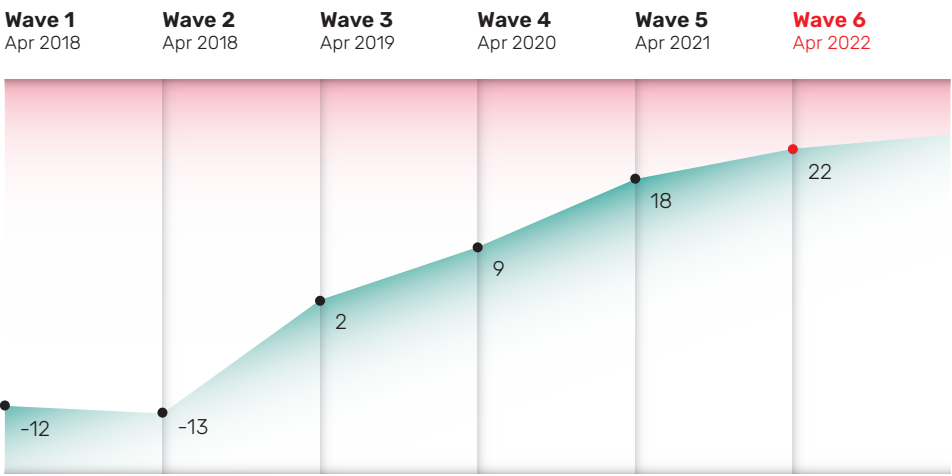
Finally for payments, the CIMB TH Digital Banking App provides access to financial and payments transactions. The application supports transfer of money when customers purchase goods and services, or for payment of bills. Payments can be done through scanning QR codes as well. Additionally, CIMB THAI PromptPay is a new form of fund receipt and transfer service that makes payment and fund receipt and transfer easier with no more need to recall account number, by using national ID card or mobile number.

Financial literacy is driven digitally through CIMB Thai’s corporate website that is easily accessed by individuals and businesses. The “Savings Strategies” and “Planning for My Future” sections in our corporate website enables our communities to access information such as advise on reducing household bills and tips to pay off loans. Other information include setting up emergency funds, saving strategies for potential first home owners, and managing investments via smartphone with CIMB Thai’s digital banking features for investors.

Our actions in financial inclusion and literacy are aligned with our commitments to contribute to significant positive community impacts. Our development programs are aligned with the GRI Standards whereby our plans are actions that minimize, mitigate, or compensate for adverse social and/or economic impacts such as inaccessibility to basic financial services. With that the Bank also identifies opportunities or actions to enhance positive impacts of the community by providing best in class financial services through our branches and digitally.

To measure our impacts on our customer communities in Thailand and how we fair in our projects and initiatives in our business operations and financial offerings, the Bank uses the Net Promotor Score (NPS) as a reference and anchor metric. NPS is a performance metric widely used to measure customer loyalty and satisfaction by quantifying how likely a customer is to recommend the Bank to a friend or colleague. The higher the positive scoring of the NPS the better the performance.

Sources	Wave1 Apr 2018	Wave2 Oct 2019	Wave3 Oct 2019	Wave4 Oct 2020	Wave5 Oct 2021	Wave6 Oct 2022
NPS Score (CIMB Customers in Consumer Banking)	-12	-13	+2	+9	+18	+22



Customer Experience

CIMB Thai aims to advance our customers in our effort to advocate customers with sustainable banking practices. We place our customers at the heart of everything we do and we are committed in providing the highest standard of customer experience. Hence the Bank has developed and implemented its Treating Customers Fairly Commitments.



Treat Them Fairly

We are committed to ensuring that our customers are confident that they are dealing with the Bank where the fair treatment is central to organization's culture.



Practice Needs-Based Selling

We are committed to ensuring that our products, services and their terms and conditions are designed and marketed to meet the customers' needs. Also, we are committed to safeguard customers' personal information and assets maintaining with the Bank and ensure that they are not misused.



Provide Transparent and Suitable Advice

We are committed to ensuring that our customers receive clear, relevant and timely information. This is to ensure that CIMB Thai's customers can make informed decisions that best suit to their knowledge and financial capability without disturb their privacy and they can conveniently compare details of each products and services.



Flexible Service

We are committed to ensuring that our customers do not face issue even at the post-sales. This shall include changing of the product or service, switching the provider, submitting claim or making a complaint.



Give Customers Peace of Mind

We are committed to ensuring that our customers are informed on their rights and obligations in using the products or services from CIMB Thai. This is also included receiving of other information that enhancing customers understanding and knowledge of using financial product or service from the Bank.

We value the relationships we have with our customers, and are committed to strengthening our connection with customers on the basis of trust. We embed these Treating Customers Fairly (TCF) outcomes in our processes and through our actions.

Further, the Bank has set up its Customer Experience Management (CX) team to work closely with customer touchpoints and other units to efficiently handle customers' complaints and queries.

The Bank's Customer Complaint Handling Policy and Procedures have been established to set out the standard framework and mechanism for dealing with customers' complaints in accordance with local regulatory requirements and aligned with the CIMB Group standards. CX acts as the independent centralized complaint management unit to ensure that all customers' complaints are handled objectively by relevant subject matter experts in a fair and timely manner.

The prompt and constructive responses given to customers would in turn build customers' trust and loyalty in the Bank. In addition, customers' confidentiality is strictly observed at all times unless the disclosure is required by law or authorized in writing by the customers.

CX provides customer knowledge based on surveys and feedback gathered from various customer touchpoints. This is to drive improvements in all angles of customer experience and uplifting customer engagement. The knowledge and improvement initiatives are prepared and proposed by CX to CIMB Thailand's Customer Experience Committee, Management Committee, Board Risk and Compliance Committee-Compliance Reporting, and other relevant committees on a regular basis.

As per relevant regulatory requirements, i.e. Market Conduct prescribed by the Bank of Thailand, and Fair Dealing prescribed by the Office of the Securities and Exchange Commission, the Bank is required to disclose the following information for customers to contact regulators for filing of their complaints:

- 1. Financial Consumer Protection Center (FCC), Bank of Thailand
Hotline: 1213
Email: fcc@bot.or.th
- 2. Office of the Securities and Exchange Commission (SEC)
Hotline: 1207
Email: complaint@sec.or.th

Additionally, CIMB Thai aligns with the Group to reinforce our stance on zero tolerance for mis-selling. We strengthened our mis-selling identification and handling framework to make it easier for frontliners and investigation teams to manage mis-selling cases by including:

- Comprehensive root cause analysis to help us to zoom into process, people and system gaps and identify remedial and preventive actions.
- Safeguards to ensure that when allegations of mis-selling do arise, all parties, including sales staff, are treated fairly.
- Encouraging staff to self-identify potential mis-selling cases, resulting in early corrective action and service recovery.

As of 31 December 2022, there were no incidents of non-compliance with regulations and/or voluntary codes concerning the health and safety impacts of the Bank's products and services including those resulting in a fine or penalty, those resulting in a warning, or non-compliance with voluntary codes.

“Our systems and procedures for monitoring, managing, measuring and reporting economic, environmental and social (EES) risks and opportunities.”

CIMB Thai aligns itself with the Corporate Governance Code 2017 issued by the Securities and Exchange Commission of Thailand (SEC), whereby corporate governance involves relationship and other arrangements to ensure that intended outcomes of the company are defined and achieved. In this regard, good corporate governance includes building investor confidence and trust, ensuring business integrity, and creating long-term business value.

Since 2021, the Bank has reviewed and revised its Corporate Governance Policy to be in line with the SEC Corporate Governance Code. Key updates include revising the principle on term of office of independent directors for a maximum term of 9 years without exception (deleting allowance of cooling period), as well as adding the topics relating to Sustainability Policy, Workplace Environment Policy, and energy and environmental management.

