



To Make
the Capital Market
"Work" for **Everyone**

About This Report

+ Objective

This report was prepared with the objective of disclosing SET's sustainability performance, and aims to:

- Outline SET's vision, strategies, development and key performance on environmental, social, and governance (ESG) issues.
- Disclose material sustainability topics that are related to opportunities, risks, and factors that affect the sustainable growth of SET's business and the Thai capital market.
- Disclose SET's performance on material sustainability topics.

+ Reporting scope

SET has collected its performance results from the period between January 1 to December 31, 2019, and analyzed and assessed the information for disclosure using the following two approaches:

1. Interviews with internal units and parties relevant to the scope of this report
2. Gathering quantitative information from externally verified documents or reputable data sources, such as SETSMART and the SET website.

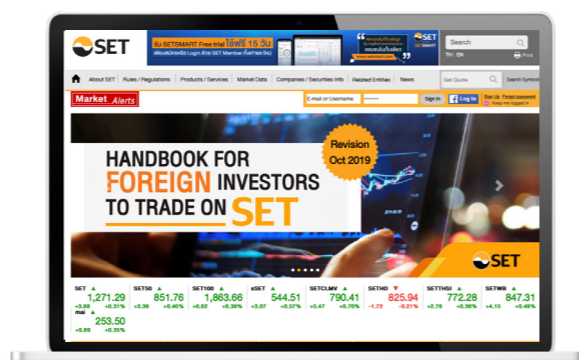
However, SET reviews the content and reporting scope of the report each year to ensure that it continues to align with the organization's strategy, value chain, stakeholder expectations and material sustainability topics.

+ Reporting Approach and Format

This report has been prepared in accordance with the GRI Standards: Core option, and the UN Sustainable Development Goals (SDGs). This report is called a "Sustainability Report," and is published annually in print and electronic formats, the latter of which is available on the SET website and via social media channels.

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Message from the Chairman



To Make the
Capital Market
'Work' for Everyone

In 2019, SET continued to focus on business and capital market development amidst challenges emerging from economic, social, and environmental fronts. The SET Board of Governors has prioritized adaptation and sustainable business development to ensure that SET's business operations will be able to weather the changes in the capital market and developments in financial technology. We remain focused on enhancing the competitiveness and growth of the Thai capital market, while leading the organization towards our vision, "To Make the Capital Market 'Work' for Everyone". And through this vision, we aim to promote the mechanisms of the capital market to create opportunities and benefits for all stakeholder groups.

The SET Board of Governors fully recognizes that rapid changes in technology are having an impact on SET's business development. We therefore set up the Information Technology Committee to promote innovation development and technological applications in ways that are most appropriate for the organization and the capital market. At the same time, we are preparing our personnel for future business needs by encouraging employees to engage in the creation and development of products, services and work models. In this way, they can help foster innovations for the organization and the capital market, which will be beneficial to our business operations and stakeholders.

Across all of our operations, the SET Board of Governors has been committed to honesty, integrity and transparency. We have leveraged our knowledge and expertise to determine the policy directions, plans and strategies that best align with the SET's vision and an ever-changing business landscape.

This is how we ensure that SET's business operations – across the entire value chain – will continue to be able to create positive impact on the economy, society and environment. Furthermore, the Board has also reviewed and revised the SET Group's Corporate Governance Policy and Code of Conduct to enhance corporate governance mechanisms. Also, we have in place sufficient and appropriate risk management and internal control systems that will help us achieve success as an organization in the capital market over the long term.

Regardless of how the business environment changes, the Board of Governors will remain firmly committed to good governance to enable all parties to have the trust and readiness to grow with SET. On behalf of the Board, I would like to thank everyone who has supported and contributed to the development of the Thai capital market in 2019. I believe that these combined efforts, from all sectors, will help stimulate sustainable growth for the Thai capital market, economy and society as a whole.

Dr. Chaiyawat Wibulswasdi
Chairman

Message from the President



Create **Partnership**
Platform to Drive
Inclusive Growth

Over the past 45 years, SET has been active in supporting the sustainable growth and development of the capital market. Thailand is currently embarking on an era of change, with diverse factors impacting both our economy and society. It therefore becomes even more important for SET to prioritize efficient corporate governance and risk management, as well as collaborate with all sectors to develop the capital market under the strategy, "Create Partnership Platform to Drive Inclusive Growth". Our key objectives over the next three years are: to serve as the platform for the Thai capital market to promote business development and investments that leverage big data technology, to develop the Digital Asset Platform and establish global connectivity for the capital market, and finally, to create opportunities for SMEs and startups to be able to fundraise through SET and achieve sustainable growth.

In terms of quality development, SET operates with good corporate governance and social and environmental responsibility. We also encourage agencies in the capital market to incorporate the UN Sustainable Development Goals (SDGs) into their business. SET has been committed to promoting sustainable business development among listed companies, and today, 98 listed firms are included in the Thailand Sustainability Investment (THSI) list, representing 65% of the total market capitalization. In addition, 20 Thai listed companies have been selected for inclusion in the Dow Jones Sustainability Indices (DJSI) – the highest number of companies in the ASEAN region – and of that number, seven top performing companies achieved global Industry Leader status. Meanwhile, SET remains committed to promoting sustainable investment through various investment

products, including the SETTHSI Index, in order to drive capital market mechanisms in support of balanced and sustainable economic, social and environmental development.

Furthermore, SET assumes an important role in improving the quality of societies through financial literacy. We achieve this through partnerships with international organizations, such as the International Organization of Securities Commissions (IOSCO) and the World Federation of Exchanges (WFE), on the "Ring the Bell for Financial Literacy" Project. Also, we develop an opportunity platform for social enterprises in support of quality societal growth. Moreover, we partner with our business networks and civil society on efficient waste management through the "Care the Whale" Project, and also continue to push for greenhouse gas emissions reduction through the "Care the Bear" Project.

The next step for SET involves furthering our efforts to promote efficient and sustainable growth, and preparing the people of SET and the capital market for future changes by equipping them with the necessary knowledge and skills. Lastly, I would like to thank all of our stakeholders who have supported SET's work throughout 2019, and I hope to continue receiving your invaluable support in our mission to achieve strong and sustainable growth for the capital market.

Dr. Pakorn Peetathawatchai
President



Vision

To Make the Capital Market **'Work'** for Everyone

The Capital Market is an integral tool for economic growth, and should not be privileged to only some. Hence we work hard to ensure the capital market benefits all stakeholders, both directly and indirectly. We believe that good business growth will lead to national strength and this in turn leads to the betterment of society. This is what we envision and are committed to.

Mission

- 1 To "plant" state-of-the-art financial Platform Development that is both innovative and accessible to our customers locally, regionally, and globally.
- 2 To innovatively "grow" Product Development that not only caters to market needs but also resonates with sustainable growth.
- 3 To "foster" People Development to ensure that our people will be best equipped with business competencies and professional integrity.
- 4 To "implant" an Inclusive Growth Approach that will enable us to perform as the best business partners and social supporters.
- 5 To continuously "cultivate" ourselves and our stakeholders by investing in Knowledge Management – creating, sharing, and generating knowledge as part of an intangible asset.

About SET

SET's Business

The Stock Exchange of Thailand (SET) is juristic entity established in 1974 under the Securities and Exchange Act B.E. 2535. As a self-governing organization, SET assumes an important role in the development of the Thai economy by promoting saving and fundraising. SET's office is located at 93 Ratchadaphisek Road, Dindaeng, Bangkok, Thailand.

SET is a one-stop center for the purchase and sales, clearing and settlement, depository and registration of securities, and is underpinned by an effective and transparent governance system. SET works to develop the quality of the capital market by developing sustainable business practices in environmental, social, and governance (ESG) aspects among listed companies. Moreover, SET serves as a knowledge center for finance and investment to promote growth of the capital market by developing the quality of investors, prepares entrepreneurs and securities professionals and disseminating research on the capital market. For more information about SET Group's business, please visit the SET website, www.set.or.th.

2019 Performance Highlights

Market capitalization THB **16.69** trillion

Average dividend yield, the highest in Asia **3.26%**

Daily average turnover THB **53,192** million

Number of listed companies in the Dow Jones Sustainability Indices (DJSI), the highest in ASEAN **20** companies

IPO value, the highest in ASEAN THB **3.8** hundred billion

Number of listed companies in the Thailand Sustainability Investment (THSI) list **98** companies

SET's Value Chain

SET acts as an intermediary in the capital market, connecting entrepreneurs to sources of funding for business development and expansion, and generates returns on public investment. When businesses in the capital market demonstrate quality growth, the economic and social system as a whole is strengthened as a result. This is in turn reflected in the expansion of the employment rate, tax payments for national development, and investments in infrastructure.

Guided by this view, SET is committed to developing diverse products, services and investment innovations; enhancing the quality of listed companies, investors and securities professionals; governing the organization and the capital market with transparency and fairness; and effectively managing risks while also developing society and the environment for sustainable growth – for the benefits of all stakeholders.

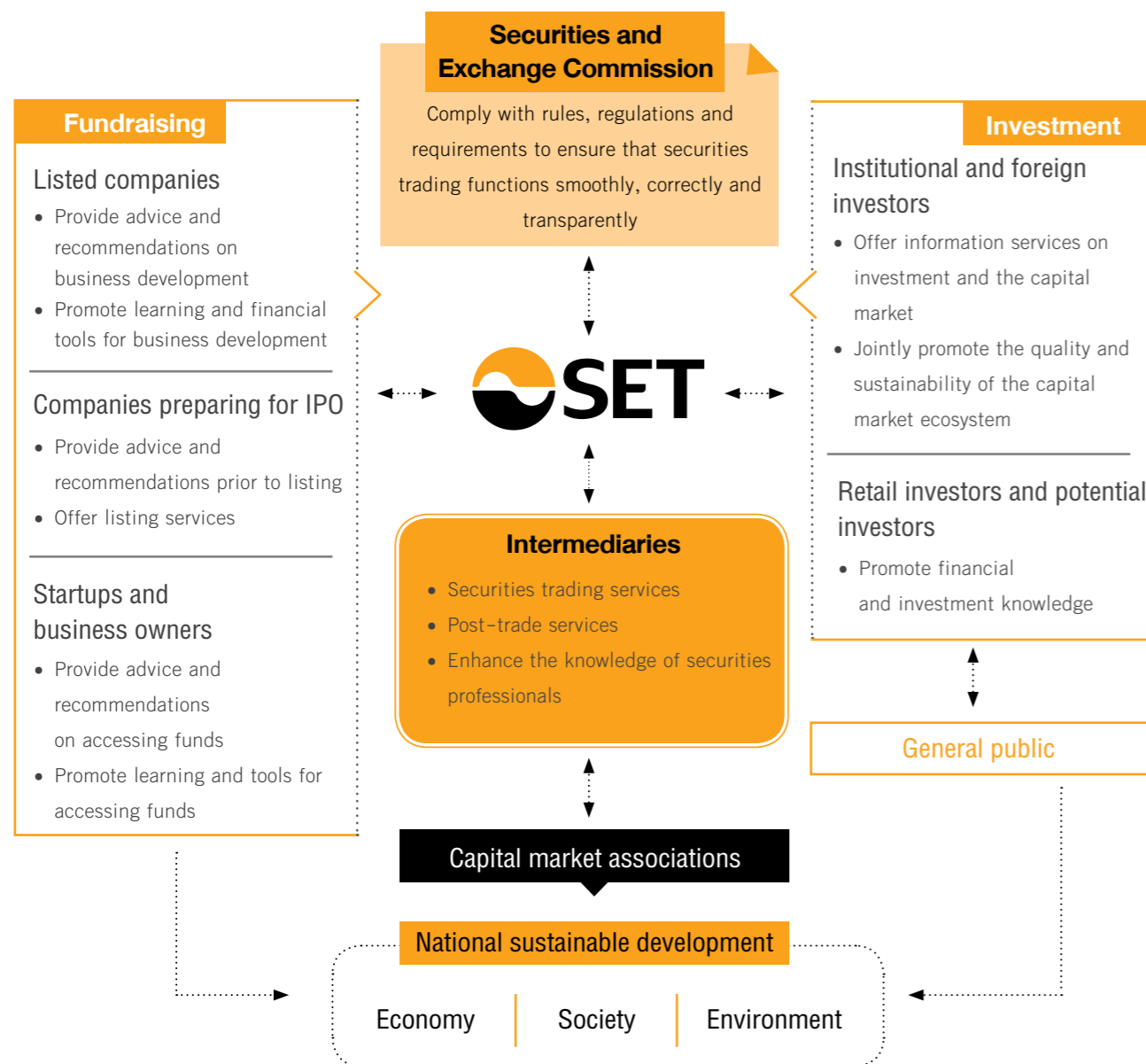
741 employees
SET employees

725 companies
Listed companies

39 companies
Member companies

1.24 million
Retail investors

80,000+
Securities professionals



SET's Stakeholders 102-21

SET works with a diverse range of parties and focuses on engaging with its various stakeholder groups through numerous communication processes and accessible channels in order to respond appropriately and efficiently to their expectations.