Key Highlights: Governance and Risk in 2022

- 1. The Bank achieved a CG score of “Excellent” or 5-star level in the Corporate Governance Report of Thai Listed Companies (CGR) 2022 issued by the Thai Institute of Directors, with support from the Stock Exchange of Thailand.
- 2. The Bank fully rolled out its Sustainability Due Diligences process, covering all business relations as stipulated by the Sustainability Policy, as well as financing and capital raising customers in accordance with the Sustainable Finance Policy, effectively establishing total oversight on Sustainability risks relating to its business activities and business relations.
- 3. By 2022, the Bank had embedded Sustainability risk into its Internal Capital Adequacy Assessment Process Report that is required by the Bank of Thailand.

Our Material Topics in Governance and Risk

Ranking in Overall Material Topics	Sustainability Topics
3	Governance & Ethics
4	Risk Management and Business Resilience

Governance and Ethics

CIMB Thai has established its governance structure which includes from the top, the Board of Directors and the Board’s Committees, the Management Committee and Management Sub Committees. In terms of governance and ethics, which are ranked highly as the Bank’s Material Topic, GRI Topics such as anti-corruption and marketing and labelling are significant in terms of the Bank’s economic and social impacts.

Anti-Corruption

CIMB Thai is committed to conducting our business free from any form of bribery or corruption. We adopt a zero-tolerance approach to any acts of bribery or corruption perpetrated by employees, suppliers and business partners. In line with Thailand’s Private Sector Collective Action against Corruption (CAC), bribery refers to the offering, promising, giving, accepting or soliciting of an advantage as an inducement for an action which is illegal, unethical or a breach of trust. Inducements can take the form of gifts, loans, fees, rewards or other advantages (taxes, services, donations, favors etc.).

The Bank has participated in and been certified for the first renewal of membership of the CAC to underline our ongoing commitment to fight all forms of corruption. We have mapped out sound practice guidelines and procedures to counter corruption with the Anti-Corruption Policy

and Procedures established to be strictly adopted by directors, executives and staff of the Bank and the companies in the financial business group. We have also reviewed the relevant practices, oversight structure, risk management system, internal control and audit system to safeguard against any internal fraud.

- The CAC states clearly that signatory companies are self-obliged to three key duties, including:
- 1. Acting as a role model by announcing policy against all forms of corruption, creating relevant internal controls to prevent bribery, seeking certification from the CAC Council within 18 months timeline, and applying for re-certification every three years.
 - 2. Supporting and encouraging trading partners and agents in the supply chain as well as industry peers to adopt the CAC’s anti-corruption policies and practices and consider signing up with the CAC.
 - 3. Supporting improvement of public service efficiency to enhance transparency in giving and receiving public services as well as engaging in transactions between the public and private sectors. This can be done by joining hands with other companies to cooperate with the public sector, civil society, media, and international organizations to promote implementation of anti-corruption measures, data disclosure, and establishment of clean business practice standard that emphasizes transparency and fair market competition.

CIMB Thai refuses any acts of corruption and bribery that may occur in businesses and transactions in its business activities and in relation to its business relations. To fulfill that intention, the Bank has put in place its Policy and Procedure on Anti-Corruption which determines the thorough procedures on anti-corruption for compliance. Besides, regular reviews on operational procedures will be made to ensure their consistency with the changing laws and regulations, business natures and economic situation, and to retain the Bank’s good reputation as well as business transparency. All directors and employees of the Bank as well as the subsidiaries in the financial business group shall comply with this policy.

This policy is applicable to all levels of the Bank’s directors, advisors and workers, from contract-based routine workers, either under fixed term or temporary contract, to advisors, trainees, those sent to work somewhere else for temporary or those working abroad, temporary employees, representatives, supporters or any other relevant persons. Compliance with this policy is regarded as one of the employment conditions for all employees.

The Bank abides by the anti-corruption laws applicable in Thailand, and in any jurisdictions in which it has business operations. In case of any conflict of interest or any discrepancies that contradict the Bank’s policies or any relevant laws and regulations, the stricter rules and regulations are complied with.

Moreover, to support our anti-corruption operation in a more concrete manner, the Bank implements its Policy and Procedure on Giving and Acceptance of Gifts and Entertainment. This Policy aims to serve as a guideline for executives and staff of the Bank and its subsidiaries, which also covers their immediate family members, comprising their spouse, parents, siblings, and children.

All stakeholders have also been requested to refrain from giving gifts to the Bank’s executives and staff members. This aims to prevent and reduce circumstances where corruption risk may be incurred and to ensure that the Bank operates business in accordance with corporate governance principles, and with integrity, transparency and avoidance of conflicts of interests, which are the core principles of business operations for sustainable growth of the Bank.

We recognize the importance of communication on CIMB Thai’s zero-tolerance approach to bribery and corruption both within and outside the organization. The Policy and Procedure on Anti-Corruption is publicly available on CIMB Thai’s website and regularly communicated to all directors, executives, and employees via various communication channels.

In addition, for greater internal awareness and competence around relevant anti-bribery and corruption laws, all staff and executives must enroll an internal refresher course and pass the test to comprehend the purpose of anti-bribery and corruption, conflict of interest and Chinese Wall, and personal account dealing on an annual basis. For new employees, they must take a compulsory e-learning course and pass the assessment. In the meantime, all staff must sign on the “Acknowledgement and Compliance Form” to assure that they have read, understood the policy and procedures, and will put the same into practice.

Financial support or contributions given to organizations or individuals must follow the Group’s Corporate Social Responsibility Framework/Guidelines, including the making of a gift to charity or public organizations. Due diligence must be conducted for all sponsorships and donations to ensure that they are not in exchange for an inappropriate advantage or benefit, are not used to facilitate and conceal acts of bribery, and will not result in any conflict of interest.

CIMB Thai provides an avenue for all employees, business associates and associated persons, members of the public, or any stakeholders to disclose any bribery, corruption, or other forms of improper conduct within CIMB Thai. The Bank has set up channels for whistleblowing to receive reports on suspicious fraud/corruption incidents or behaviors, or any conduct which employees and stakeholders believe or suspect may be involved with fraudulent/ corruption acts in the future.

In 2022, The Bank has conducted a risk assessment on all of its operations, covering regulatory landscape, regulatory requirement, Management Self-Identified Issue reported by business units, Loss Event Data reported by business units, and customer complaints. No material risk regarding bribery and corruption was identified through the risk assessment. In addition, no allegations of corruption or bribery or complaints against the Bank have been raised by the Bank of Thailand, the Anti-Money Laundering Office, the Office of the National Anticorruption Commission, and the Securities and Exchange Commission.



Communication on the Anti-Corruption Policy

Type of Employment	Number (Persons)	Percentage
Board Members	10	100
Total Board Members	10	100
Management Committee (MC)	16	0.6
Permanent/Regular Employee	2,390	86.1
Temporary Worker	22	0.8
Contractor	347	12.5
Total CIMB Thai Employee	2,775	100
CIMB Thai Auto	706	64.7
WorldLease	386	35.3
Total Subsidiary Employee	1,092	100
Business partner	28	13.0
Supplier	188	87.0
Total Business Partner and Supplier	216	100

As of 31 December 2022, there were no confirmed incidents in which employees were dismissed or disciplined for corruption, no confirmed incidents when contracts with business partners were terminated or not renewed due to violations related to corruption, and no public legal cases regarding corruption brought against the organization or its employees.

Responsible Marketing and Labelling

CIMB Thai is committed to providing customers with high-quality products and services while safeguarding their interests and treating them fairly in all aspects of their dealings with the Bank. The Bank’s Market Conduct Policy was established in accordance with the Bank of Thailand’s regulations and in accordance with CIMB Group’s policy of treating customers fairly in order to inculcate market conduct principles into CIMB Thai’s corporate culture.

The Market Conduct Policy underlines the five core principles to guide business units on the activities to be considered and prioritized. The purpose of these principles is to guide employees on how to achieve fair treatment of customers and the desired outcomes for customers. These principles are to be communicated and practiced by all employees at all times and to ensure that customer will be served and treated fairly.

Principle	Outcome for Customers
Treated Fairly	Customers can be confident that they are dealing with an organization where fair treatment of customers is central to CIMB Thai’s culture. CIMB Thai must have monetary services and products that customer can reach at an appropriate price.
Needs-based Selling	Products and services marketed are designed to meet the needs of customers fairly. Customers’personal information and assets are safeguarded and to be treated appropriately.
Transparency & Suitable Advice	Customers can receive clear, relevant and timely advice to make suitable and informed decision without disturbing their privacy. Customers are allowed to have adequate information to compare with other financial service provider’s product before, during and after sale. When customers receive advice, the advice is suitable and takes into account their circumstances.
Flexibility	Customers do not face post-sale barriers imposed by CIMB Thai to change product, switch provider, submit a claim or make a complaint.
Peace of Mind	Customers understand their rights and duties regarding the use of financial services. CIMB Thai plays an important role in helping to foster customer financial knowledge suitably.

The Bank develops and implements products that are suitable for customer’s needs, financial ability, and understandability based on each customer target group and ensures an utmost benefit of customers. The products should be suitable to salesperson ability, system, and ability to control and oversee fairly sale quality so that customer will receive product fairly in terms of price and condition.

We also design the sales process that would allow us to provide services to customers without disturbing their privacy. Customer should be entitled to receive complete and accurate information and such information shall not be exaggerated. The information must be adequate for customers to make decision with true understanding of the products. In addition, the products offering must fit customers’ needs, financial literacy and understandability of products.

Preparation Before Offering Sales and Services

We ensure that sale processes are appropriately designed to provide good quality service to customers, allow customers to have clear and completed information, have effective tools and systems for different types of channels, define clear scopes of work for salespersons, have clear and distinct point of sale for product offering, protect customer privacy, prevent illegal use of customer information, inform customer the right to decline to be contacted temporarily and permanently (and allow customer to choose to allow being contacted), and have procedure that allows an audit of sales process.

Sales and Services Process

The Bank analyzes the target customers before offering products or services to them to ensure we would be able to offer products that fit each customer type and carries out the sale process with prudence when offering products to vulnerable customers, which includes process to perform service quality check for all vulnerable customers.

Post-Sale

The customer will be informed in advance regarding the bills to be collected from them and as and when there is change to terms and conditions that affect customer’s rights and benefits to services. In case of change to product or service that causes customers to have additional burdens or risks, the customer consent is required to be obtained within time interval in according to the regulation on collecting, storing and processing electronic data of financial institutions, and other relevant regulations.

The Bank is aware of reputation risk and the importance of marketing and communicating our products and services responsively. We emphasized efficient management of problems and the development of service quality for sustainable customer experience. We have thus set up an independent centralized complaint management unit which works closely with customer touchpoints and other units to efficiently govern the handling of customers’ complaints and queries. We focus on the ongoing development and improvement of our products and services to provide a great customer experience.

As of 31 December 2022, there were no incidents of non-compliance with regulations and/or voluntary codes concerning product and service information and labelling, non-compliance with regulations resulting in a fine or penalty, non-compliance with regulations resulting in a warning, and non-compliance with voluntary codes.

As of 31 December 2022, there were no incidents of non-compliance with regulations and/or voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, including incidents of non-compliance with regulations resulting in a fine or penalty, non-compliance with regulations resulting in a warning, or non-compliance with voluntary codes.

Risk Management and Business Resilience

A robust and effective risk management system is critical for the Bank to achieve continued profitability and sustainable growth in shareholder value amidst today’s globalized and inter-linked financial and economic environment.

Risk Management and Control Framework

The Board recognises that sound risk management is an integral part of the Bank’s business, operations, and decision-making process, and is critical in ensuring the Bank’s success and sustainable growth.

The emphasis on a strong risk management culture is the foundation of the control mechanisms within the Bank’s Enterprise-Wide Risk Management (EWRM) framework. The framework consists

of an ongoing process of identifying and assessing, measuring, managing and controlling, as well as monitoring and reporting material risks affecting the achievement of the Bank’s strategic business objectives.

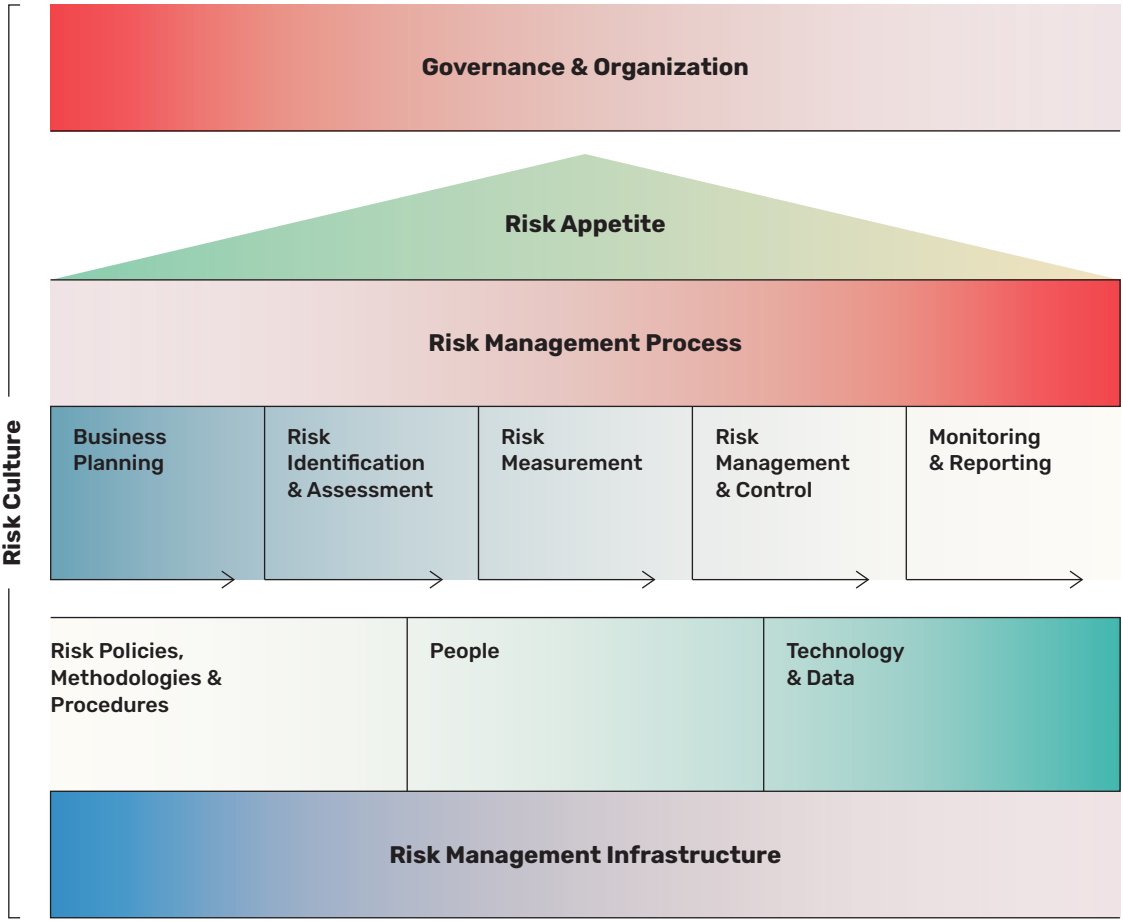
To further enhance the cultivation of risk management culture, the Bank employs the three lines of defense model in implementing the EWRM framework, providing risk management accountability across the Bank. The Board has also established the Board Risk and Compliance Committee, whose responsibilities, amongst others, include overseeing the effective implementation of the EWRM framework.

Enterprise-Wide Risk Management Framework

The Bank employs the EWRM framework as the standardised approach to effectively manage its risks and opportunities. The framework provides the Board and the management with a tool to anticipate and manage both the existing and potential risks, taking into consideration the changing risk profiles as dictated by changes in business strategies, external environments and/or regulatory criteria.

The design of the EWRM framework incorporates a complementary “top-down strategic” and “bottom-up tactical” risk management approach.

Key components of the EWRM framework are presented below:



Risk Culture: The Bank embraces risk management as an integral part of our culture and decision-making processes. The three lines of defense approach is embodied in the risk management philosophy, whereby risks are managed at the point of risk-taking activity. There is clear accountability of risk ownership across the Bank.