Stakeholder	Stakeholder Expectations	Examples of Engagement
Listed Companies and Entrepreneurs <ul style="list-style-type: none"> Companies listed in SET and the Market for Alternative Investment (mai) Businesses with potential and interest in listing on the Exchange 	<ul style="list-style-type: none"> Convenient and easy access to funding sources Fundraising tools and quality development approaches suited to each business Capacity-building to enhance business competitiveness Stakeholder trust, particularly among investors Information, news and services that are convenient, timely and accurate 	<ul style="list-style-type: none"> Develop fast and efficient service channels, such as e-Listing and improvements One-Stop Services systems Promote learning and preparation for business owners who are interested in fundraising through the capital market, such as through the IPO Roadmap course Develop the quality of executives and employees of listed companies, for example through the CEO Networking course, Strategic CFO in Capital Market course, and Investor Relations Development course Organize seminars, training and advisory programs on environmental, social, and governance (ESG) issues to promote corporate sustainable growth Promote communications between listed companies and investors through the quarterly "Opportunity Day" activity, through both online and offline channels Build trust and disseminate investment information through annual investment activities, including Thailand Focus and SET in the City Receive feedback and recommendations from listed companies through the CEO Survey
Intermediaries <ul style="list-style-type: none"> Securities firms Asset management firms Securities professionals (e.g. investment consultants, investment analysts, and investment planners) 	<ul style="list-style-type: none"> Efficient securities trading system, which also helps to reduce costs Rules and regulations that are appropriate for business operations, securities trading processes and regulations with reduced redundancy A diverse range of financial products and services Increase in the number of quality investors Highly competent professionals 	<ul style="list-style-type: none"> Develop a modern and efficient trading and payment system, as well as post-trading services for all types of investment products Develop new types of investment products Build trust and disseminate investment information through annual investment activities, including Thailand Focus and SET in the City Expand the base of quality investors through the INVESTNOW Project Continuously develop the knowledge of securities professionals through offline and online training courses and knowledge databases on the Professional Classroom website Facilitate securities professionals in license renewal through the Prof. Link application

Stakeholder	Stakeholder Expectations	Examples of Engagement
Investors <ul style="list-style-type: none"> Retail investors Institutional investors Foreign investors 	<ul style="list-style-type: none"> Reasonable and regular returns on investment Low costs and low investment risks Diverse and good quality choices for investments Efficient and transparent trading processes and system Easily accessible and sufficient knowledge and information for investment decisions 	<ul style="list-style-type: none"> Develop convenient, real-time, and efficient securities trading channels through the Settrade Streaming application Promote communications between listed companies and investors through the quarterly “Opportunity Day” activity, through both online and offline channels Build trust and disseminate investment information through annual investment activities, including Thailand Focus and SET in the City. Expand the base of quality investors by promoting an investment culture of regular investments (through dollar-cost averaging), through the INVESTNOW Project. Develop knowledge for investors through online and offline training courses and knowledge databases on the Investor Classroom website Provide information services on investments and the capital market through the SET Market Analysis and Reporting Tool (SETSMART)
Employees Executives and employees of SET Group	<ul style="list-style-type: none"> Job security and career advancement Communications between management and employees Personal development and a work environment that is conducive to learning Work-life balance 	<ul style="list-style-type: none"> Establish a Welfare Committee which includes employee representatives, who participate in discussions on employee welfare and benefits Support the SET’s Employees Club to promote engagement of employees and management. Develop an individual development plan for employees of all levels by conducting onsite and offsite training and organizing other activities, including Town Hall, to serve as a communication channel between executives and employees Promote activities and initiatives that improve employee well-being, such as an exercise facility, a sports field, and other activities organized by employee-run clubs
Regulators and Government <ul style="list-style-type: none"> The Securities and Exchange Commission (SEC) Public sector agencies 	<ul style="list-style-type: none"> Compliance with the Securities and Exchange Act Support for public policies 	<ul style="list-style-type: none"> Engage in the development of rules, regulations and mechanisms to enhance the efficiency of capital market governance, such as by developing the One-Stop Service system, and updating disclosures criteria for the Annual Registration Statement/Annual Report Form (56-1), etc. Promote engagement through meetings and hearings with relevant agencies
Society <ul style="list-style-type: none"> Press and media Educational institutions General public Social enterprises Foundations and community groups or networks 	<ul style="list-style-type: none"> Efficient and inclusive access to news and information on the movements of the organization and the capital market Knowledge promotion on finance and investment for the youth and general public Quality growth of social enterprises Contributions to social development 	<ul style="list-style-type: none"> Organize the monthly SET Talk to inform the press and media about the movements of the organization and the capital market Promote the Maruey Library and INVESTORY Museum as modern learning centers on finance and investment Establish the SET Social Impact Platform as a linkage between the private sector, civil society, and social enterprises, to collectively push for social change Support and engage in social development through the SET Foundation

SET and Sustainable Development

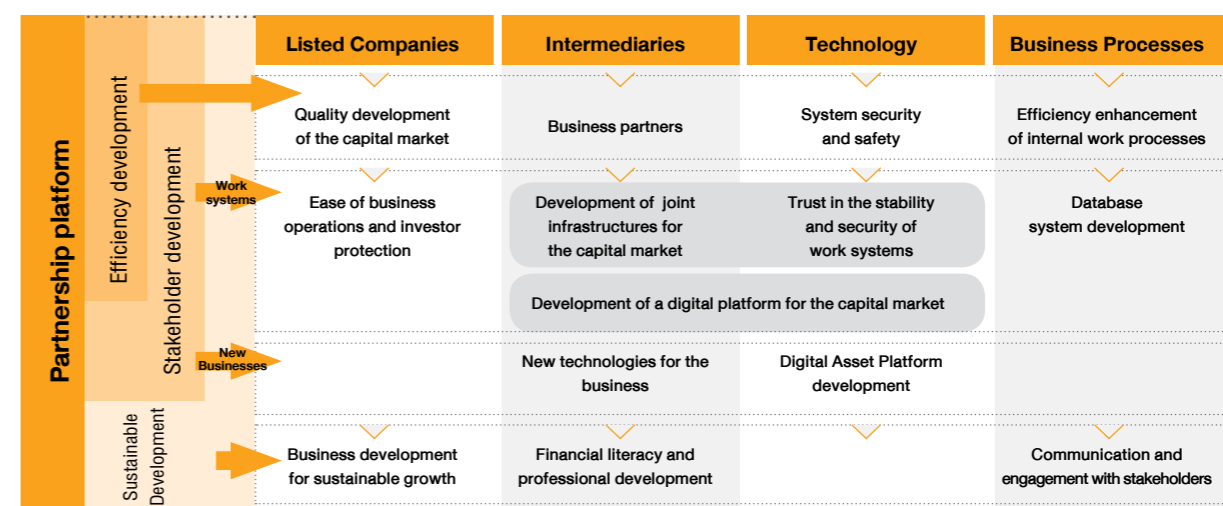
SET fully recognizes that today’s rapidly changing business environment has been influenced by a number of factors, including a volatile global economy, changes in international trade policies, intensifying business competition due to technology advancement, as well as climate change. These issues have prompted businesses to adapt in order to maintain their competitiveness.

The opportunities and challenges arising from these issues will impact upon trust in fundraising, investment, and the overall growth of the capital market. SET is therefore focused on developing its business while keeping abreast of developments in the business environment, as well as creating future business opportunities to comprehensively respond to stakeholders’ expectations in economic, social and environmental dimensions through the partnership model.



SET’s Strategic Direction

Between 2019-2020, SET is developing its business through a partnership model that is guided by the concept, “Create Partnership Platform to Drive Inclusive Growth.” Under this concept, SET prioritizes the creation of partnerships with domestic and international partners in order to create new business opportunities through modern technology, aligning the fundraising and investment behaviors in the digital age. Meanwhile, SET is also focused on developing a diverse range of products and services that cater to a larger investor base and changing investment behaviors; improving work processes for greater efficiency, and preparing our personnel for the growth of the industry. Furthermore, SET continues to develop the quality of the capital market to ensure its competitiveness on the international level, and promote balanced and sustainable development of Thailand’s economy, society and environment.



Sustainability at SET 102-29

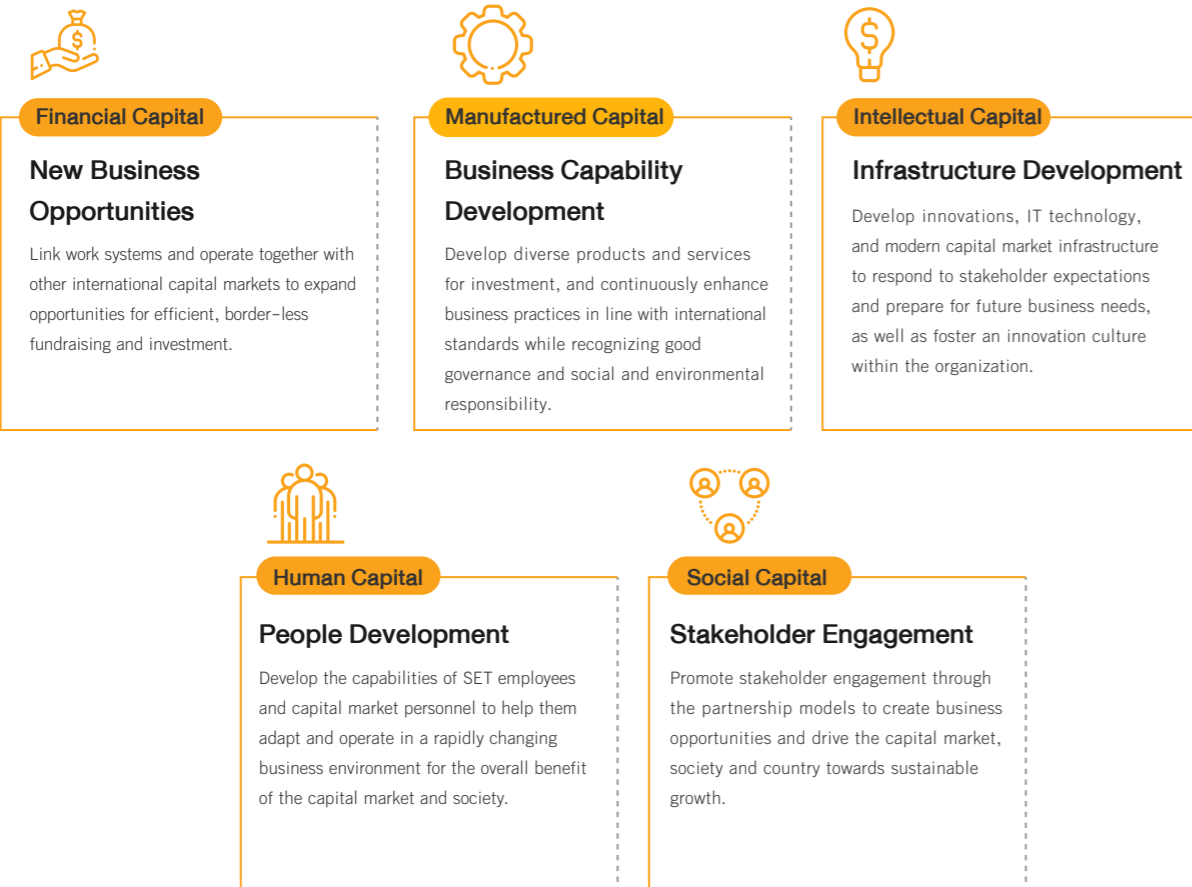
SET is the center for efficient and modern securities trading, which operates with good governance. The organization assumes an important role in the development of knowledge on finance and investment, and in nurturing the strong, quality growth of businesses. Over the past 45 years, SET has continued to develop and adapt itself to a rapidly changing business landscape and shifting stakeholder expectations. It has supported all parties in accessing and benefiting from the capital market by enhancing their businesses and investments, leading to a strong foundation for the Thai economy and society. Since 2014, SET has partnered with the United Nations Sustainable Stock Exchanges (SSE) Initiative to declare its commitment to creating sustainable value for capital market stakeholders. In 2019, SET's sustainability approach was guided by the organization's strategy to create value over time.

Sustainability Management Framework 102-29

SET's business strategy is centered on creating positive impacts for the economy, society, and environment in alignment with the UN Sustainable Development Goals (SDGs). This is guided by the SET's Sustainability Framework with a focus in five dimensions, as follows.

Sustainability Management	Market Growth	Employee Development	Social Development	Environmental Management
Operate with good governance, responsibility to stakeholders, and commitment to adding and creating business value through innovation.	Enhance the quality of the capital market by developing sustainability practices of listed companies, intermediaries and investors.	Develop employees' potential in line with the SET DNA values and encourage creative thinking for business and social development.	Share organizational resources with society by collaborating with all sectors to elevate the qualities of life for all in society.	Prevent and minimize environmental impacts from business operations, and strive for energy and resource use efficiency.

5 Capitals for Sustainable Capital Market





SET's Sustainability Materiality Analysis

1. Identifying material sustainability topics

SET identifies the sustainability issues that are relevant to its business operations, across its entire value chain, by considering business environment, strategy, stakeholders' expectations and alignment with the SDGs.

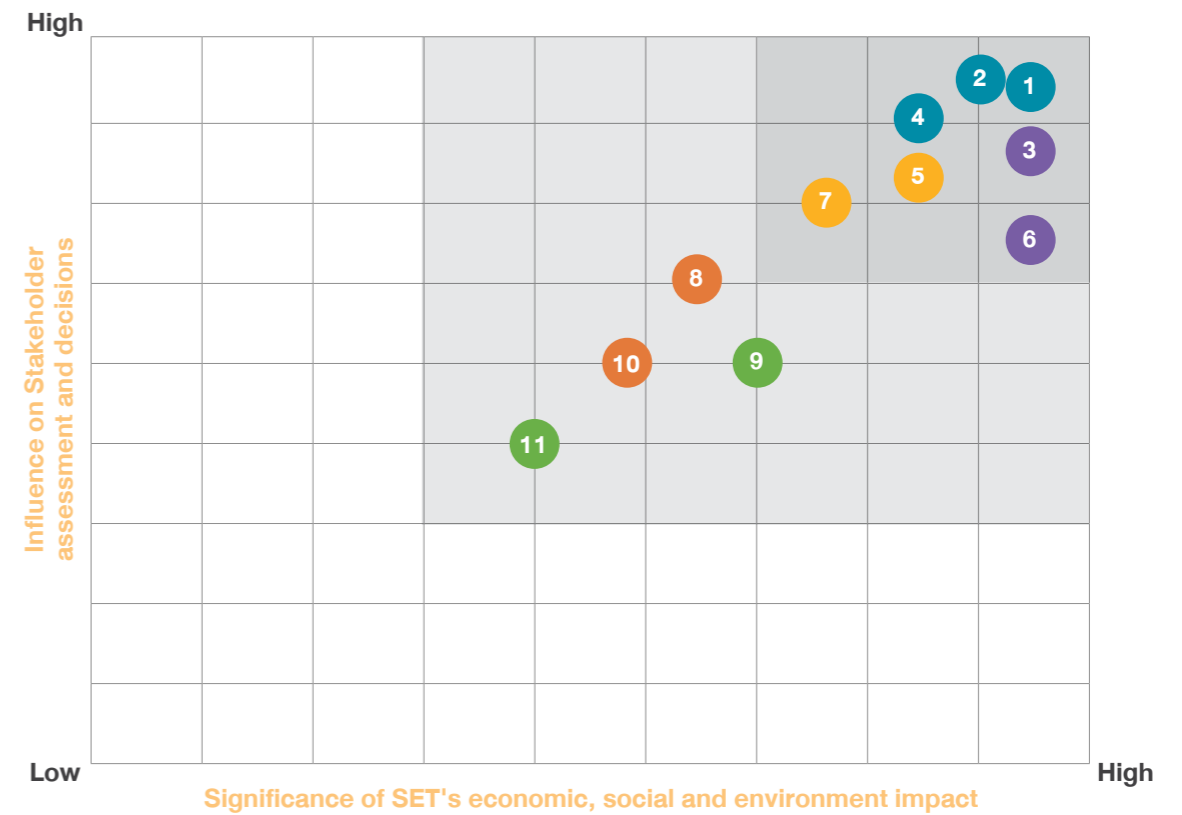
Sustainability Framework	Material Topics	Stakeholders		SDGs
		Internal	External	
Sustainability Management	Good Corporate Governance (Page 16)	Board of governors, executives and employees	<ul style="list-style-type: none"> Listed companies Intermediaries Investors Regulators and Government 	
	Risk Management (Page 24)		<ul style="list-style-type: none"> Listed companies Intermediaries Investors 	
	Product, Service and Innovation Development (Page 26)			
Market Growth	Quality Development of the Capital Market (Page 28)	-	<ul style="list-style-type: none"> Listed companies Intermediaries Investors Regulation and Government 	
	Quality Development of Entrepreneurs, Intermediaries and Investors (Page 34)	-	<ul style="list-style-type: none"> Listed companies Intermediaries Investors Educational institutions 	
Employee Development	Fair Employment Practices (Page 38)	• Employees	-	
	Employee Development (Page 42)	• Executives and employees	-	
Social Development	Financial Literacy for the Public (Page 44)	-	<ul style="list-style-type: none"> Parties interested in investment General public Educational institutions 	
	Social Enterprise Development and Social Responsibility (Page 48)	-	<ul style="list-style-type: none"> Social entrepreneurs Civil society Educational institutions 	
Environmental Management	Green Building (Page 53)	• Executives and employees	-	
	Green Procurement (Page 57)		<ul style="list-style-type: none"> Suppliers Social entrepreneurs 	

2. Prioritizing material sustainability topics

SET's approach for prioritizing material sustainability topics is based on evaluating the significance of SET's operational impacts on economic, social, and environmental aspects, and the influence on stakeholders, as well as the impact boundaries of each material topic. SET's performance on each material sustainability topic is disclosed in this report.