Governance and Organization: A strong governance structure is important to ensure an effective and consistent implementation of the Bank’s EWRM framework. The Board is ultimately responsible for the Bank’s strategic direction, which is supported by the risk appetite and relevant risk management frameworks, policies and procedures. The Board is assisted by various risk committees and control functions in ensuring that the Bank’s risk management framework is effectively maintained.

Risk Appetite: It is defined as the amount and type of risks that the Bank is able and willing to accept in pursuit of our strategic and business objectives. Risk appetite setting is part of the annual strategy and business planning process to ensure appropriate alignment between strategy, growth aspirations, operating plans, capital and business associated risks.

Risk Management Process

- **Business Planning:** Risk management is central to the business planning process and new product/new business activities, including setting frameworks for risk appetite and risk posture.
- **Risk Identification and Assessment:** Risks are systematically identified and assessed through the robust application of the Bank’s risk policies, methodologies/standards, procedures/process guidelines.
- **Risk Measurement:** Risks are measured and aggregated using Bank-wide methodologies across each of the risk types, including stress testing.
- **Risk Management and Control:** Risk management limits and controls are used to manage risk exposures within the risk appetite approved by the Board. Risk management limits and controls are regularly monitored and reviewed in the face of evolving business needs, market conditions and regulatory changes. Corrective actions are taken to mitigate risks.
- **Risk Monitoring and Reporting:** Risks on an individual as well as a portfolio basis are regularly monitored and reported to ensure they remain within the Bank’s risk appetite.

Risk Management Infrastructure

- **Risk Policies, Methodologies/Standards and Procedures/Process Guidelines:** Well-defined risk policies by risk type provide the principles by which the Bank manages risks. Methodologies/Standards provide specific directions that help support and enforce policies. Procedures/Process Guidelines provide more detailed guidance to assist the implementation of policies.
- **People:** Attracting the right talents and skills is key to ensuring a well-functioning EWRM framework. The organization has to continuously evolve and proactively respond to the increasing complexity of the Bank’s operations, as well as the economic and regulatory environments.
- **Technology and Data:** Appropriate technology and sound data management support risk management activities.

The Bank focuses on sound and effective risk management principles to ensure not only the financial soundness and integrity but also Sustainability of the organization and that returns must be commensurate with risks taken.

With regard to the risk management governance and oversight, the Board Risk Committee (BRC) was appointed by the Board in 2014 to ensure independent and greater risk governance and accountability for all types of risks. Due to the close interrelation between Compliance and Risk Management, the Board decided to expand roles and responsibilities of the BRC to also have oversight on the Compliance function (in place of the Audit Committee (AC)) and changed the name of the committee to the Board Risk and Compliance Committee (BRCC) to report directly to the Board, taking effect from September 2019. The BRCC is comprised of five members who are all Board members.

In addition, the Board has appointed the Risk Management Committee (RMC), reporting to the BRCC, to oversee various risk areas and any related matters, such as credit risk, operational risk, reputation risk, capital risk (to comply with Basel regulatory requirements), and etc. The RMC is composed of members with relevant and seasoned experience and expertise. Its key responsibilities are to review and recommend to the BRCC and the Board risk management policies and frameworks as well as to establish a corresponding governance structure which would ensure that not only risks are managed efficiently and effectively, but also decisions are made in a transparent manner. Moreover, the Asset Quality Committee (AQC) has been appointed by the BRCC with responsibilities to review and/or recommend for approval the account plan for troubled debt or debt with signs of deterioration to the Board/relevant committee (where necessary) and to approve and concur proposals and provision of such account with problems or potential problems from non-retail business units.

The Risk Management Unit has been established to act as a catalyst for the development and maintenance of sound risk management policies, strategies and procedures within the Bank. It provides functional support to the BRCC, the RMC, the Credit Committee (CC), and Risk Management sub-committees, and assists the management in managing risks inherent to the Bank and its businesses. The Risk Management Unit is independent from other business units involved in risk taking transactions or activities. In addition, Special Assets Management has been established under Risk Management Unit to take charge of managing credit quality concerned assets as well as providing advice to early manage customers with signs of credit quality deterioration.

Sustainability Risk Management

As a financial institution, we recognize that our business operations play a major role in the capital flow of business operations in the community. In accordance with the CIMB Group’s Enterprise-Wide Risk Framework, the Bank has incorporated Sustainability considerations into our risk assessment and strategies with the goal of managing financial and non-financial risks, such as climate-related physical risks (e.g. flood, wildfire, and etc.), transition risks (e.g. changes in regulatory requirements, government policies, technologies, and customer preference), and human rights risks, in order to ensure that our business operations have a long-term, net-positive impact on our current and prospective stakeholders.

Climate-related Risk

Physical climate risks continue to worsen, with severe weather events now commonplace, and consecutive record-breaking annual temperatures. At the same time, regulatory pressures and market shifts are driving height of transition risk, with investors demanding more transparency. On the other hand, new opportunities are emerging, and demand for sustainable finance has never been stronger.

As a financial services provider, we are exposed to climate-related physical and transition risks. These could materially impact our performance and longer-term resilience in the form of credit risk, market risk and reputational risk, among others. Our physical ability to operate could also be impacted, and the safety of our employees put at risk. To combat and adapt to climate change, it is appropriate and responsible to factor climate-related risk considerations into our business decisions.

CIMB Thai aligns its climate-related risks to the Taskforce on Climate-related Financial Disclosures (TCFD) Recommendations. The Taskforce on Climate-related Financial Disclosures was established by the Financial Stability Board to help identify the information needed by investors, lenders, and insurance underwriters to appropriately assess and price climate-related risks and opportunities.

Transition risks include:

- 1. Policy and legal risk
- 2. Technology risk
- 3. Market risk
- 4. Reputation risk

Physical risks include:

- 1. Acute risk
- 2. Chronic risk

CIMB Thai, along with CIMB Group, maintains a Risk Hotspots and Emerging Risks Report that is updated periodically to our governance bodies. Here, we have identified Transition Risks to include:

- 1. Policy and regulatory changes, e.g. GHG emission reduction policies including carbon taxation, outright bans on carbon-intensive activities will create credit and reputational risks to CIMB Thai and CIMB Group whereby companies financed caused environmental breaches such as pollution.
- 2. Stakeholder demands, e.g. investors will scrutinize more on our financing activities such as to the carbon intensive sectors, and customers may shun away from brands that are perceived to be associated with contributing to the climate crisis.
- 3. Technology shifts, e.g. with the demand for new low-carbon technologies surging, there could be a technology risk in terms of sudden rush of capital expenditure on these technologies whereby some may be unproven or not effective. Besides, with the development of renewable energy expecting to grow rapidly, sectors such as coal and fossil fuel will highly likely be turned into stranded assets and turn out to be worth less than expected as a result of changes associated with the energy transition.

Our Current Approaches

As we are still in the nascent stages of our climate journey, our current approach is predominantly focused on managing our own outbound impacts on the climate by reducing our operational carbon footprint.

Managing climate-related risks is associated with our lending and financing for customers, covering both outbound impacts by customers on the climate, as well as inbound impacts on our customers, which could have knock-on impacts to us as a financier.

At the borrower and transaction level, we continue to leverage our existing Sustainability policies and procedures, in particular the Group Sustainable Financing Policy and Sector Guides, as our primary climate risk management tool. Time-bound action plans are issued to customers who are not in compliance with our sector guide requirements or are found to have ongoing environmental and social concerns or controversies. Concurrently, we remain steadfast in our pursuit of new GSSIPs growth to help facilitate our customers’ transition.