3. Reviewing the completeness of material sustainability topics

SET's Strategy Department, Sustainable Development Department and other relevant departments are responsible for consolidating information, providing input and disclosing performance under each material sustainability topic for disclosure in this report. This is to ensure that the issues are complete and accurate in terms of policy, plans and performance, and address internal and external stakeholders' expectations.



- 1 Good Corporate Governance
- 7 Fair Employment Practices
- 2 Risk Management
- 8 Promoting Financial Literacy for the Public
- 3 Quality Development of the Capital Market
- 9 Green Building
- 4 Product, Service and Innovation Development
- 10 Social Enterprise Development and Social Responsibility
- 5 Employee Development
- 11 Green Procurement
- 6 Quality Development of Entrepreneurs, Intermediaries and Investors





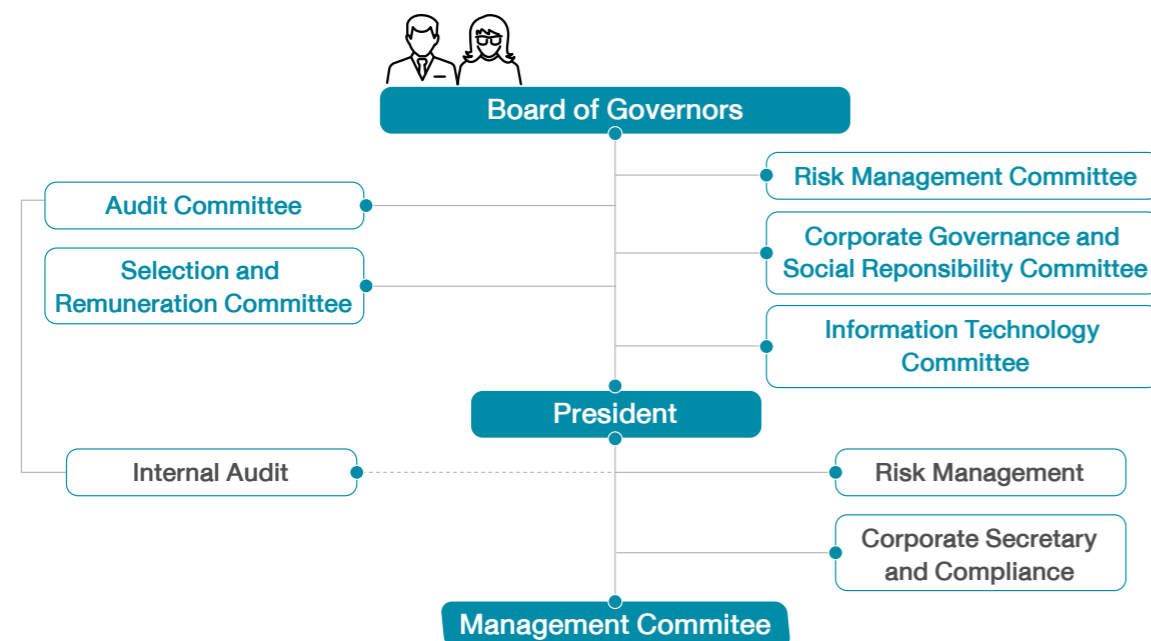
Sustainability Management

SET adheres to the principles of good governance in its business operations, ensuring that organizational governance remains a top priority, whilst also encouraging listed companies to firmly comply with good governance principles. It is committed to improving risk management efficiency in a way that aligns with the current operating environment, and developing product, service, and process innovations to create sustainable value for SET and all stakeholders in the capital market.



Good Corporate Governance

SET Governance Structure



The SET Board of Governors

The SET Board of Governors (“the Board”) is comprised of highly knowledgeable and skilled experts with diverse experiences, who together support the development of the organization and the capital market. The Board carries out responsibilities in accordance with the requirements of the Securities and Exchange Act B.E. 2535 and the Corporate Governance Policy and Code of Conduct of the SET Group, which was developed based on the Corporate Governance Principles of the Organisation for Economic Co-operation and Development (OECD). SET further implements the Corporate Governance (CG) Code for Listed Companies, which has been adapted for its own business context, to enhance operational standards and transparency, and ultimately increase the business’s competitiveness.

+ Board Structure

The Board is structured in accordance with the requirements of the Securities and Exchange Act, which has been enforced since 17 April 2019, and comprises of 11 governors, including:

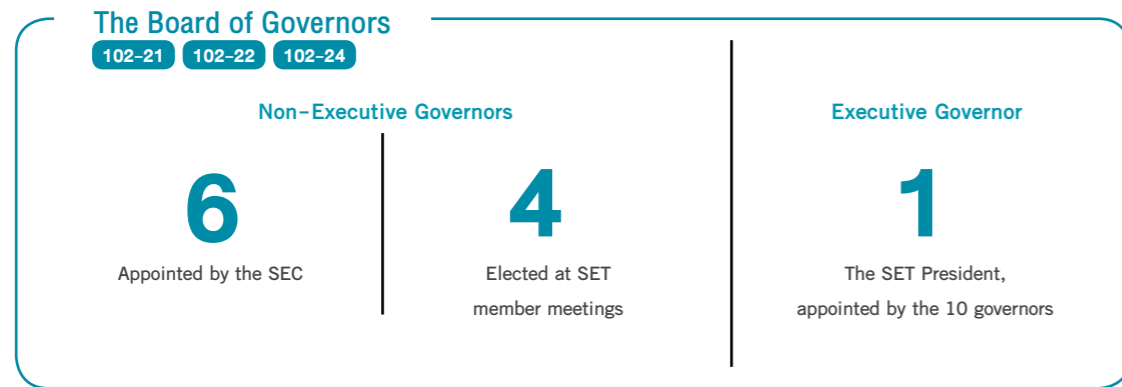
- 10 non-executive governors, who are appointed for a 3-year term and are eligible for reappointment, but not for more than 2 consecutive terms.
- 1 executive governor (the President), who is appointed for a 4-year term.



3 : 8

Number of female to male governors

405-1



+ Board Independence

The Board assumes roles and responsibilities that are independent from SET management. This is clearly stipulated in the Securities and Exchange Act, which requires that the “Chairman” must not hold the position of “President,” to ensure transparent and efficient management. The Board complies with the following good governance principles:

- The Chairman must not have an executive role, and must not have any relationship with management.
- The Chairman must not be a member of any Committee appointed by the Board of Governors.
- Governors who have a stake in an issue must not participate in any decision-making related to that issue.
- Governors must report their acquisition or disposal of listed securities, and report any other interests.

+ Board Performance

In 2019, the Board of Governors held a total of 14 meetings, with an average attendance rate of 88%. The meetings deliberated on SET’s vision, “To make the capital market ‘work’ for everyone”; approved the 3-year strategy (2019-2021), targets or corporate key performance indicators (KPIs) for the short-term and long-term, budgets, 2020 manpower plans proposed by management, and key policies regarding the Corporate Governance Policy and Code of Conduct of the SET Group. In terms of actions, the Board:

- Inserted additional details regarding the SET’s corporate governance structure, which included the composition and responsibilities of committees, roles and responsibilities of the management and Management Committee, and governance of subsidiaries and affiliated companies.

- Revised measures on the issue of preventing and managing conflicts of interest, receiving whistleblower reports and grievances, and providing information and opinions to the public and/or external parties.
- Enacted a policy on the consecutive terms of governors and external committee members, to promote Board independence when carrying out its duties.

+ Committees

The Board of Governors set up various committees, comprised of members who possess diverse knowledge, expertise, and experiences, to support more efficient governance processes within the organization. These include:

- Committees focused on good corporate governance, which include the Audit Committee, Selection and Remuneration Committee, Risk Management Committee, and Corporate Governance and Social Responsibility Committee. These committees are responsible for screening matters related to corporate governance before they are proposed to the Board. In 2019, the Board established the Information Technology Committee to support IT-related work, provide input on IT development within SET, as well as promote innovation development and appropriate technology applications.
- Committees focused on legal or regulatory matters, which include the Legal Committee, Disciplinary Committee, Appeal Committee, and Securities Investor Protection Fund Committee.

+ Remuneration Review 102-37

- The Selection and Remuneration Committee is responsible for evaluating the criteria for governors’ compensation and benefits, in accordance with their assigned roles and responsibilities, before proposing their remuneration packages to the Board to request approval at the meeting of member companies.
- The Board of Governors has assigned the Selection and Remuneration Committee the task of determining compensation criteria for committee members, the President, and senior executives, which will then be proposed to the Board. Such compensation is linked to their performance evaluations, which considers the organization’s operating results, performance of duties according to policies issued by the Board, as well as external factors such as overall social and economic conditions. Details of compensation offered to governors, the President and senior executives can be found in the 2019 Annual Report.

+ Board Performance Assessment

The Board of Governors has assigned the Corporate Governance and Social Responsibility Committee the task of determining the performance assessment criteria for governors and committee members, as well as summarizing their performance, in accordance with the Corporate Governance Policy and Code of Conduct of the SET Group. The summary is presented annually to the Board to consider performance adjustments and improvements.

Board Performance Assessment Model

- (1) Board performance assessment
- (2) Individual assessments (self-assessment)
- (3) Individual assessments (cross-evaluation)
- (4) Assessment of Chairman’s performance
- (5) Assessment of governors’ skills, knowledge and abilities

+ The President’s Performance Assessment

The Selection and Remuneration Committee has been assigned the responsibility of evaluating the policies and criteria for assessing the performance of the President, which is linked to the established criteria for compensation rates. The President’s performance is considered based on the business’s operating results, performance of duties in accordance with policies issued by the Board, and other external factors such as overall social and economic conditions.

+ Succession Plans

The Selection and Remuneration Committee assumes the role of selecting and providing their input regarding the preparation of successors for senior executive positions, based on succession plans. Successors are selected based on their knowledge, experiences, abilities, attitudes, and ethics. The Committee reviews and reports on the implementation of succession plans to the Board on a regular basis.

+ Governor Development 102-27

The Board regularly receives knowledge development trainings, which are determined based on assessments of their skills, knowledge, and abilities. In 2019, governors received knowledge trainings on the role of the Board in the organization and the capital market, such as through the Director Certification Program (DCP) and Director Accreditation Program (DAP). SET also promotes trainings related to good governance, such as the course on Corporate Governance for Capital Market Intermediaries. Furthermore, SET has developed a Director’s Handbook and organized an orientation program to introduce new governors SET Group’s business, which will prove beneficial for their learning and for carrying out their duties.



Corporate Governance Policy and Code of Conduct of the SET Group

The Board of Directors has designated that the Corporate Governance and Social Responsibility Committee screens and monitors compliance to Corporate Governance Policy and Code of Conduct of the SET Group, prior to submitting their findings to the Board for consideration. In 2019, SET worked to promote a corporate governance culture amongst governors, executives, and employees through a number of ways, with key achievements as follows:

- Organized orientation for new governors and employees on SET Group’s corporate governance and Code of Conduct, highlighting key matters in the Code and important rules and guidelines that should be adhered to, such as rules on the acquisition or disposal of securities, an Anti-corruption, and conflict of interest prevention and management.
- Disseminated electronic articles to enhance employees’ understanding on essential matters concerning Corporate Governance Policy and Code of Conduct of the SET Group, as well as other relevant rules, guidelines and regulations.
- Developed a CG Education course on the e-Learning module to promote knowledge and understanding amongst executives and employees regarding compliance to Corporate Governance Policy and Code of Conduct of the SET Group.
- Revised the Code of Conduct to enhance implementation efficiency.

SET Group Code of Conduct	Examples of Measures and Guidelines	2019 Performance
Anti-corruption	<ul style="list-style-type: none"> Enact anti-corruption measures and assess compliance to such measures in accordance with the guidelines of the Private Sector Collective Action Coalition Against Corruption (CAC). Assess and mitigate risks from corruption and conflicts of interest throughout the organization. Continuously implement the No Gift Policy by communicating the Policy to management, employees, suppliers, and related parties for their compliance. 	<ul style="list-style-type: none"> Communicated on anti-corruption measures to all new employees for their acknowledgement and compliance. Communicated on anti-corruption measures to suppliers and prospective suppliers through various channels, including by adding SET’s anti-corruption commitment into bidding announcements, purchase orders, draft terms of references, and meetings to elaborate on key points of the Anti-Corruption Policy to new suppliers. 205-2 No behaviors or actions exhibiting a tendency for corruption or violations of SET’s anti-corruption measures were found. 205-3
Acquisition or disposal of securities by governors, management, and employees	<ul style="list-style-type: none"> SET’s governors, including their spouses, partners, and underage children must report on their acquisition or disposal of listed securities in a transparent manner. SET Group’s management and employees, including their spouses, partners, and underage children, must report on their securities holdings. Those wanting to invest in securities must request approval to do so and report on their acquisition or disposal of listed securities in a transparent manner. 	No violations or breaches of requirements on the acquisition or disposal of securities were found among governors, management, or employees, including their spouses, partners, and underage children.

SET Group Code of Conduct	Examples of Measures and Guidelines	2019 Performance
Conflicts of interest prevention and management 102-25	<ul style="list-style-type: none"> Employees are prohibited from taking on director or advisor roles in listed companies and/or member companies. To assume a position in another company, an employee must first receive approval from the SET President. In the case of the SET President, an approval must be granted by the SET Chairman. In the case that an employee or a related party expresses their intention to become a supplier for SET, the employee must disclose, in writing, their relationship to the associated party, and must not be involved in the decision-making on the procurement of the related product or service. 	No cases were found in which management or employees assumed a position as a director, committee member, or advisor in a listed or member company, with the exception being subsidiaries of SET Group or agencies related to capital market development, as these do not pose conflicts of interest for SET Group’s business.
Data protection	<ul style="list-style-type: none"> Enact control measures on accessing data and ICT systems to prevent the risk of confidential data leakages, which could impact the safety and security of ICT systems. 	<ul style="list-style-type: none"> Announced the use of the “Chinese Wall” (information barrier between departments and employees) to encourage employees within SET departments to work independently. Appropriate measures were put in place to manage critical, as well as confidential data. No confidential data leakages were found. 418-1

- In addition, SET has encouraged its suppliers to adhere to the SET’s Supplier Code of Conduct, to ensure that suppliers operate with consideration for good governance principles, as well as social and environmental impacts. In 2019, 76% out of 447 SET’s total suppliers signed their acknowledgement of SET’s Supplier Code of Conduct.