Summary of Financial Implications and Other Risks and Opportunities due to Climate Change

Risk Category	Risk Drivers	Example of Potential Transmission Channels
Transition Risk arising in the process of adjustment towards a low-carbon economy	Policy and Regulatory Changes, such as national net zero policies, carbon taxes, and climate laws	Lower corporate profitability (e.g. due to increase in production costs, reduced agricultural yields) and increased litigation
	Technology Shifts, such as new low-carbon or carbon-capture technologies and related price changes	Corporate devaluation or premature asset write-downs (e.g. closure of coal-fired power plants due to lower cost of renewable energy)
	Investor Expectations, such as portfolio-level temperature goals and increasing standards to avoid greenwashing claims	Rising public scrutiny on corporates' unsustainable behaviors and potential drastic loss of customers, impacting profitability
	Consumer Preferences, such as a moving away from single-use items towards greener alternatives	<ul style="list-style-type: none">- Reduced, or complete loss of, residential and commercial property values in high risk areas such as those in floodplains, and increase in prices of property in higher elevations- Lower household wealth and higher inflation (e.g. rising living costs due to carbon cost pass-through)

Risk Category	Risk Drivers	Example of Potential Transmission Channels
Physical Risk arising in the event of increased severity and frequency of climate change induced events	Acute Drivers, such as heatwaves, wildfires, extreme rainfall and flooding, and droughts	Operational disruptions resulting in income loss (e.g. supply chain disruption, damaged machineries due to floods, heat stress and related deaths at workplaces)
	Chronic Drivers, such as sea level rises, sustained hot temperature, reduced rainfall, shifting seasons, and longer-term shifts in climate patterns	Higher government spending to adapt to climate change or lower revenue due to lower tax contributions from corporates

Potential Financial Risks to CIMB Thai

Risk Types	Impacts
Credit Risk	<ul style="list-style-type: none">- Impact on repayment capacity of customers, leading to a possible increase in default rates- Impact on collateral value due to stranding of climate misaligned assets
Market Risk	<ul style="list-style-type: none">- High volatility and potential abrupt decline in the value of climate-incompatible securities underwritten or held by CIMB Thai
Liquidity and Funding Risk	<ul style="list-style-type: none">- Inability of CIMB Thai’s customers to repay their facilities as contracted, which in turn affects the Bank’s cash flow requirements- Significant withdrawals of deposits from customers to fund capital expenditures in low-carbon technology or to recover from damages caused by extreme events
Reputational Risk	<ul style="list-style-type: none">- Reputational repercussions due to CIMB Thai’s financing of carbon intensive sectors such as coal- Poor stakeholder confidence in CIMB Thai’s Sustainability efforts and ability to manage our exposure to climate-related risks
Operational Risk	<ul style="list-style-type: none">- Disruption to operations and damage to CIMB Thai’s physical assets (e.g. branches) due to rising frequency and impact of natural disasters such as floods- Changes to internal policies and procedures to ensure compliance with new regulations around climate change- Higher OPEX and CAPEX required to meet the Group’s net zero ambition
Strategic Risk	<ul style="list-style-type: none">- Losing competitiveness, market share and attractiveness to investors due to inability to shift away from financing brown to green
Enterprise-Wide Risk (Capital Risk)	<ul style="list-style-type: none">- Inadequate capital to cater for climate-related risks, which may result in the inability to absorb losses, maintain public confidence and support the competitive growth of the business

Potential Financial Opportunities to CIMB Thai

Opportunity Types	Impacts
Customer Centricity	Going the extra mile for the customer to cater for customers demand of products and services that have climate mitigation and climate adaptation objectives
Sustainable Finance Opportunities	Leveraging our financial services to create positive impacts together with our customers, not only on financing and capital raising but also in terms of providing impactful advisory services
Technology	Leveraging technology to enhance customer experience, operational efficiency and business resilience in terms of climate adaptation
Just Transition	Supporting businesses to transition to low-carbon economy, while at the same time creating “green jobs” or employment in sectors that are moving towards new business models and sustainable performances

Stakeholder Engagement and Advocacy

“Our endeavor to engage internal and external stakeholders for awareness and build capacity to inspire Sustainability leadership.”

CIMB Thai is committed to investing in time and resources to engage with key stakeholders to identify our economic, environmental and social (EES) impacts, raise collective awareness on Sustainability issues, and mobilize support for meaningful action towards sustainable development. We have a comprehensive training and engagement agenda for our employees and other stakeholder groups, both internal and external, from our employees to our regulators, to build an ecosystem that realizes our Sustainability aspirations and developmental goals.

All levels of our employees are also provided with opportunities to participate or be volunteers in our Corporate Social Responsibility (CSR) initiatives, where our channel profits to enhance and contribute towards sustainable long-term positive impacts in the community around us.

Effective stakeholder engagement and advocacy initiatives enable the Bank to not only “do good” through its external offerings, but also to “be good” through internalizing Sustainability into its DNA. The achievement of sustainable development goals is only possible when all stakeholders act together towards concrete outcomes.

Key Highlights: Stakeholder Engagement and Advocacy in 2022

- 1. CIMB Thai and CIMB Group organized its first “Stakeholder Engagement, Impact Assessment, and Materiality” (SIM) Taskforce to manage its Materiality process in accordance with the new GRI Standards.
- 2. More than 1,000 members of CIMB Thai stakeholders participated in the Bank’s first Sustainability survey, including employees, vendors, and customers.
- 3. A total of 23,885 volunteering hours were recorded for a series of CSR initiatives participated by our employees, which translates to 7 hours each person.
- 4. A total of 279 targeted employees having managerial responsibilities have completed Sustainability-specific trainings throughout 2021 and 2022.

Our Material Topics in Stakeholder Engagement and Advocacy

Ranking in Overall Material Topics	Sustainability Topics
11	Work-place culture and talent development

Stakeholder Engagements in 2022

CIMB Thai conducts regular stakeholder engagements in its business-as-usual scenario. As a responsible and sustainable bank, the Board, Management Committee and Management Sub-Committees engage with various stakeholder groups in order to manage, improve and deliver overall outcomes in relation to our business operations and wider contributions in relation to corporate citizenship.

Our regular stakeholder engagements include:

Key Stakeholders	Engagement Channels	Key Expectations and Concerns	CIMB Thai's Actions
Shareholders	<ul style="list-style-type: none">Annual General Meeting and Extraordinary General MeetingPress ReleaseAnnual ReportingCIMB Thai website	Business transparency, corporate governance, returns on investment	<ul style="list-style-type: none">Developed robust internal controls and efficient risk managementTransparent information disclosure through various official channels
Customers	<ul style="list-style-type: none">Omni channel approach through digital banking, call centers, and physical branchesSocial media engagement via Facebook, LinkedIn, Twitter, and InstagramCustomer surveysRelationship managers (RMs) and financial advisorsCIMB Thai and CIMB Group's annual "The Cooler Earth Sustainability Summit"	Good quality and variety of products and services, Post and after sales service	<ul style="list-style-type: none">Continuous development of product and services to include variety and personalization to customer needsProvided after-sales services and enhanced customer journeys in various channels - branch and digitalEnabling voice of customers (VoC) to be heard through quarterly surveys and service feedback mechanismsAvoidance of misselling and misconduct from sales representatives by ensuring strict code of conduct and sales SOPs are in place

Key Stakeholders	Engagement Channels	Key Expectations and Concerns	CIMB Thai's Actions
Employees	<ul style="list-style-type: none">CEO Townhalls and CEO Chit ChatsDepartmental Townhalls led by senior managementEmployee satisfaction surveys e.g. Organizational Health Index (OHI)New joiner orientationCompulsory Sustainability related- training and multiple upskilling opportunities for employeesCIMB Thai and CIMB Group's annual The Cooler Earth SummitInternal communication channels including emails, newsletters etc.	Fair compensation, competency building, work environment, career progression	<ul style="list-style-type: none">Fair compensation and remuneration provided to all employees and reviewed annuallyDevelopment and training programs put in place to upskill employees in various areasFrequent engagements with top management to allow feedback and pain points from the ground to be heard, including:<ul style="list-style-type: none">more than 2 CEO Town Halls and provincial engagements,more than 10 CEO Chit Chats with various departments and employees
Business Relations	<ul style="list-style-type: none">Virtual and face-to-face engagements to communicate policy updates, implementation of procedures, and alignment to deliver outcomes etc.Vendor trainings and briefings	Fair and transparent procurement and business practices	<ul style="list-style-type: none">Responsible and sustainable business practices in accordance with CIMB Thai's policiesConstant engagements with more than 150 active vendors and other business partners.