Efficient Capital Market Governance

The Board places importance on the efficient and transparent governance of the capital market, as this is vital to stakeholder trust and the overall stability of the capital market. In 2019, key achievements were as follows:

+ Regulatory Reform Program

SET continued to implement its Regulatory Reform Program to support business flexibility and reduce costs for the entire capital market system. Meanwhile, investors continued to receive sufficient information for their investment decisions. SET also revised various key criteria, including:

- Criteria on listing securities of holding companies and infrastructure companies.
- Criteria on temporary trading following a suspension of securities trading, so that investors will be able to temporarily trade for a one-month period before securities trading is suspended, or is halted entirely if issues are not resolved, by issuing measures to eliminate risks to ensure that investors are cautious during the aforementioned temporary trading period.
- Criteria on issuing the “C” (Caution) symbol to enable a more appropriate reflection of a listed company’s financial status.
- Criteria on expanding the trading hours for securities when they are linked to cross-border products, and criteria on adding securities that are approved for short selling, to provide more choices for investors and allow them to more efficiently manage risks.

+ Information Disclosure Enhancement

SET revised the information disclosure process to help businesses be more flexible and reduce costs, including by:

- Improving the ‘Free Float’ Reporting System to make it more convenient for listed companies and support information submissions via electronic formats.
- Collaborating with the Office of the Securities and Exchange Commission (SEC) to revise criteria on information disclosure through the SEC’s Securities Offering Form (Form 69-1), Annual Registration Statement (Form 56-1) and Annual Report (Form 56-2), to reduce complexities and improve the quality of information disclosure by listed companies.
- Developing tools to help listed companies more efficiently comply with requirements, and help investors receive information in a complete and timely manner. These include a checklist, key approaches for information disclosures, simplified regulations, compilation of criteria in easy-to-understand formats, FAQs, case studies, and e-Learning modules for listed companies to access learning on requirements.

Whistleblowing and Complaints 102-17

SET provides various channels for whistleblowing or reporting complaints in the case that an incident is found to violate the law, Corporate Governance and Code of Conduct of the SET Group, or a behavior is found amongst directors, management, employees, or SET’s suppliers that might lead to corruption. The process for reporting complaints and whistleblowing is as follows:



In 2019, SET received two reports and grievances related to the Corporate Governance Policy and Code of Conduct of the SET Group. The Audit Committee has completed processing for one issue, where it found that there were no misconduct or violations of the Code. The second issue is currently under investigation.





Risk Management

Overview of Risk Management at SET 102-30

The Board of Governors has assigned the Risk Management Committee the responsibility of screening policies and overseeing enterprise risk management according to the framework of the Committee of Sponsoring Organizations of the Treadway Commission (COSO). All managers and employees have the duty to assess and manage risks within their areas of responsibility, in accordance with SET's Risk Management Policy. Meanwhile, the Risk Management Department is responsible for coordinating and providing recommendations to management on the proper implementation of risk management approaches, such as for Risk and Control Self Assessment (RCSA), which is a tool for managing operational risks, and monitoring key risk indicators. The Department also reports on the status of key risks management to the Risk Management Committee and the SET Board of Governors.

In addition, the Internal Audit Department, an independent department that reports directly to the Audit Committee, has autonomy in accessing the necessary information for evaluating the sufficiency, appropriateness, and efficiency of the internal audit system, using a risk-based approach. The approach is validated and revised regularly to ensure that risk management continues to align with changing risk factors. The Internal Audit Department periodically reports on progress and results of investigations to the Audit Committee. Further details on internal controls and risk management can be found in the 2019 Annual Report.

Sustainability Risks

SET recognizes that economic, social, and environmental changes all pose risks that could impact the organization, or be transformed into opportunities to create benefits for stakeholders. For this reason, SET's enterprise risk management includes sustainability issues to ensure that the organization can continue to operate and create value for stakeholders. Key risk factors and progress on risk management are as follows:

+ Information Technology Security Risks

Technology advancements mean that financial businesses are now confronting cyber-related threats. SET has therefore ensured that there are management systems in place, risk management for IT security, as well as policies

and measures that are in accordance with the ISO/IEC 27001 Information Security Management Standard. Key achievements included the following:

- Supported the application of modern tools to prevent and monitor cyber threats, such as Antivirus and Antimalware, Firewall, and DDoS Protection Service, etc.
- Appointed a Working Team to respond to IT security threats, which will provide advice, recommendations, and support processes and approaches that are beneficial for managing IT threats at SET.
- Tested computer systems designed to support new transactions prior to their operation, such as the Payment System for Capital Market (Interbank) and the SET Link system. Priority is given to ensuring adequate controls within the systems. Likewise, systems are tested, strictly comply with relevant rules, and undergo pre-implementation reviews.
- Assessed risks and conducted annual tests of security plans for IT systems to ensure that IT systems will be able to work uninterrupted in the event of an emergency.

+ Anti-Corruption Risks 205-1

Corruption is a risk that, should it occur, can severely impact the level of trust in the capital market. Given this, SET has required that corruption be a key risk issue for the organization. All departments must conduct assessments, outline management measures, and regularly monitor corruption risks in their own departments – to make sure that SET's anti-corruption measures are adequate and efficient. In 2019, key achievements were as follows:

- Assessed corruption risks in the procurement process and revised criteria and guidelines to improve the efficiency of efforts in preventing corruption, conflicts of interest, or non-transparency in the procurement process. Suppliers were encouraged to comply with anti-corruption measures through the SET's Supplier Code of Conduct and various other channels, including through SET's anti-corruption declaration in bidding announcements, purchase orders, draft terms of references, and meetings to elaborate on key points of the Anti-Corruption Policy to new suppliers.

+ Occupational Safety, Health, and Workplace

Environment Risks

SET established the Occupational Safety, Health, and Workplace Environment Committee to determine and implement policies and plans on occupational safety, health, and workplace environment, with the aim of preventing accidents or incidents that could damage lives or assets. As part of this, SET conducts risk assessments, monitors, and reports on performance according to the aforementioned policies and plans to management on a monthly basis. Furthermore, SET has prepared a "Swimlane Diagram" to clearly delineate the steps and measures that it will take to systematically and efficiently respond to different incidents, including fires, earthquakes, demonstrations outside office buildings, and epidemics. In 2019, there were no lost-time accidents or deaths concerning employees. Key performance included:

- Safety Walk activity, organized quarterly within the SET building.
- Trainings related to workplace safety, such as safety training using the Workplace Safety Manual, fire prevention and suppression, CPR training, Automated External Defibrillator (AED) use, as well as training for safety officers, for employees at the management and supervisor levels.

Business Continuity Management

SET places importance on Business Continuity Management (BCM), which includes the Incident Confrontation Plan, Crisis Management Plan, Business Continuity Plan, and IT Disaster Recovery Plan. These plans are reviewed, rehearsed, and tested according to the BCM approach on an annual basis, in collaboration with relevant agencies in the capital market, to prepare for emergencies and crises such as fires, earthquakes, flooding, or incidents that prevent access to the SET office. This ensures that SET will continue to have sufficient personnel, systems, physical work locations and secondary work locations to efficiently run securities trading services – even in crisis situations.

Emerging Risks

Technology has assumed a major role in the financial business today. SET is therefore committed to developing and adapting itself to technological change in order to enhance its capabilities and competitive advantage, as well as identify new business opportunities to create added value for relevant parties in the industry.

SET supports the application of technologies and innovations to improve the efficiency of end-to-end services, and to create platforms to provide services through digital systems and infrastructure for the industry. Examples include the Payment System for Capital Market and the SET Link System. SET also provides additional user authentication services linked to various organizations through the Digital Gateway system of FinNet Innovation Network Co., Ltd, a subsidiary of SET, and conducts business process improvements to keep up with changes in digital technology. In addition, SET works with relevant parties in the capital market to expand on innovations and develop new business models that cater to the needs of stakeholders. This will allow SET to transform risks into business opportunities in the digital age, for instance through the SET Digital Asset Platform.





Product, Service and Innovation Development

SETTHSI Index: The Sustainability Index for the Thai Capital Market

SET develops and promotes the SETTHSI Index, a stock price index, which highlights the SET-listed companies that passed the Thailand Sustainability Investment (TISI) assessment criteria and met the size and liquidity requirements. The SETTHSI Index reflects the price movement in prices of the securities of listed companies that operate with consideration of environmental, social, and governance (ESG) factors. The SETTHSI Index serves as a benchmark index for evaluating investment performance, as well as a reference index for developing other financial products, such as mutual funds or exchange-traded funds (ETF) that are based on the TISI List.

Publicizing the SETTHSI Index will generate awareness amongst listed companies on the importance of operating with consideration of ESG factors – and promote the growth of sustainable investments in Thailand. In 2019, 57 listed companies are selected for inclusion in the SETTHSI Index between 1 January – 30 June, and 53 companies between 1 July – 31 December.

Digital Platforms Development 203-1

SET is focused on developing infrastructure systems and increasing the efficiency of its digital financial services to prepare for future business changes and respond to stakeholders' expectations. In 2019, key achievements included the following.

+ Payment System for Capital Market FS14

Since 2018, SET has used the Payment System for Capital Market to provide an additional online payment channel for institutional intermediaries (i.e. asset management companies and commercial banks) and customers, as it will help to facilitate customer convenience and reduce transaction times. In 2019, SET improved the System further to address the needs of all user groups, and offered fully-integrated services in November 2019. Now, customers are able to pay for securities using accounts from different banks at both the sending and receiving ends and reduce system risks from their payments. Meanwhile, the System also supports Thailand's National e-Payment Master Plan. To date, around 8,000 million baht of financial

transactions are processed each day. The System is also used by 31 securities companies and 12 commercial banks.

+ FundConnex

SET developed FundConnex, a mutual fund trading system, to serve as a full-service intermediary platform for the trading and payment of mutual funds between distributors and asset management companies. The system enhance efficiency for investors who are investing through online systems and creates convenience by allowing a single account to be opened for trading mutual funds from several asset management companies. In 2019, SET improved the FundConnex System further by collaborating with Clearstream Banking S.A, a central securities depository which is part of Deutsche Borse Group, to link the FundConnex system with Clearstream's Vestima platform. This now offers Thai people the opportunity to access international mutual funds more easily and conveniently, and likewise enables international investors from over 50 countries to invest in the Thai fund market. The linkage between the two systems is operated via the ISO 20022 Financial Services – Universal financial industry message scheme, which is a first for Thailand. As of 2019, 27 distributors have used the FundConnex system, an increase from 20 distributors in 2018. Also, 20 out of 23 asset management companies are using the system.

+ SET Digital Asset Platform

SET is committed to identifying new business opportunities in preparation for the digital age. In 2019, SET collaborated with local and international experts to conduct a feasibility study on the use of Distributed Ledger Technology (DLT) for developing a Digital Asset Platform for digital token trading. Studies were also conducted to identify approaches for enhancing the digital infrastructure of the securities business in the future, including through fundraising, post-trade services, and fund registrars services. The DLT technology will allow users to access and receive the same information through a shared database that is accurate, unbiased, and transparent. In 2020, SET plans to work with partners to create a business use-case model for the Digital Asset Platform, for its eventual real-life application.

'One-Stop Service' Enhancement

SET provides a 'One-Stop Service' for listed companies, potential listings, and financial advisors with less complexity and more flexibility in terms of securities listing, governing and developing issuers, providing post-trade services and promoting corporate sustainability. These services includes consultations, advice on fundraising and compliance to rules and regulations after listing, where a Relationship Manager will directly be in charge of companies in each business sector. SET is also enhancing its service efficiency by using the SET Link system, www.setlink.set.or.th, a central portal for news, rules and regulations, guidelines, announcements, and activities for listed companies.

A Culture of Innovation 203-1

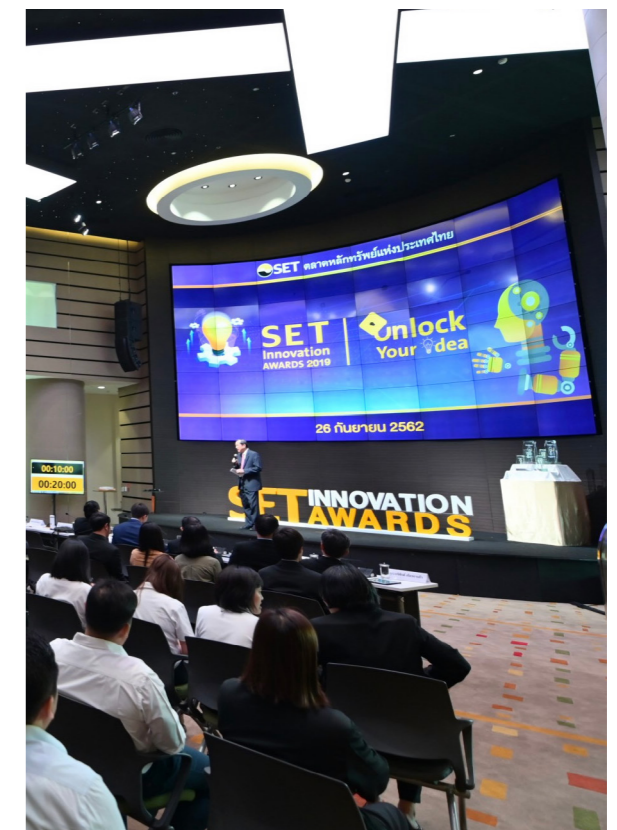
SET fully recognizes that innovations are at the heart of organizational development – enabling it to grow and compete at the international level. SET therefore encourages its employees to initiate knowledge exchanges and practice innovative thinking to create product, service or process innovations that will be beneficial to the economy and society.

+ SET Hackathon

In 2019, SET organized the first SET Hackathon to encourage its employees to integrate their knowledge, technology and innovations into new business models, products and services to facilitate the organization's adaptation to digital disruption, and add the value of existing products and services. The Hackathon emphasized on the ideation, development, and design of digital platforms, and was attended by 50 employees. The winning project was the Wealth Connex Platform, which used 'Virtualization' technology to help users explore assets and effectively develop personal asset management plans. The winners of the SET Hackathon also received the opportunity to represent the organization at the F10 FinTech Hackathon in Singapore.

+ SET Innovation Awards

Through the SET Innovation Awards, SET encourages its employees to apply their skills, knowledge, and work experiences towards the ideation and development of product, service and business model innovations that will help to create added value for the business and society. The Awards, which has been organized for the third consecutive year, saw a total of 27 innovation submissions in the "Innovation Track" and "Creator Track" categories, 13 of which received awards. Some of these innovations were also selected for further development, to create opportunities for the business and society. Examples of innovations include the QR Code Meeting Standard Form which helps reduce the use of paper and electronic waste from CDs, which are sent with Shareholders' General Meeting invitations and the 360X Digital Asset Platform which applies DLT technology to digital assets to address the problem of access to medicine. The 360X Digital Asset Platform involves creating digital tokens out of surplus medical supplies from medical institutions, which are then kept on the Platform and subsequently distributed to donation recipients at reasonable costs. In addition, the 360X Digital Asset Platform received one of the top prizes at the F10 FinTech Hackathon challenge in Switzerland.





Market Growth

The capital market serves as a source of capital for business owners and a saving and investment channel for the public. When all sectors in society are able to access and benefit from the capital market to its maximum potential, this will lead to economic expansion, an increase in employment rates and investments in innovation and infrastructure, which will ultimately help enhance the country's competitiveness. Given this, SET is committed to developing the quality of stakeholders in the capital market value chain, including listed companies, business owners, securities professionals from institutional intermediaries, and investors, with the pursuit of the sustainable growth of the economy, society, and environment.



Quality Development of the Capital Market

Enhancing the Sustainability Performance of Listed Companies

In 2019, there were a total of 725 listed companies on the Thai Exchange, representing 16.69 trillion baht in market capitalization, or equivalent to 106% of the country's GDP. It is considered the most liquid market in the ASEAN region, which is reflective of the outstanding competitiveness of the Thai capital market. Meanwhile, SET also encourages its listed companies to consider environmental, social, and governance (ESG) issues in their business practices, as this will help reduce risks and increase business value from upstream to downstream, and create value for their stakeholders through products, services, and innovations that benefit the business and society.



+ Promoting Knowledge and Practices for Corporate Sustainable Development

Promoting knowledge on sustainability will help listed companies develop their businesses for economic growth, as well as help them to recognize their long-term social and environmental impacts. In addition, a company's sustainability performance reflects its long-term business capabilities, which lead to investor and stakeholder trust. SET's key achievements in this area in 2019 were as follows.

- Developed the Corporate Sustainability Manual as a resource for listed companies on sustainability concepts, principles, and practices, which align with national and international standards and guidelines. The Manual can be applied amongst listed companies of all sizes and in all business sectors, and will be distributed in 2020.

- Offered advice and shared practical knowledge with directors and top executives of listed companies, and promoted the incorporation of ESG issues into policies and corporate strategies.
- Organized corporate sustainability management training programs for all listed companies, which were divided into one 'Basic Level' course and six 'Implementing Level' courses. These six courses are comprised of three courses on sustainable business strategies and the remaining courses on Sustainability Risk and Materiality Analysis, Sustainability Evaluation and Data Management and Sustainability Reporting. SET also provided sustainability training courses on specific issues, such as Sustainable Supply Chain Management, Greenhouse Gas Emissions Reporting and Human Rights Due Diligence. In 2019, a total of 884 participants from listed firms attended the training.



- Publicized the website, www.setsustainability.com, for the first time as a source of information and knowledge for listed companies and other parties interested in sustainable business development. In 2019, the website received more than 18,000 views (from July–December 2019). SET also added another channel to communicate sustainability information to listed companies and interested parties through the LINE application (LINE ID: @setsustainability).

In addition, SET has launched the Sustainability in Practice Program for listed companies. Key achievements of the Program in 2019 can be summarized as follows:

- The Kick Start Your SD Journey Program, which provides detailed advice to a target group of 18 small- and medium-sized listed companies, to help elevate their sustainability performance. The Program focuses on the development of policies and strategies that respond to the businesses’ risks and opportunities on material sustainability topics.
- Collaborated with the Thailand Productivity Institute to organize the Process Innovation Coaching Program for eight pilot listed companies from eight industry groups. The Program focuses on applying the “Lean” concept in process development and operational improvements within organizations, to develop innovations that will create added value for the business and generate positive results for society and the environment.

+ Improving the Quality of Sustainability Reporting for Listed Companies 417-1

For listed companies, disclosing their sustainability performance reveals the transparency and efficiency of their business operations, which in turn will influence the decision-making of investors and stakeholders. Given this, SET is committed to enhancing the quality of sustainability reporting for listed companies, as it will serve as an important tool for developing the business and building investor trust. Key achievements in 2019 are detailed below:

- Collaborated with the Securities and Exchange Commission (SEC) to revise the criteria on sustainability disclosures in the Annual Registration Statement/Annual Report Form (Form 56-1 One Report), to enhance the quality of ESG disclosures among listed companies. SET will communicate on these changes and help listed companies prepare to report on their ESG performance correctly in accordance with these revised guidelines, which will come into force in 2022.
- Organized the CGR One-on-One Workshop for listed companies, to offer recommendations and enhance the quality of Corporate Governance (CG) Reports in accordance with good governance principles. With 120 listed companies participating, SET found that up to 78 participating companies received score improvements in the Corporate Governance Report of Thai Listed Companies (CGR).

- Offered two basic Sustainability Reporting workshop to help listed firm disclosure their ESG performance to comply with SEC requirements. Also, SET in collaboration with Thailand Greenhouse Gas Management Organization, organized two Greenhouse Gas Emission workshops for over 100 participants from 53 listed firms.
- Organized two Sustainability Reporting Workshops to enhance the quality of sustainability reporting in line with international standards, which were attended by 57 listed companies. In 2019, 106 listed companies, or 14% of all listed companies, prepared sustainability reports in accordance with the GRI Standards.
- Developed a Sustainability Reporting Manual for listed companies that will serve as a guideline for sustainability disclosures across their entire supply chains. The Manual will also help guide listed companies on managing their material sustainability issues in alignment with stakeholders’ expectations, by reporting on the indicators that coincide with the needs of investors, data users, and national and international reporting standards. The Manual will be piloted in 2020 with a target group of listed companies.

+ Sustainability Assessments of Listed Companies

SET encourages listed companies to participate in corporate sustainability assessments to improve their sustainability performance. In 2019, key achievements included:

- Supporting the Thai Institute of Directors (IOD) in their development of the Corporate Governance Report of Thai Listed Companies (CGR), and provided recommendations for improvement and enhancing CG practices amongst listed companies on an annual basis. In 2019, listed companies had an average CGR score of 82%. In addition, looking at the CGR assessment scoring scale of 1–5 stars, up to 603 listed companies received a score of 3 stars and above, and these companies constitute 98% of the total market capitalization. This reflects on the transparency and good governance of their business operations, which are important factors in creating trust in the capital market.
- Developed the ESG Health Check tool for small- and medium-sized listed companies to evaluate their ESG performance, where the results can be used to more efficiently outline sustainability plans for their organizations. In 2019, 67 listed companies used the ESG Health Check tool.

- Encouraged listed companies to participate regularly in SET’s corporate sustainability assessments, so that the results and recommendations received from SET can be used to improve corporate performance in economic, social and environmental dimensions. In 2019, 131 listed companies participated in the assessment compared to 114 companies in 2018. The companies reported an average assessment score of 69%, increasing from 66% in 2018. The number of companies that received scores of 50% and above in the economic, social and environmental dimensions, and that also passed the criteria for inclusion in the Thailand Sustainability Investment (THSI) list, increased from 79 to 98 companies, of which 93 were listed in SET, and 5 were listed in the Market for Alternative Investment (mai), overall representing 65% of total market capitalization. This reveals both the quantitative and qualitative progress that listed companies have achieved so far on sustainability management. Finally, the THSI list is also used as a criterion for calculating the SETTHSI Index.

82%

Average CGR scores of all listed firms

98 companies

Selected for inclusion in the 2019 Thailand Sustainability Investment (THSI) List (Representing 65% of total market capitalization)



+ Enhancing Sustainability Practices of Listed Companies towards International Standards

SET is committed to developing the sustainability performance of listed firms, particularly high-potential so that they become internationally-recognized for their practices. And since 2014, the number of listed companies that have been selected for inclusion in the Dow Jones Sustainability Indices has increased each year. In 2019, SET continued to support capacity - building activities for companies, by organizing the DJSI Exclusive Coaching training course and DJSI Corporate Sustainability Assessment (CSA) Coaching Program for the 33 listed companies that were invited to participate in the annual DJSI Corporate Sustainability Assessment. As a result, the number of listed companies that were selected for inclusion in the DJSI increased from 19 companies in 2018 to 20 companies in 2019, representing 43% of total market capitalization. Given this, Thailand has the highest number of DJSI members in the ASEAN region for six consecutive years. In addition, seven companies achieved DJSI Industry Leader status, which refers to the highest score received globally within their respective industries.

Furthermore, 34 listed companies were selected for inclusion in the FTSE4Good Emerging Markets Index, and 37 companies were selected for the MSCI AC ASEAN ESG Universal Index, both of which are internationally recognized sustainability indices.

20 companies

Selected in the DJSI
(Representing 43% of total market capitalization)

7 companies

Achieved DJSI Industry Leader status

Developing Quality People in Listed Companies

+ Developing the Quality of CFOs

SET is dedicated to improving the knowledge and skills of Chief Financial Officers (or CFO) of listed companies, elevating their abilities in financial and investment management on topics such as budgeting, investment decision-making and fundraising, financial risk management to create added value and financial security, and developing quality financial reports. To achieve this, SET carries out a number of courses, including:

- **CFO's Orientation Course for New IPOs**

A 12-hour orientation course for financial executives, developed following the announcement of the SEC rule that requires the top finance and accounting executives of a company that is heading towards an Initial Public Offering (IPO) to undergo the aforementioned orientation. The course aims to help CFOs understand their roles and responsibilities, develop financial reports and effectively analyze financial statements. In 2019, 53 participants passed the training. In addition, SET developed the "CFO Orientation for New IPOs (English Version)" for foreign executives in an e-Learning format, where 15 participants passed the training.

- **Strategic CFO in Capital Markets**

The course designed for the finance executives of listed companies or potential listings, focuses on providing strategic financial knowledge that can be applied towards becoming a strategic financial manager. In 2019, 136 participants passed the training.

+ Developing the Quality of Mid-level Managers on Accounting and Finance

A special scholarship training course has been designed for mid-level managers with finance and accounting responsibilities in listed companies. The objective of the course is to enhance the capabilities of these managers so that they are able to efficiently manage the finance and financial reporting of their businesses. In 2019, 823 participants received training on three courses: (1) The impact of new financial reporting standards on listed companies' preparation of their financial statements, 'Revenue from contracts with customers' (TFRS 15) and 'Leases' (TFRS 16), (2) In-depth study of TFRS 9, TFRS 15, and TFRS 16:

Key principles, impacts, guidelines, and case studies, and (3) Insight Financial Management training course to increase business capabilities through professional financial management.

+ Developing the Quality of Investor Relations Officers

SET is dedicated to developing the skills and increasing the number of investor relations officers, who are responsible for distributing transparent, accurate, complete, and timely information on listed companies. They assume a key role in building trust for investors and expanding opportunities for listed companies to access funding from domestic and international investors. In 2019, key achievements included the following:

- Collaborated with the Thailand Investor Relations Club and the Thai Listed Companies Association to offer the IR Fundamental Course, which is designed to develop knowledge and useful skills for new investor relations professionals, attended by 142 participants.

- Encouraged listed companies to participate in assessments of their investor relations performance on an annual basis, in order to apply the recommendations received from investors and investment analysts towards their own improvement. In 2019, 153 listed companies participated in the assessment, which revealed that up to 99% of the companies assessed had clearly designated investor relations officer roles. Meanwhile, 92% of the listed companies had in place stipulations regarding stock trading by investor relations officers, and prohibited investor engagement activities prior to earnings announcements (silent or quiet period), to prevent the use of insider information and uphold the Investor Relations Code of Conduct.

+ Preparing Chief Transformation Officers (CTO)

The Market for Alternative Investment (mai), in partnership with the mai Listed Companies Association, organized the Chief Transformation Officer (CTO) Course to provide a new perspective on strategic business management in an era of change, which acts as another avenue for opportunities and collaboration among the top executives of listed companies. The Course emphasizes sharing experiences from experts and among participants at the CTO Tea Talk and various workshop activities. Overall, 74 top executives from listed companies participated.

Promoting Sustainable Investing

In addition to developing the SETTHSI Index, SET also promotes sustainable investing by distributing knowledge to relevant parties in the capital market. Key activities in this area in 2019 were:

+ Promoting Sustainable Investment Knowledge

Joined forces with the ASEAN-JAPAN Centre and United Nations Development Programme (UNDP) to organize the seminar, Capital Market Research Forum "Green FDI in ASEAN: Environmental, Social, and Governance (ESG) Investment," to highlight research on ESG investments, which are having an increasingly important role in ASEAN countries. The seminar was attended by over 100 participants.

+ Promoting Fundraising through Green Bonds and Social Bonds

SET recognizes the role and importance of Green Bonds, Social Bonds, and Sustainability Bonds as fundraising alternatives for listed companies. In 2019, SET organized the seminar, Capital Market Research Forum: "Seminar on Development of Green Bonds in Thailand," to share knowledge on fundraising through green bonds. During the event, an MOU was signed between Asian Development Bank (ADB) and Energy Absolute Public Company Limited on the purchase of 3,000 million baht worth of green bonds.

Furthermore, in 2019, SET also entered an MOU with the International Finance Cooperation (IFC), a member of the World Bank Group, to expand and promote knowledge in the Thai capital market on the development of sustainable investment products.



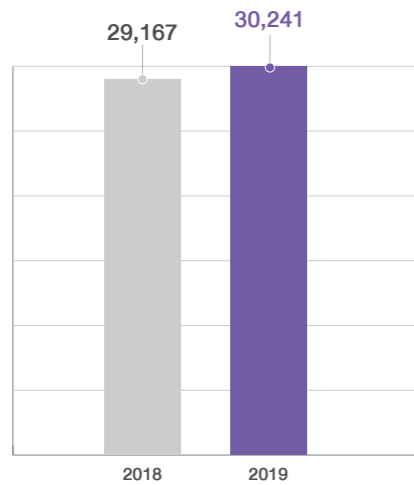


+ Promoting Sustainable Investment Knowledge for Securities Analysts

Collaborated with the Investment Analysts Association and the Federation of Thai Capital Market Organizations to organize the ESG Investment Forum, “ESG: New Dimensions for Professional Securities Analysis”. The seminar aimed to promote a better understanding of sustainable investment and related trends among professionals from institutional intermediaries in the Thai capital market. It also aimed to help professionals examine the sustainability performance of listed companies for security analysis and valuation. The seminar was attended by over 140 participants. Meanwhile, SET plans to expand sustainability knowledge to other types of securities professionals, including investment bankers, investment consultants, and fund managers, to continuously promote sustainable investing.

In addition, SET further partnered with SEC and various asset management firms to set up the Thai CG Fund, which encourages asset management firms to select and invest in the securities of listed companies that receive at least 4 stars from the CGR assessment, and were certified as members of the Private Sector Collective Action Coalition Against Corruption (CAC). This is in order to reduce investment risks concerning management corruption and unethical shareholder treatment. As of 2019, there was a total of 23 funds on the Thai CG Fund, constituting a total net asset of over 30,241 million baht.