Key Stakeholders	Engagement Channels	Key Expectations and Concerns	CIMB Thai's Actions
Regulators	<ul style="list-style-type: none">Quarterly and annual meetings to meet compliance and other regulatory requirements, such as with the central bank – Bank of Thailand (BOT)Participate in events and forums organized by regulators for bilateral engagements on latest policies, guidelines, taxonomies etc.Collaborate actively with supervisory agencies through CIMB Thai's Compliance unit	Banking compliances and the financial institution developments	<ul style="list-style-type: none">Updates on key progress and strategic initiatives provided on a periodical basis through engagements set up by the Bank's complianceActive participation at regulator and policy maker meetings, events and forums to ensure key concerns are understood and translated into implementations in the Bank
Communities	<ul style="list-style-type: none">Environmental and social initiatives and CSR events throughout the yearConnecting with community partners and government agencies mandated to drive economic, environmental and social outcomesPress release – online and physicalEngagements with academic institutions to support talent growth and development	Community and Corporate Social Responsibility objectives	<ul style="list-style-type: none">CSR team of the Corporate Communication Department and Sustainability Team along with other Business Units and Business Enables initiate and contribute to various programsConnected with non-governmental and non-profit organizations such as World Wildlife Foundation (WWF) to raise funds to contribute to environmental and social projectsEngagements with university partners to provide graduates job and internship opportunities with CIMB Thai irrespective of their academic majors or backgrounds

In relation to Sustainability matters, the Sustainability Team of the Bank has engaged with major decision-making such as the Bank's Board of Directors, and the Bank of Thailand (BOT) as our central bank:

1. Major updates to our Board of Directors in May, September and December of 2022 on the Bank's Sustainability strategies, action plans, deliverables and other oversight matters.
2. Major updates to the Bank of Thailand's officials and committees in May and October of 2022.
3. Bank of Thailand's Thai Taxonomy Working Group meetings representing the Association of International Banks in September, October and November 2022.

The Sustainability Lead of CIMB Thai has also been invited to be a panelist in "Getting Started in Responsible Banking: An introduction to Key Concepts, Practices and the PRB for Thai banks" hosted by the United Nations Thailand, UNEP Finance Initiative and the Thai Bankers Association on the 30 March 2022. The objective of the public event was to assist Thai banks in getting to know more about the UN Principles for Responsible Banking (PRB) and how it fits into the fast evolving sustainable finance global landscape and the Thai financial system strategy. The event introduces the UN Principles of Responsible Banking as a useful framework for Thai banks to further develop and strengthen their sustainable banking strategies, which would be especially useful for the 13 banks that signed the Statement of Commitment to Sustainable Thailand.

The Cooler Earth Sustainability Summit 2022

The Cooler Earth Sustainability Summit 2022 with the theme "Facilitating a Just Transition" was held on 20 – 24 September 2022 in Mandarin Oriental Kuala Lumpur, and online.

The Cooler Earth Sustainability Summit is CIMB Group's flagship annual Sustainability summit to convene global citizens, experts and key stakeholders to deliberate on what we can do today as individuals and as a businesses to shape a more sustainable tomorrow.

This year's summit reflects on the accelerating global action on climate post COP-26, while making climate solutions and social development blueprints more inclusive, equitable and just. The summit will focus on the significant systemic, business and lifestyle changes urgently needed for humanity to transition to a more livable future, and how this can be done in a way that 'leaves no one behind'.

This summit is designed to get insights from Sustainability leaders from multiple sectors. Participants of the summit were given the opportunity to connect with thought leaders and practitioners from around the world on how they are facilitating a just transition. As we race towards a low carbon society, we need to ensure a fair and equitable transition that leaves no one behind.

The Sustainability Team of CIMB Thai contributed to this regional summit. Three speakers from Thailand were featured as speakers in key segments of the summit:

1. Mr. Paul Wong Chee Kin
Country Head, Thailand
President & Chief Executive Officer, CIMB Thai Bank PCL
2. Mr. Thammasak Sethaudom
Executive Vice President
The Siam Cement Public Company Limited
3. Mr. Pakkapol Leopairut
Executive Vice President,
TPI Polene Power Public Company Limited

Locally in Thailand, an Experiential Learning Day held in CIMB Thai’s Headquarters, as part of the summit was held in partnership with the Department of Empowerment of Persons with Disabilities. The Experiential Learning Day included an exhibition participated by various social non-governmental organizations (NGOs) including those that represented the blind and those with autism. The highlights included talks to learn more about how people with disabilities overcome unique challenges, and how we can do our part to build a more inclusive society, including how the Bank could facilitate work opportunities and improve accessibility to financial services.

Work Place Culture and Talent Development

Refreshed Core Values - EPICC

In January 2022, in tandem with CIMB Group, CIMB Thai launched a refreshed set of core values called EPICC. Each letter in EPICC depicts a core theme which the organization values deeply and is illustrated the table below:

E	P	I	C	C
Enabling Talent	Passion	Integrity and Accountability	Collaboration	Customer-Centricity
Invest and develop our people	Always go the extra mile	Think like owners and act responsibly	Go beyond to ensure collective success	Be customer-obsessed
Embrace diversity	Strive our best on what matters most	Own mistakes but share success	Work together and back each other up	Treat customers fairly

Throughout the year, various activities and communication channels were explored to cascade and embed these values within our employees and across the organization, starting from the selection of EPICC champions or captains to drive change through workshops and employee engagement events.

Talent Development Policy and Management

As an organization that values ‘Enabling Talent’ as a core value, CIMB Thai is committed to consistently develop and upskill the capabilities of our people at all levels with a focus on intensive career development, training and succession planning. In order to boost their knowledge, skillsets and competencies to remain competitive in this ever-changing society, our learning roadmap is developed through a thorough selection and identification of required skillsets for each job or role to support each individual’s career advancement and aspirations across the organization.

The Bank continued to equip employees with future skills focusing on digital, data, emerging soft skills and Sustainability capabilities in accordance with rapid changes of the business environment and strategic directions of the Bank. CIMB Thai not only encourages employees to continuous pick up new skills but to also proactively participate in mentoring, coaching and peer-to-peer learning via various programs such as employees scholarship programs, classroom training and other learning modules on mobile (e-learning).

The Bank also mandates all employees to complete mandatory learning modules such as Anti-money Laundering, PDPA, Business Continuity Management and IT Security to name a few, as a foundation to enhance their understanding of the Bank’s operations, business and impact to our stakeholders such as our customers. These mandatory learning modules are reassessed and readjusted as per the needs, requirements and changes to our business and working environment.

In 2022, CIMB Thai enabled hybrid working arrangements for our employees to promote flexibility in the workplace. The COVID-19 pandemic taught us that the productivity of our employees is not solely defined and confined to a physical workspace. We want our people to feel empowered to choose the right working arrangements that fit their teams and schedules best, while maximizing output and performance as a performance-driven organization.

Succession Planning

The Bank is fully aware of the necessity to operate its business efficiently while ensuring sustainable growth. Thus, our Human Resources team has worked closely with all business units and the leadership team in the Bank to formulate detailed succession plans aligned with our Group’s framework. The Bank selected key executives and talents as successors through rigorous discussions and engagements. These talents are then provided appropriate learning and development plans to upskill each individual to be ready to succeed these key positions in the future particularly critical senior positions. The succession plans are presented and updated to the Nomination, Remuneration and Corporate Governance Committee and the Board of Directors at least once a year.

Key Learning & Development Activities in 2022

In 2022, the Bank organized a total of 261 training courses for all employees, consisting of 209 in-house and 52 external programs with a total attendance of 3,125 employees (Data as of December 31, 2022), equivalent to 96% of CIMB Thai’s total workforce, or an average 4.2 days per person per year. Total learning investment in 2022 equivalent to THB 8.45 million.