Total Net Asset of the Thai CG Fund (million baht)



Quality Development of Entrepreneurs, Intermediaries and Investors

Building Capabilities for Entrepreneurs

In 2019, SET developed 180 pieces of content and knowledge materials for business owners. Over 2,000 entrepreneurs, Startups and SMEs, as well as university students and teachers, gained knowledge through training and seminars and accessed to SET’s Online Entrepreneur’s Classroom, which received over 80,000 views. Key performance consists of the following:

+ Promoting Knowledge for Startup Entrepreneurs

SET supports the startup ecosystem by working to enhance the capabilities of entrepreneurs through its Startup Education Platform, part of the “Online entrepreneur’s Classroom”, which is accessible through the website, www.set.or.th/enterprise. The Platform serves as a source of information for startups and digital innovation-driven businesses with knowledge content catered to its target audience, including those interested in becoming quality business owners who are looking for knowledge and inspiration, as well as students and teachers. In 2019, SET undertook the following:

- Developed knowledge databases and materials. Examples include the Startup Fundraising course modules, informative clips from the “Entrepreneur’s Classroom”, the “Startup Fundraising” book, and the “SET Your Startup Business Guide” series. In addition, SET also developed articles, infographics and an online e-Learning “Innovative Entrepreneur” course to promote modern and systematic methods of learning.
- Promoted hands-on experiences by collaborating with university partners, including namely the Science and Technology Park, Chiang Mai University, to offered the “Startup Fundraising” course to allow startups and SMEs to learn various techniques for accessing funding from Series A to Growth stages. In addition, SET organized networking events to build partnership networks and strengthen startup ecosystems in each region.
- Enhanced knowledge on the capital market for professors at over 60 universities nation wide through the SET University Networking Project, which was organized for the 15th consecutive year.



+ Preparing Companies for IPO

To promote the capital market as a center for business opportunities, SET has focused on preparing companies that are ready for listing through the “IPO Roadmap” course, the “Internal Control for IPO” course, various seminars, and the book launch, “A Recipe for Success for Thai Family Businesses: Building a Sustainable Succession Plan,” which highlights knowledge and experience sharing on family business management. Furthermore, SET also developed an online IPO Roadmap learning channel via the Online Classroom for Business Owners, which will provide more opportunities for interested business owners to access basic information prior to their listing. Examples of courses include, Capital Market – Unlocking Your Business Growth, The Process of Going Public, Financial Reporting and Disclosure, Business System, Internal Control, and IPO Valuation.

Enhancing the Professionalism of Intermediary Professionals

The securities business landscape is changing rapidly. For instance, investors are now monitoring news and information and conducting their own trading with less reliance on investment consultants, and the scope of investments is now expanding overseas. Likewise, technology advancements, which are leading to important developments such as fundraising through Initial Coin Offerings (ICO) and digital assets, as well as fintech investment services, are all having an impact on the work of financial intermediaries, as they must adapt and focus on providing investment

recommendations in multi-asset classes. Given these considerations, SET has joined forces with the Association of Thai Securities Companies to determine a direction for developing the knowledge of securities professionals, helping them to prepare for services in the digital age. In 2019, key activities include the following:

+ Developing the Quality of Investment Consultants

SET is committed to developing investment consultants (ICs) into “Smart Investment Consultants,” which refers to ICs who have well-rounded knowledge, demonstrate professionalism, an in-depth understanding of investment products, and the ability to use technology in their investment recommendations to effectively respond to customers’ needs. In 2019, SET organized six training courses: (1) Market Outlook 2019, (2) Trust-based Selling, (3) Product Expert (FIF & DR), (4) Product Expert (Structured Note), (5) Digital Literacy for IC, and (6) Onboarding for IC, which were attended by 1,011 practitioners. Not only that, SET also developed a new e-Learning service called, “Professional’s Classroom”, which offers diverse courses that can be adapted and applied as needed in investment recommendations.

+ Developing the Quality of Investment Analysts

Similarly, SET is also committed to transforming investment analysts into “Strategic Investment Analysts.” This refers to analysts who demonstrate well-rounded business knowledge, are able to conduct accurate multi-asset valuation and know how to leverage technology to their advantage in their work and communications with investors.





In 2019, SET focused on developing analysts' analytical skills to support changes in accounting standards, which was achieved through a course called, "Financial reporting standards and financial tools: Key principles, impacts, and issues for consideration". In addition, SET also worked to develop analysts' presentation and communication skills through two courses entitled, "Techniques for Mass Media Communications", and "Practical Presentation for Professionals", which were attended by 229 investment analysts.

+ Developing Back-office Personnel

SET works enhance the knowledge of back-office personnel of intermediaries – transforming them into "Multi-asset Back-office Specialists." Back office personnel development focuses on enhancing their knowledge on investment products, understanding of changes in the business environment and relevant rules and regulations, and developing technology skills for service provision. Key achievements included:

- Building the skills and knowledge of back office operations to support technological change, specifically by highlighting the relevant rules, regulations, and governance of digital asset businesses, as well as encouraging their adaptation and preparedness for the Personal Data Protection Act, which will impact the securities business. A total of 415 attendees participated in the training.
- Promoting the skills and knowledge of human resources management personnel through various courses, to support their personal development in preparation for business change and any relevant requirements. These include: (1) Design Thinking for HR, (2) Understanding the Personal Data Protection Act, and (3) Change Mindset Shift Your Performance, which were attended by 143 people.

Enhancing the Standards of Securities Professionals

SET is responsible for overseeing the content and determining the standards of knowledge for securities professionals through the Securities Investment Consultant Examination and Certified Investment and Securities Analyst Program (CISA), which are qualifications for registering securities analysts and fund managers. Moreover, SET is responsible for overseeing the standards for training courses, in order to calculate hours for investment consultant license renewals. In 2019, key achievements included the following.

+ Certified Investment and Securities Analyst Program (CISA) Standards

Oversaw the investment consultant examinations for transparency and efficiency. In 2019, 36,566 individuals sat the examinations. SET also developed the CISA Program for all 3 levels, in which 1,876 individuals took the exams.

+ Standardizing License Renewal for Securities Investment Consultants

Approved 74 license renewal training programs and conducted 27 random assessments on the performance standards of nine certified training centers.

Since 2018, SET had developed the Professional Link (Prof. Link) to provide greater service efficiency in renewing licenses for securities professionals through website and mobile application. At the same time, the tool also makes it more convenient for other related parties, such as intermediaries, training centers and the SEC, by reducing their workload. In 2019, SET improved the efficiency of various systems, including by linking the SEC's database of license holders in a Business to Business (B2B) format, and adjusting the system to the requirements of the Personal Data Protection Act. In addition, SET also held a meeting with related parties on how to participate in the Prof. Link Project, which was well-received by participants. Overall, 85 training centers for license renewals and license holder management agencies that are affiliated with financial institutions demonstrated their interest in using the tool. SET plans to launch the Prof. Link system in 2020.

Preparing the New Generation to Support Capital Market Growth

SET, in collaboration with its partners in the capital market, organized the Young Financial Star Competition (YFS) to enhance the capabilities of university students who are interested in finance and investment careers. The competition has been recognized as a platform for developing and testing students' knowledge on finance, investment, and business management before they embark on a career path in the capital market, for example as investment consultants, securities analysts, financiers, and investor relations officers. From 2003 to 2019, more than 82,000 university students participated in the competition. In 2019, the competition received over 4,200 competitors, or 73% of the total 5,700 applicants – the highest proportion of students ever to compete.

Developing the Quality of Investors

In 2019, there were more than 1.24 million individual investors across the country who vitally contributed to the liquidity of the capital market, a 11.5% increase in number compared to the previous year. For this reason, SET is committed to continuously expanding the base of quality investors, to ensure that the public will be able to make use of the capital market as a channel for saving and investing, and generate long-term returns. In parallel, SET also works to promote access to accurate and comprehensive knowledge on finance and investments through a number of diverse and easily accessible channels, with content that is suited to the learning needs of each target group of investors and potential investors, particularly the generation between 20–35 years of age, as they constitute 62% of the total number of individual investors. In 2019, key achievements included the following.

+ Investor's Classroom Project

SET's Investor's Classroom Project has been promoting knowledge on investments from the very basic level for new investors to advanced levels for professional investors. The Investor's Classroom is accessible online and offline. Key developments for 2019 can be summarized below:

- Disseminated knowledge on investments to 8,133 people through over 30 training and seminars, which focused on enhancing participants' existing knowledge to help them become professional investors. In addition, through the SET Investment Center (SET IC), which is located in seven universities throughout the country, SET aims to distribute investment knowledge to the regions and expand opportunities for information access. The Center also serves as a place for cultivating quality investors from across the country.

23 million views

Number of views on the SET Investor's Classroom website, a 35% increase from 2018

- Developed communications materials for the Investor's Classroom Project on the SET website, including short video clips, articles, materials for distribution, and online financial tools, to meet the learning needs of today's investors. In 2019, the Investor's Classroom website received over 23 million views, which increased by 35% from 2018. In addition, SET improved the SET e-Learning system by linking it to external agencies, including the Student Loan Fund and the Government Pension Fund, to promote easier access to learning for users from these agencies. It is also a fast and easy way for investors, university students, and other interested parties to improve their knowledge. In 2019, there were 94,400 users of the SET e-Learning system.

80,000+

Number of DCA accounts in 2019, a 38% increase from 2018

+ Expanding the Base of Quality Investors

SET promotes an investment culture through the #Investnow Project, which aims to build financial security before retirement by disseminating knowledge about saving through stocks and mutual funds, through Dollar Cost-Averaging (DCA) accounts. This helps reduce the risk from investing at an inappropriate time and increase opportunities for positive returns over the long term. In 2019, there were over 80,000 investors in DCA accounts, which increased by 38% from 2018. Furthermore, SET developed various infrastructure to help investors across the country access relevant information and manage their investments easily and comprehensively through digital channels, including Fund Agent, Wealth Advice, and the FundConnex trading system, to promote a culture of investments through mutual funds. Finally, SET also developed a Streaming application that supports investments through DCA accounts.





Employee Development

SET is firmly committed to developing the capabilities, skills, and work experiences of our employees in accordance with the “SET DNA” values and in preparation for changing business landscape. Furthermore, we are dedicated to ensuring the well-being and working environment of all of our employees, to make sure that everyone will be happy at work and feel united in driving the organization towards sustainable growth.



Fair Employment Practices

SET strongly upholds human rights in its employee practices. From recruitment to remuneration, benefits and compensation, and development for career advancements, SET has in place employee practices that are transparent, fair, and ethical. In 2019, SET updated its human resources management rules to align with its current business environment.

+ Recruitment

SET employs a transparent and systematic recruitment and selection process for prospective new employees, which takes into consideration a candidate’s qualifications, capabilities, and attitudes to ensure that they align well with the requirements of the position and the organization’s values. These factors are assessed equally, and SET does not discriminate by any means based on gender, disability, age, educational background, religious

beliefs, or political opinions. In 2019, SET employed a total of 741 employees, in addition to four employees with disabilities.

102-8 405-1

Employee Level	Male	Female	Total
Top executives	12	10	22
Middle management	27	37	64
Junior management	60	113	173
Staff	135	347	482
Total	234	507	741

Age	Male	Female	Total
Over 50 years	34	86	120
30-50 years	169	360	529
Below 30 years	31	61	93
Total	234	507	741

2.12 : 1

Ratio of female to male employees

102-8

In addition, SET supports 3rd and 4th year university students from academic institutions across the country in gaining real work experiences through the SET Internship Academy, which aims to help participants obtain learning experiences and apply their knowledge towards future career development. The Internship Program also serves as another channel for SET to attract high-potential candidates for the organization. In 2019, 87 university students participated in the Internship Program.

+ Performance Evaluation and Employee Remuneration

SET evaluates the performance of its management and employees at least once a year based on key performance indicators (KPIs) and employee competencies, which have been clearly established. In addition, SET has a system for determining promotions and distributing fair remuneration without discrimination. In 2019, the ratio of female to male employee remuneration was 0.81:1.

401-2

0.81 : 1

Female to male employee remuneration ratio

202-1 405-2



+ Employee Welfare 102-41 401-2

SET provides its employees with fair benefits that are higher than the standards required by law. The Welfare Committee and the Provident Fund Committee, with representatives for employers and employees, work together to determine the financial and non-financial benefits for employees. In 2019, SET regularly provided knowledge on investment in provident funds. SET offers its employees the choice to contribute a maximum of 15% of their monthly salary to their provident funds, following which SET will contribute another 10%. Furthermore, SET also organizes a number of welfare activities to promote employees' qualities of life and work-life balance, which include:

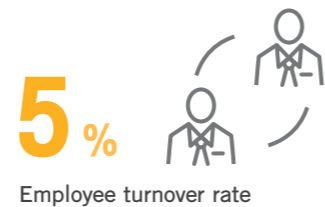
- Supporting the activities of SET's clubs, including the fitness club, Dhamma club, table tennis club, and football club. SET also provides an exercise facility, table tennis courts, and a sports field for employees to organize activities.
- Arranging a breast-feeding room and supporting the rights to maternity leave by law. In 2019, 100% of SET's employees who took maternity leave returned to work. Male employees are also able to take paternity leave. 401-3
- Supporting employee healthcare, such as by offering annual health check-ups, arranging for a doctor and nurse to be stationed in the first aid room, and providing health massage services by blind massage therapists.
- Updating the online overseas work travel approval system and launching the new "International SOS" service to provide coverage to employees who are traveling for work overseas, including cover for illnesses, accidents, riots, and natural disasters. The service also provides information and recommendations before and during an employee's travels, and helps coordinate and offer assistance to employees should an incident occur.

+ Promoting Occupational Health, Safety, and Workplace Environment

SET established the Occupational Safety, Health, and Workplace Environment Committee to enact relevant policies and plans in accordance with the laws and standards on occupational health, safety, and workplace environments, covering employees and users of the SET

Building. The Committee has developed a workplace safety manual and outlined crisis response guidelines; organized emergency drills, and communicated on and provided safety training as required by law, to ensure that employees recognize the importance of occupational safety and health and are able to apply such knowledge in practice. In 2019, employees took an average of 2.9 working days of sick leave, and no lost-time accidents occurred. Key performance in this area included the following.

- Organized training activities and the annual fire drill, which was attended by 94% of all employees.
- Organized 24 workplace safety training sessions for 691 people, or 90% of all employees, with key training content focusing on compliance to the workplace safety manual, fire prevention and suppression, CPR training, and Automated External Defibrillator (AED) use.
- Organized training for safety officers as required by law. Registered 84 management-level safety officers and 126 supervisor-level officers with the Department of Labor Protection and Welfare.
- Sprayed pesticides to eliminate bugs, mosquitoes, termites, ants, and mites, which may be carriers of disease, on a monthly basis.



+ Employee Engagement

SET promotes a working environment that emphasizes two-way communications between management and employees. This is achieved through team meetings, weekly and monthly management meetings, town hall meetings, and through online communication channels, such as the SET Intranet and social media. SET also encourages employee engagement through other means, including:



• SET's Employee Club

SET supports the work of the SET's Employee Club, governed by the SET's Employee Club Committee, which is comprised of 21 elected employees who are appointed for a one-year term. The Committee is tasked with organizing activities to promote employee engagement.

The SET's Employee Club also serves as a place for employees to gain on-the-job training. Not only does it help employees to develop skills and experiences that go beyond their regular work responsibilities, it also enables them to practice their leadership skills, embrace creative thinking and actions, and showcase their responsibility to the organization and society. In 2019, the SET's Employee Club operated under the theme, "SET YIM YIM (Smiles)," and carried out the following key activities:

- Organized the SET YIM Point Program to collect YIM points, which aimed to stimulate and encourage employee engagement in organizational activities, including activities organized by the SET's Employee Club, HR activities, and other employee club activities. Throughout the year, there were a total of 83 activities held under the Program, which were attended by 597 people, or 80% of all employees.
- Organized the SET Sport Festival 2019 to encourage employees to exercise, while building positive relationships between management and employees.

During a two-month period, SET's staff collectively walked and ran to generate a record 349,433,904 steps.

- Organized the SET YIM YIM Trip, which consisted of learning activities that aimed to inspire employees on the importance of good health through healthy eating habits, healthcare for personal development, and a commitment to environmental sustainability. Activities included the Healthy Food Cooking activity, Good Food Zero Waste activity, and Coastal Coral Reef Planting activity. The Trip was held three times and attended by a total of 354 people – the maximum number of applicants permitted for the activities.
- Organized relationship-building activities to unite employees, namely the Valentine's Day activity, Sending Love and Smiles to Cats and Dogs, in which the Club sold cards and accepted donations totaling 56,889 baht. All monetary contributions were donated, without deducting expenses, to the Faculty of Veterinary Science, Chulalongkorn University.
- Organized social responsibility activities, such as blood donation activities, which were held four times in partnership with the Thai Red Cross Society, receiving a total blood donation of 229 liters from 509 donors. Moreover, monthly merit-making activities were organized and attended by 820 employees, in addition to other activities on special occasions, such as New Year and Songkran, etc.



Employee Development

SET's approach to employee development aligns with the organization's vision and business direction in the digital era.

+ Employee Knowledge and Capability Development 404-2

SET focuses on developing employees' capabilities in a way that aligns with the organization's strategies and the "SET DNA" values. It also works to enhance the organization's competitiveness by upskilling and reskilling employees.

Since 2017, SET's employee development plans have been designed according to the 70-20-10 learning model, which focuses on developing skills through on-the-job training alongside formal training. SET further organizes mandatory training courses for personal and professional development to elevate employees' capabilities in accordance with the organization's business strategies and values. In 2019, SET implemented various activities according to the learning model, as outlined below.

SET DNA

SET strongly believes that every single employee has an important role to play in enhancing our competitiveness, driving the organization towards our objectives, and enabling us to achieve sustainable growth. For this reason, SET is committed to developing and encouraging our employees to become capable and ethical individuals, in line with the "SET DNA" values. These values outline the qualities expected of SET employees in 5 dimensions:

- Leadership
- Proactive
- Proficient
- Partnership
- Sustainable

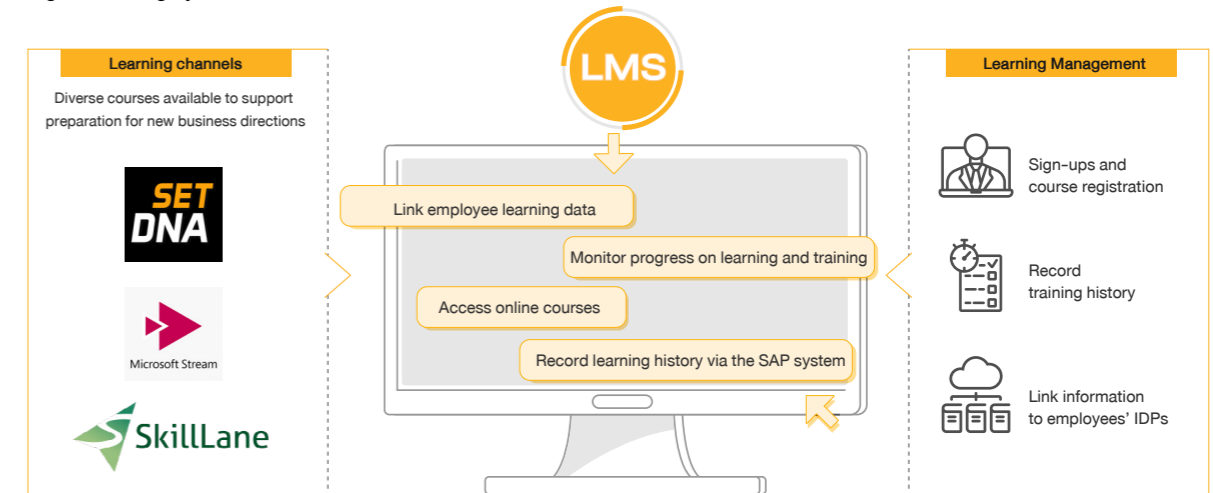
Proportion	Learning Model
70	<p>On-the-job Training</p> <p>Developed projects, programs, and learner-centric learning activities that stimulate learning from on-the-job training, which encourage employees to work as a team and inspire creative, innovation-driven ideas. Examples include the SET Employee Club, SET Hackathon Project, and SET Innovation Awards. In 2019, 35% of all SET's employees participated in these activities. In addition, SET also encouraged employees to undertake voluntary job rotations, to diversify their work experiences.</p>
20	<p>Feedback and Coaching</p> <p>Supported communications and learning platforms for supervisors and their teams, to help develop coaching and mentoring skills.</p>
10	<p>Individual-based Learning 404-1</p> <p>Developed internal and external training courses for employees and management that reflected their diverse skills and experiences. Available through both offline and online formats, these courses aimed to upskill staff for greater efficiency, and reskill them in preparation for new business needs in the future. SET also supported the use of the Learning Management System as a source for employee self-learning. In 2019, SET's management and employees attended a total of 630 internal and external training courses, and had an average of 64 training hours per person, per year. Total employee development spending by SET was 35.4 million baht. SET also organized the monthly HR Sharing activity, which involved sharing useful knowledge for employees' work and daily lives, attended by an average of 223 employees per session.</p>

+ Developing Digital Learning Channels 404-2

Aside from training courses designed for employees' individual development plans (IDPs), in 2019, SET expanded its learning channels on the Learning Management System (LMS). The System categorizes learning content in a way that is easy to understand, and helps employees of all levels access knowledge across a diverse range of topics, taught by wide-ranging experts, easily from anywhere, at any time. These courses include:

- The reskilling curriculum, available through the Microsoft Stream system, which consists of courses related to innovation development, such as Strategic Business Model Canvas, Digital Transformation Strategy, and Digital Assets Transforming Capital Market.
- The Innovative Entrepreneur curriculum, available through the e-Learning platform on the SET DNA application, which is comprised of two groups of courses, Entrepreneurial Skills and Business Management.

Digital Learning System



In 2020, SET plans to expand its online learning modules through Thammasat University's SkillLane TUXSA system to provide essential courses for business operations, including 20 courses on Business Innovation, 20 courses on Data Science, and 20 courses on Applied AI. Moreover, SET plans to link employees' learning data on the LMS with their IDPs for more efficiency.





Social Development

SET serves as the center for learning on finance and investment, dedicated to providing the Thai people with comprehensive and equal access to financial and investment knowledge for overall strong financial health. Moreover, SET has developed a platform to create social benefits, which is designed to support the growth of social enterprises and build social development network that enhances the quality of livelihoods for all Thai people.



Financial Literacy for the Public FS14

SET encourages Thai people to develop personal finance plans and invest their savings to generate returns. It is committed to disseminating financial knowledge in a way that is easy to understand, applicable in real life, and suited to the behaviors of each generation. In 2019, SET collaborated with its partners to disseminate knowledge to all levels of the public, giving due consideration for the content that is most appropriate for each target audience, through online and offline channels. Details are as follows.

Supporting Financial Literacy Knowledge Centers

As a center for learning on finance and investment, SET's knowledge services are equally and thoroughly accessible to all. SET's focus is on inspiring and building a saving and investing discipline amongst Thai youth and equipping the Thai people with financial knowledge for their livelihoods security, by developing modern learning centers that are learner-centric and suitable to learners' behaviors in the digital age.

+ INVENTORY: Digital Investment Discovery Museum

The INVENTORY Investment Discovery Museum was developed based on the concept of a universal design. The museum presents information on finance and investments in a 'discovery museum' format to offer visitors fun and engaging experiences for visitors through hands-on interactive exhibitions, such as games and stock simulation programs. It also tells the story of the historical development of the Thai capital market from past to present day. In 2019, the Museum welcomed more than 46,000 visitors, and carried out the following key activities:

- SET, as a member of the International Organization of Securities Commissions (IOSCO) and World Federation of Exchanges (WFE), jointly announced its commitment to promoting financial knowledge for the first time, with stock exchanges from over 30 countries around the world, at the World Investor Week "Ring the Bell for Financial Literacy 2019." This declaration served as a way to reaffirm the importance of financial and

investment knowledge as a critical life skill for the youth, general public and entrepreneurs.

- Organized a mobile exhibition, "INVENTORY Mobile Exhibition on School," for the fourth consecutive year to disseminate knowledge on finance and saving to educational institutions. This involved displaying information, technology and exhibitions from the INVENTORY Museum at schools in Bangkok and the metropolitan area. In 2019, the "INVENTORY Mobile Exhibition" was organized in schools across 6 provinces, with more than 47,000 students participating in its activities. SET also joined forces with its partners to share knowledge on financial saving to over 6,000 youth.
- Organized the INVENTORY Camp activity for youth at the secondary school level, which provided trainings on basic finance and how to gain more investment experience during off-term periods. The activity was attended by 58 students from Bangkok and other provinces.



+ Maruey Library: Digital Capital Market Learning Center

For over 15 years, SET has provided the Maruey Library as a finance and investment knowledge center for the Thai capital market. Also, it provides an online library service and is committed to developing digital work systems, such as a self-service system for borrowing and returning library resources using Radio Frequency Identification (RFID), a digital bookshelf service, and digital content, for user convenience. In 2019, over 1 million people used the services of the library and searched through the Digital Library to find information on finance and investment. This has enabled members to save on more than 20 million baht in book and e-book purchases. SET also opened the “Innovative Entrepreneurship” book corner, to help new generation entrepreneurs enhance their capabilities on business and innovation. Meanwhile, the “Give & Grow Together” Program aims to build a learning society through book donations. The Program received over 13,000 book donations, which were distributed to a network of 78 partner libraries around the country.

Over 1 million users
of the Maruey Library

+ Promoting Financial Literacy for Youth and Teachers

Cultivating financial literacy from an early school age not only allows the youth to build on this knowledge in their education and career, but also marks the point at which the youth can begin to understand the importance of financial planning, and therefore prepare to enter their working lives in a meaningful way. In 2019, SET’s key performance in this area included the following:

- Organized the 11th Diamond Crown Economics Competition for school and university students to develop their skills and basic knowledge on economics, finance, life insurance, and the Sufficiency Economy Philosophy. To date, more than 48,000 students have participated in the Competition, and in 2019, it was attended by 6,253 students from 1,266 schools and 56 universities around the country.
- Promoted knowledge on finance and investment for 2,161 teachers and students from schools and universities across the country through the SET University Networking Project. SET also encouraged the use of its online e-Learning courses on financial and investment planning as teaching and learning tools at various universities.

+ Promoting Financial Literacy for the Workforce

SET fully recognizes that Thailand is entering an ageing society. This means that a population of over 38 million

working people will become the main driving force for national development. If this group of people is able to prepare appropriate financial plans for their retirement, this will help mitigate the impact of an ageing society, reduce their reliance on government services, reduce financial inequalities, and ultimately enhance the qualities of life and economic prosperity of the entire country. However, only 37% of the total working population are in the retirement savings system. Also, it is likely that they will not have enough money for retirement. In consideration of this problem, SET launched the Happy Money, Happy Retirement Project to build financial discipline for workers in both formal and informal economies, including for the underprivileged and elderly. The Project, underpinned by the concept of “Happy Retirement is Possible,” disseminated information on financial planning and related tools through easy-to-understand formats, via online and offline channels, to encourage real-life applications. Key achievements for this Project in 2019 were as follows:

- Developed the Happy Money Application as an integrated financial management tool, to encourage users to record and track their incomes and expenses, prepare personal financial statements, and therefore build discipline on saving and financial planning.
- Partnered with national organizations, including the SEC, Government Pension Fund, National Savings Fund, Student Loan Fund, Federation of Business and Professional Women of Thailand Under the Royal Patronage of H.M. the Queen, Ministry

of Social Development and Human Security, The Thai Chamber of Commerce, The Thai Bankers’ Association, and The National Council for Child and Youth Development Under Royal Patronage, to share knowledge on financial planning for the formal labor force through training and seminars on saving through provident funds (PVDs) and retirement mutual funds (RMFs). A total of 501 organizations from the public sector, state-owned enterprises, and the private sector participated, and the number of participating organizations increased by 178 from 2018. The trainings covered over 2,168,000 workers in the formal workforce, a 260% increase year-on-year, and helped the employees of these participating organizations reduce their debts and increase the proportion of their savings by up to 30%. In addition, the Project was expanded to provide financial planning trainings to 6,555 people from the informal workforce, underprivileged and elderly groups, which saw a 221% increase in participation compared to 2018.

- Promoted financial planning knowledge through online and offline public communications channels. The Happy Money, Happy Retirement Project website now has over 10.4 million views.

2.16 million people

Number of working age individuals who acquired knowledge on financial planning for retirement through the Happy Money, Happy Retirement Project, a 260% increase from 2018





Social Enterprise Development and Social Responsibility FS14

+ Social Enterprise Development

Since 2016, SET has developed the SET Social Impact Platform using the “Social Impact Multiplier” concept. The aim of the Platform is to serve as an intermediary to connect businesses, society, and related parties together in a partnership network to build up the strengths and capabilities of social enterprises (SEs), so that they will be able to access funding, develop skills and knowledge, and expand their networks to elevate their competitive advantage. In 2019, SET supported 89 social enterprises through the SET Social Impact Platform, which increased by 11 SEs compared to 2018, by leveraging the strength of its networks to help these SEs achieve robust growth. This effort was achieved through four main strategies: Visibility, Ability, Workability, and Possibility. Important details are outlined below.

Visibility: Building a Platform to Connect Business and Society

SET places importance on connecting networks of related parties and partners from various sectors to develop and promote growth of local SEs. SET engages with SEs starting from their inception phase, before their fundraising stages, on policy development, developing market networks, and involving funding partners, knowledge providers and business consultants.

SET’s Social Impact Platform was developed as a tool to connect networks of relevant individuals and partners from the capital market to develop SEs – to create a positive “Impact Multiplier” effect for the economy and society. The Platform serves as the knowledge center for creating positive social impact, and is a channel for promoting the products and services of SEs, online and offline. In 2019, a total of 156 members, consisting of business and civil society organizations, gained benefits from the Platform. The SET Social Impact website, www.setsocialimpact.com, was viewed over 120,160 times, while the SET Social Impact Facebook Fan Page had more than 811,569 followers, and an average of 67,631 viewers per month, which indicates that SEs and social impact concepts are being well-received by social media news readers.