All key learning and development activities were done through several initiatives such as Back-to-School (BTS) via Internal Facebook Live as a key learning platform by leveraging external speakers to share knowledge with our employees on a variety of topics. Additionally, the Bank engaged external professionals to share and equip our employees with key future skillsets such as Critical Thinking, Data Analytics Tools, Business Presentation.

Further, CIMB Thai introduced an employee scholarship program offering them with a Master’s Degree in Business Innovation and Data Science with Thammasat University.

During the year, the Bank, in collaboration with CIMB Group, had rolled out a series of Sustainability trainings with 279 middle to senior leaders, or equivalent to more than 90% of CIMB Thai’s employees to widen their awareness on Sustainability topics and trends. Additionally, we also continued to support our employees in frontline and business specific roles with various professional certification programs such as Professional Investment Planner, Life and Non-Life Insurance Licenses.


Average Training Hours

Per Employee	Per Management Committee (Leadership Team)	Per Board Member
38	57	20
Male	Female	
31	43	

Corporate Citizenship through Corporate Social Responsibility (CSR) Initiatives


CIMB Thai in alignment with CIMB Group, has an established framework for implementing CSR programs. The Bank focuses on issues that are of local importance, and global issues that have local impacts. Long-term programs that bring sustainable community benefits are brought under four pillars: Health and Community Well-Being, Education, Economic Empowerment and Climate & Environment. These pillars are in alignment with 3 out of 17 United Nation’s Sustainable Development Goals (SDGs), a universal call to action to end poverty, protect the planet and to ensure that all people enjoy peace and prosperity by 2030.

Health & Community Well-Being: CIMB Thai supports programmes that provide positive social impacts to the community.




Read For The Blind

Jan – Dec




Blood Donation

Quarterly




Run to Win (Virtual Run)

Jun – Aug




English Teacher

Jun – Sept




Waste Separation

May – Dec



Bring Your Container

May – Dec



CIMB Thai Green Hour

Sept – Nov

Education: The Bank supports projects that provide community-based learning opportunities as well as facilitating access to knowledge and learning via.

Economic Empowerment: Initiatives within this category create opportunities and build capacity of communities by providing them with the necessary resources and tools towards sustainable income and growth.

Climate & Environment: We need to take care of our environment for our future generations. Therefore, the Bank highly encourages our community to embark on this journey by preserving and rehabilitate the nature eco-systems, reducing waste and carbon footprint, opt for renewable energy and avoid single usage of items.

Various initiatives with multiple objectives have been implemented in CIMB Thai throughout 2022.

Some of the highlights include:

Run-To-Win Program across all branches

- The Bank has hosted a virtual run which has raised THB 369,539 for World Wildlife Foundation's (WWF) tiger conservation projects in the north of Thailand

English Teacher Volunteer Program (Wathepprasit School, Samutsongkhram)

- The Bank has supported 10 write-off computers & 10 new computers to the school.
- 41 CIMB Thai's staff including some senior management participated as volunteer teachers to teach English for students from Grade 4 to Grade 6 via online platform using the theme "English is Fun" to encourage upcountry students to familiar with the use of English language.
- The teaching program is held from 6 July to 16 September 2022 (every Wed – Friday, one hour per day)

Education Program (Wat Wai Nuai, Kanchanaburi)

- The project was a collaboration between Corporate Communications and Risk Management teams. The Bank supported 40 computers (written-off) and 10 new computers for computer learning and sound lab programme to the school.
- Farming project and waste separation station as well as color painting activity by CIMB Thai staff volunteer (playground, canteen's tables) was also included in the programme held on 1 October 2022.
- There were around 80 CIMB Thai staff and senior managements who participated.

Education Program (Wat Huai Kaew School, Chiangmai)

- The program was held on 11 November 2022 where CIMB Thai supported the computer room, agriculture for lunch project (farming) and waste separation program.
- Joined hands with Media Associated Co.,Ltd for library room and Kingsmen C.M.T.I. PCL. For computer desks & bookshelves.
- Agriculture for lunch project: 20 hens with average 30 – 40 eggs per day for student lunch.

 <p>English Teacher Program</p> <p>Participants 41</p> <p>Hours 270.37 hr.</p>	 <p>Read for The Blind Program</p> <p>Participants 125</p> <p>Hours 1053.48 hr.</p>	 <p>CIMB Thai Green Hour</p> <p>Participants 183</p> <p>Hours 1659.38 hr.</p>
 <p>Knowledge Sharing to all staff via BTS & FB live (hour counting for spokesperson only)</p> <p>Participants 82</p> <p>Hours 396.18 hr.</p>	 <p>Waste Separation</p> <p>Participants 99</p> <p>Hours 1265.79 hr.</p>	 <p>Run to Win Program</p> <p>Participants 990</p> <p>Hours 12357.00 hr.</p>
 <p>Bring Your Container</p> <p>Participants 61</p> <p>Hours 577.02 hr.</p>	 <p>Quarterly Blood Donation Program</p> <p>Participants 674</p> <p>Hours 1348.06 hr.</p>	 <p>Others</p> <p>Participants 287</p> <p>Hours 4957.82 hr.</p>
Total		23885 hr.

Corporate Social Responsibility (CSR) Event Highlights 2022

Run to Win -Tiger Run



Read for the Blind

English Teacher Program
(in Wattheprasit School)



English Teacher Program
(in CIMB Thai Headquarters)



Blood Donation

Statement of use	CIMB Thai Bank Public Company Limited has reported in accordance with the GRI Standards for the period January to December 2022
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	None Applicable

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
General disclosures					
GRI 2: General Disclosures 2021	2-1 Organizational details	18	Omissions are not permitted for the disclosures.		
	2-2 Entities included in the organization’s sustainability reporting	18			
	2-3 Reporting period, frequency and contact point	54			
	2-4 Restatements of information	57			
	2-5 External assurance	56-57			
	2-6 Activities, value chain and other business relationships	19-20	NO OMISSIONS		
	2-7 Employees	20-22			
	2-8 Workers who are not employees	22			
	2-9 Governance structure and composition	23-26			
	2-10 Nomination and selection of the highest governance body	24-25			
	2-11 Chair of the highest governance body	24			
	2-12 Role of the highest governance body in overseeing the management of impacts	25			
	2-13 Delegation of responsibility for managing impacts	25-26			

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
	2-14 Role of the highest governance body in sustainability reporting	54	NO OMISSIONS		
	2-15 Conflicts of interest	32			
	2-16 Communication of critical concerns	46-47			
	2-17 Collective knowledge of the highest governance body	26-29			
	2-18 Evaluation of the performance of the highest governance body	30			
	2-19 Remuneration policies	30			
	2-20 Process to determine remuneration	30			
	2-21 Annual total compensation ratio	66			
	2-22 Statement on sustainable development strategy	10-11			
	2-23 Policy commitments	39-46			
	2-24 Embedding policy commitments	39-46			
	2-25 Processes to remediate negative impacts	46-47			
	2-26 Mechanisms for seeking advice and raising concerns	46-47			
	2-27 Compliance with laws and regulations	33			
	2-28 Membership associations	32-33			
	2-29 Approach to stakeholder engagement	107-112			
	2-30 Collective bargaining agreements	62			

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
Material topics					
GRI 3: Material Topics 2021	3-1 Process to determine material topics	47-52	Omissions are not permitted for the disclosures.		
	3-2 List of material topics	55-56			
Economic performance					
GRI 3: Material Topics 2021	3-3 Management of material topics	78-80	NO OMISSIONS		
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	85/ CIMB Thai Annual Report (Form 56-1) One Report) 2022			
	201-2 Financial implications and other risks and opportunities due to climate change	103-105			
Indirect economic impacts					
GRI 3: Material Topics 2021	3-3 Management of material topics	87	NO OMISSIONS		
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	87			
	203-2 Significant indirect economic impacts	87			
Anti-corruption					
GRI 3: Material Topics 2021	3-3 Management of material topics	93-95	NO OMISSIONS		
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	95			
	205-2 Communication and training about anti-corruption policies and procedures	96			
	205-3 Confirmed incidents of corruption and actions taken	95-96			

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
Energy					
GRI 3: Material Topics 2021	3-3 Management of material topics	66-70	NO OMISSIONS		
GRI 302: Energy 2016	302-1 Energy consumption within the organization	70-71	NO OMISSIONS		
	302-4 Reduction of energy consumption	70			
Biodiversity					
GRI 3: Material Topics 2021	3-3 Management of material topics	72	NO OMISSIONS		
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	72			
Emissions					
GRI 3: Material Topics 2021	3-3 Management of material topics	66-77	NO OMISSIONS		
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	71			
	305-2 Energy indirect (Scope 2) GHG emissions	71			
	305-5 Reduction of GHG emissions	71			
Occupational health and safety					
GRI 3: Material Topics 2021	3-3 Management of material topics	72-73	NO OMISSIONS		
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	73-74			
	403-3 Occupational health services	74			

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
	403-4 Worker participation, consultation, and communication on occupational health and safety	74	NO OMISSIONS		
	403-5 Worker training on occupational health and safety	74			
	403-6 Promotion of worker health	74			
	403-9 Work-related injuries	74			
	403-10 Work-related ill health	74			
Training and education					
GRI 3: Material Topics 2021	3-3 Management of material topics	112-113	NO OMISSIONS		
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	114			
	404-2 Programs for upgrading employee skills and transition assistance programs	113-114			
Diversity and equal opportunity					
GRI 3: Material Topics 2021	3-3 Management of material topics	64-65	NO OMISSIONS		
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	65			
	405-2 Ratio of basic salary and remuneration of women to men	66			
Security practices					
GRI 3: Material Topics 2021	3-3 Management of material topics	61-63	NO OMISSIONS		
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	63-64			

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
Local communities					
GRI 3: Material Topics 2021	3-3 Management of material topics	88	NO OMISSIONS		
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	88-89			
	413-2 Operations with significant actual and potential negative impacts on local communities	89			
Customer health and safety					
GRI 3: Material Topics 2021	3-3 Management of material topics	90-91	NO OMISSIONS		
GRI 416: Customer Health and Safety 2016	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	91			
Marketing and labeling					
GRI 3: Material Topics 2021	3-3 Management of material topics	96-98	NO OMISSIONS		
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	96-98			
	417-2 Incidents of non-compliance concerning product and service information and labeling	98			
	417-3 Incidents of non-compliance concerning marketing communications	98			
Customer privacy					
GRI 3: Material Topics 2021	3-3 Management of material topics	86-87	NO OMISSIONS		
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	87			

Appendix

As per announcement from The Stock Exchange of Thailand (SET) in 2022, the SET has moved forward to strengthen the Thai capital market’s ecosystem on sustainability by launching ESG Data Platform which gathers listed companies’ data on the environment, social and governance (ESG).

SET’s ESG Data Platform features easy-to-use ESG data, which investors can rely on in combination with their financial analysis of the listed companies.

CIMB Thai’s ESG information disclosure in 2022

1. Environment

1.1 Environmental Management

The company’s environmental policies and guidelines	CIMB Thai Bank Environmental Management Policy
Environmental practices of the company	
<ul style="list-style-type: none">Electrical energy managementFuel managementRenewable energy managementWater resource managementWaste managementBiodiversity managementGHG management and climate change	

1.2 Energy Management

Electricity Consumption (Unit: kWh)

	2020	2021	2022
Electricity Consumption	10,493,376.00	9,696,587.63	9,306,061.21

Fuel Management

	2020	2021	2022
Diesel (liters)	29,633.69	265,002.12	170,991.41
Gasoline (liters)	265,002.12	170,991.41	146,943.07

1.3 Water Management

Water Consumption (Unit: Cubic Meter)

	2020	2021	2022
Water Consumption	79,759.00	61,460.65	54,912.13

1.4 Waste Management

Waste Generated (Unit: Kilograms)

	2020	2021	2022
Waste	112,644.00	59,103.00	159,265.00

1.5 Greenhouse Gas Management

GHG Emissions (Unit: Ton of CO₂ equivalent, tCO₂e)

	2020	2021	2022
GHG Scope 1	519.71	492.03	418.52
GHG Scope 2	5,215.21	4,819.20	4,618.93
GHG Scope 3	27.44	21.14	18.89

External Assurance Of The Company’s GHG Emissions In The Past Year	N/A
--	-----

2. Social

2.1 Human Rights

The company's Human Rights policies and guidelines	<ul style="list-style-type: none">CIMB Thai Bank Work RegulationsCIMB Thai Employment PolicyCIMB Thai Safety, Occupational Health, Working Environment Policy
Human Rights practices of the company	
<ul style="list-style-type: none">Employee rightsMigrant workers/ForeignersChild laborConsumer rightsCommunity rightsSafety and occupational health at workNon-discrimination	

2.2 Fair Labor Practices

2.2.1 Number of Employees Classified By Gender (Unit: Person)

	2020	2021	2022
Total Employees	3,060	2,911	2,775
Number of Male Employees	1,069	1,003	982
Number of Female Employees	1,991	1,908	1,793

2.2.2 Employee Compensation by Gender (Unit: Baht)

	2020	2021	2022
Total Employee compensation	3,697,205,547	3,284,858,342	3,336,504,226
Compensation of Male Employees	1,370,184,376	1,217,368,502	1,236,508,466
Compensation of Female Employees	2,327,021,171	2,067,489,840	2,099,995,760

2.2.3 Employee Provident Fund

	2020	2021	2022
Number of Employees Covered (Persons)	2,688	2,285	2,236
Contribution (Baht)	124,741,729.52	112,709,921.14	107,140,067.35

2.2.4 Employee Training (Unit: Hour/Person/Year)

	2020	2021	2022
Average Hours of Training Per Employee	20.63	46.00	38.28

2.2.5 Cost of Training and Staff Development (Unit: Baht)

	2020	2021	2022
Cost of Training and Staff Development	10,565,673.32	3,273,044.40	8,445,877.52

2.3 Safety, Occupational Health, and Working Environment of Employees

2.3.1 Statistics of Injuries or Accidents of Employees

	2020	2021	2022
The Number of Injuries or Accidents From Work of Employees that Lead to Absenteeism (Incidents)	0	0	0
Number of Employees who have been Injured at Work to the Point of Taking Leave From Work for 1 day or more (Person)	0	0	0
Number of Employee Fatality Due to Work (Person)	0	0	0

2.4 The Number of Employees Resigned Voluntarily Classified by Gender (Unit: Person)

	2020	2021	2022
The Total Number of Employees Resigned Voluntarily	266	408	362
Number of Male Employees (Resigned Voluntarily)	107	160	147
Number of Female Employees (Resigned Voluntarily)	159	248	215
Major Labor Disputes	0	0	0

3. Corporate Governance and Management of Economic Dimension

3.1 Corporate Governance and Economic Policies

The company's Corporate Governance and Economy policies and guidelines	CIMB Thai Bank Corporate Governance Policy
Policy and guidelines related to the Board of Directors	
<ul style="list-style-type: none">• Nomination and selection of directors• Committee compensation• The independence of the committee from the management• Committee development• The evaluation of the committee's performance• Supervision of subsidiaries and joint companies	

The company's Code of Ethics and Conducts policies and guidelines	CIMB Thai Bank's Code of Ethics and Conduct
Policy and guidelines regarding business ethics and conduct	
<ul style="list-style-type: none">• Prevention of conflicts of interest• Anti-corruption and bribery• Whistleblowing and protection of the complainant• Prevention of the use of confidential information in an undue manner	

3.2 Sustainability Policy and Strategy

Information of the company's Sustainability Policy and Strategy	CIMB Thai Bank's Sustainability Policy
Sustainability Report	www.cimbthai.com
Reference standards	
<ul style="list-style-type: none">• GRI Standards• Taskforce on Climate-related Financial Disclosures (TCFD)	

CIMB Thai Care Center
Tel. 02 626 7777

cimbthai.carecenter
@cimbthai.com

www.cimbthai.com

CIMB Thai Bank
Public Company Limited

44 Langsuan Road, Lumpini,
Patumwan, Bangkok 10330