In addition, SET also promotes widespread awareness of SEs through other activities, including:

- The SET Social Impact Day activity, which provides a platform for listed companies and SEs to gather and share their experiences on creating social impact. It further serves as a venue for SEs to demonstrate their capabilities and access customers and funders. In 2019, over 65 SEs and various other organizations participated in the activity, which was attended by 700 people. The value of products sold by SEs amounted to over 500,000 baht.

- The SET Social Impact Fair, which aims to showcase social enterprise products and services, to help distribute incomes to communities. In 2019, SET collaborated with 20 SE networks to promote hand-woven cloth handicrafts from 30 provinces across the country, which generated over 1.2 million baht in sales.

Ability: Enhancing SE Capabilities and Competitive Advantage

SET works to develop the skills of SE entrepreneurs and equip them with the knowledge and experiences that can be further leveraged and applied to their own businesses. Focus is on delivering useful content and tools for business development, particularly through training courses and advisory programs by business experts and top executives from listed companies. In 2019, SET carried out the following key activities.

- Organized the SET Gym N-E-S (North-E-san-South Impact Gym by SET) Project, which leveraged the capabilities of the capital market to strengthen local SE entrepreneurs and help them achieve robust and sustainable growth. A pilot site was selected in the Northern region, in Chiang Rai province. The Gym N-E-S Project emphasizes an inclusive growth approach between business partners, the education sector, civil society, and local media, with SE business owners serving as the leading force for stimulating regional growth – while simultaneously addressing local issues. This Project’s model will be expanded to other regions at a later stage.
- Organized the SE 101 training course to provide basic knowledge for those wanting to start a social enterprise, covering topics such as basic knowledge on SEs and SE business models, marketing strategies, social impacts assessment and social return on investment. In 2019, SET organized the training course through collaboration with five universities, namely, Kasetsart University, Thammasat University, Mae Fah Luang University, Rajamangala University of Technology Lanna and Ubon Ratchathani University. A total of 109 students attended the training. In 2020,

SET plans to expand its training course to better address the learning needs of more students.

- Organized the SE 102 training course to build knowledge on SE business operations. The aim of the course is to build a social enterprise that is stable self-sufficient, profitable and able to direct their revenues towards solving social or environmental problems, including helping the underprivileged, educational development, health and sanitation development, community livelihood development and environmental management. The SE 102 course focuses on promoting SE potential in parallel with positive social impact. During a two-month period, volunteer coaches, who are top executives of listed companies and leading experts are invited to share their knowledge and experiences on business management with social entrepreneurs and help them apply their learning. In 2019, 18 SEs participated in the training course.
- Since 2017, SET has partnered with the mai Listed Companies Association to organize the Social Impact Gym Project, which welcomes top executives from mai-listed companies and various other subject-matter experts to share their knowledge and experiences on business development, with the goal of helping SEs grow securely and expand their positive social impact. In 2019, SET selected 14 social enterprises to participate in the Project, and 35 executives from listed companies participated as volunteer coaches.

Workability: Creating Networks and Business Opportunities for SEs

SET acts as the intermediary between the business sector and SEs, working to promote the creation of business deals that can help SEs build and strengthen their businesses – and thereby continue delivering social impact. Examples of activities related to this include the SET Social Impact Roundtable and SET Social Impact Day. In 2019, SEs were able to successfully access new customers and become suppliers for various listed companies. More than 86 business deals were formed as a result.

Possibility: Promoting Social Impact Assessments

SET encourages SEs to conduct Social Impact Assessments (SIA), as these will serve as useful tools for monitoring and communicating on a social enterprise’s performance to its stakeholders, including customers, consumers, and funders. Looking at its performance in 2019, SET found that the SET Social Impact Platform managed to deliver concrete benefits and social impacts in line with the indicators established by the organization. Examples include the volume of greenhouse gas emissions that were reduced by the Care the Bear: Change the Climate Change by Eco Event Project, and the economic value and number of communities that benefited from the work of the SET Social Impact Platform.

From 2016 to 2019, more than 200 business and civil society organizations engaged in the creation of over 200 business deals, and over 553 communities received benefits from these endeavors – totaling more than 96.57 million baht in economic value. In 2020, SET plans to continue expanding social impact to sustainably enhance the livelihoods of the Thai people.

96.57 Million Baht

Economic value generated from business deals formed through the SET Social Impact Platform in 2016–2019.

+ Social Responsibility Activities

SET has established a framework for implementing social responsibility activities in 3 areas: Promoting Youth Music and Sports Abilities, Public Hazard and Disaster Mitigation, and Helping the Poor and Disabled. Key accomplishments in 2019 are outlined below.

• Promoting Youth Music and Sports Abilities

– SET Youth Musical Competition

SET provided support to the College of Music, Mahidol University, in organizing the “22nd SET Youth Musical Competition,” which provides the opportunity for musically-talented youth to demonstrate and enhance their skills for the national and international stage and to encourage creative expression amongst youth. In 2019, SET promoted and communicated on the Competition through digital media outlets and various music networks, to attract more youth applicants. This has resulted in the number of competitors increasing to 562 people, from 477 in 2018, a 15% increase.

– SET Star Junior Table Tennis Program

SET, in collaboration with the Thailand Table Tennis Association, organized the SET Star Junior Table Tennis Program for the sixth consecutive year. The Program aims to develop the skills of table tennis athletes, provide opportunities for new athletes, and enhance the abilities of Thai youth athletes for international-level competitions. In 2019, a total of 14,054 athletes participated in the Program.

• Public Hazard and Disaster Mitigation

– Public Hazard and Disaster Mitigation Efforts

SET prepared 2,000 aid packages to help flooding victims in various provinces across Thailand, particularly in the Isan (Northeast) region, where homes and agricultural yields were damaged on a wide scale. In addition, SET’s management also led a team on the ground to present aid packages to those suffering from the flooding crisis in Ubon Ratchathani province.

– Helping the Victims of Pollution, Smog, and Forest Fires

SET presented 10,000 pieces of N95 masks to students in Chiang Mai, Mae Hong Son, Chiang Rai, and Phayao provinces who were confronting the problems of pollution, smog, and forest fires. Many areas were found to have higher-than-standard levels of pollutants smaller than PM2.5 particles in the air.



• Helping the Poor and Disabled

– “SET Doing Good, Giving Back” Project

SET invited its management and executives to join in on a cloth bag coloring activity, to send 10,500 cloth bags to 21 Crown Prince Hospitals (Somdet Phra Yuppharat Hospitals) throughout the country, as a replacement for plastic medicine bags. In addition, SET also provided financial donations to Crown Prince Hospitals in three provinces namely, Chiang Rai, Ubon Ratchathani and Nakhon Si Thammarat.

– Promoting and Developing Community Jobs

SET supported the production of woven handicrafts and equipment for senior craftsmen, who are experts in the design and production of woven crafts, in the temple community of Chom Si Temple, Sing Buri province. The goal is to create added value for their products and generate additional incomes to improve their community livelihoods. SET purchased the woven products by the community to use as new year’s gifts, which also provided greater visibility on the design and quality of the products for the Chom Si Temple community. In addition, SET organized the religious Kathin ceremony in 2019, consolidating various

requisites and monetary donations amounting to 1,137,210 baht from the organization, management, executives, and the faithful, to be donated to restoration projects at Chom Si Temple. SET also donated 20 computers and 60,000 baht to the Sri Udom Wittaya School, which is under the patronage of Chom Si Temple. The monetary donation will be used to purchase schooling equipment for 300 underprivileged children.

Furthermore, SET, through the Thailand Securities Depository (TSD), encourages shareholders to contribute to social development by donating their securities (a minimum of 1 share) to Saijai Thai Foundation Under Royal Patronage. The Foundation gathers these securities, or the benefits generated from these securities, to donate to social causes. The Project also reduces the time and expenses required for preparing and delivering documents to shareholders that hold less than 100 shares. In 2019, 505 people donated their shares to the Project, an increase from 394 people in 2018. The number of donated shares collected in 2019 amounted to 2,001,622, a total value of around 2.16 million baht.



Environmental Management

The SET building serves as the center for asset and investment services. With 64,000 square meters of usage area, in 2019, the building saw an average of 2,200 users per day, or approximately 70,000 users per month, in office areas and multi-purpose public spaces, including the Maruey Library and the INVESTORY Museum. This translates to electricity and water use, as well as the generation of waste materials, with electricity use particularly coming from air-conditioners, computers, and indoor office lighting. Given these considerations, SET is fully committed to improving the efficiency of its energy and resource use to ensure that it is maximizing its value, while minimizing environmental impacts.



Environmental Management Approach

SET is determined to use our resources and energy in the most valuable way in order to create business efficiency and reduce environmental impacts. This has been systematically enforced in our policy and environmental management approach, which aligns with laws, regulations, and international standards, including the Leadership in Energy and Environmental Design (LEED) certification standards. We also regularly report on our environmental performance to the Board. SET's key environmental management approaches can be summarized as follows:

1. Use modern innovations and technologies to help manage the building's systems and reduce energy and resource use.
2. Reduce direct and indirect greenhouse gas emissions, and develop a greenhouse gas emissions report based on the Carbon Footprint for Organization assessment requirements, to serve as a basis for developing greenhouse gas emissions control and reduction plans.
3. Support green procurement processes.
4. Build partnerships with partner organizations to reduce environmental impacts.

Green Building

In 2019, the SET building received the LEED Certification for Existing Buildings: Operations and Maintenance (EB:OM) at the Platinum Level – receiving the third highest score in the world – which is an addition to its existing certification of LEED for New Construction (NC). The building was also certified for the Fitwel Standard, an international standard concerning the health, sanitation, and environmental quality of buildings, which is endorsed by the U.S. Centers for Disease Control and Prevention (CDC). The SET office building received the highest Fitwel star rating – 3 stars – and received the highest score in the Single Tenant Building Scorecard.

SET's target to develop green buildings constitutes a part of its wider aspiration to become a "Zero Carbon Organization." Key steps that the organization will take in attainment of this goal cover greenhouse gas management, energy management, water management, waste and pollution management.

LEED EBOM

Achieved the LEED Certification for Existing Buildings: Operations and Maintenance (EBOM) at the Platinum Level, and received the third highest score in the world.

+ Greenhouse Gas Management

SET is committed to reducing its greenhouse gas emissions to zero to become carbon neutral. This will be achieved through the following greenhouse gas management approach:

305-1 305-2

Management Approach	2019 Performance
Reduce direct greenhouse gas emissions (scope 1) and indirect greenhouse gas emissions (scope 2), and control the total volume of greenhouse gas emissions at below 5,398 tCO ₂ e per year (compared to base year 2017).	<ul style="list-style-type: none"> Operated according to the energy conservation plan, particularly on electricity use (scope 2 emissions), which constitutes 95% of the organization's total greenhouse gas emissions. In 2019, SET was able to reduce greenhouse gas emissions by 169 tCO₂e. Since 2016, SET has supported the Thailand Voluntary Emission Reduction Program (T-VER). And in 2019, SET received the certification that it has been able to reduce a total of 3,628 tCO₂e per year so far in greenhouse gas emissions by generating electricity using solar energy, and changing to LED lightbulbs.

SET has prepared a greenhouse gas emissions report in accordance with the guidelines of the Carbon Footprint for Organization (CFO) assessment of the Thailand Greenhouse Gas Management Organization (TGO). The report covers scope 1 and scope 2 emissions, and has been verified and assured of accuracy by an external agency. In 2019, SET's total greenhouse gas emissions were 5,042 tCO₂e per year, a reduction of 169 tCO₂e per year, or a 3.2% decrease from 2018. **305-5**

• Care the Bear Project: Change the Climate Change by Eco Event

SET, in collaboration with 22 partner organizations, initiated the idea to reduce greenhouse gas emissions from meetings, seminars, and exhibitions through the "Care the Bear, Change the Climate Change by Eco Event" Project. The Project aims to encourage listed companies and interested organizations to reduce their greenhouse gas emissions from meetings and other activities. Since its inception in July 2018 to December 2019, 45 listed companies and organizations have

participated in the Project. This has resulted in the reduction of 7,635 tCO₂e in greenhouse gas emissions, which is equivalent to planting 848,412 large ten-year-old trees, or 7,635 rai in reforestation of five-year-old trees. In 2020, SET plans to increase the number of partner organizations, revise its course on greenhouse gas emissions reduction calculation, and prepare to develop an online "Eco Event Kit" for members to easily access and use. Finally, it will focus on encouraging successful members to share their experiences from the Project.

Reduction in volume of greenhouse gas emissions

7,635 tCO₂e

or the equivalent of planting 848,412 large ten-year-old trees

+ Energy Management 302-1

SET prioritizes energy management in various aspects, from building design to the use of energy-saving appliances and green technologies. It is focused on reducing two types of energy consumption, electricity and fuel, with particular emphasis on electricity, as it is critical to SET's business operations. **302-5**

Energy Type	Management Approach	2019 Performance
Electricity	Limit the operation of electrical equipment.	<ul style="list-style-type: none"> Increased the temperature of the cooling tower by 1 Celsius and reduced its operating time one hour before the end of the workday. Changed the secondary chilled water pumps (SCHP) system to suit cooling tower operations. Reduced energy use in the Data Center. Adjusted the temperature of air-conditioners in communal spaces within the office building.
	Install an electricity generation system using renewable sources (solar panels).	<ul style="list-style-type: none"> Conducted maintenance on equipment to ensure that the system could continue generating electricity using solar energy. In 2019, the system generated 74,092 kilowatt hours of electricity, an increase of 11% from 2018, and reduced electricity costs by 370,460 baht.
Fuel	Use technologies that help reduce fuel consumption.	<ul style="list-style-type: none"> Increased the number of hybrid cars by 25% from 2018, bringing the total number of hybrid cars to 65% of the organization's total fleet. Installed 3 EV Charger parking spots for EV plug-in hybrid cars and battery-powered EV cars.

In 2019, SET consumed a total of 8,384,092 kilowatt hours of electricity (totaled from 8,310,000 kilowatt hours of electricity purchased and 74,092 kilowatt hours of electricity generated from solar energy). SET's energy conservation measures have helped reduce electricity purchases by 3.5%, or 303,000 kilowatt hours, compared to the target of 3%, and also saved more than 770,000 baht in electricity costs. Meanwhile, the organization's total fuel consumption was 82,185 liters, which rose by 14% from 2018 due to an increase in work-related travel. **302-4**

+ Water Management

Efficient water consumption is a key component of SET's operations, starting with the choice of water-saving equipment, such as pipeline systems, sanitary ware and faucets, to the improvement and maintenance of its wastewater treatment system using modern technology, to ensure that treated wastewater can be reused efficiently for building maintenance.

Management Approach	2019 Performance
Improve the plumbing and wastewater treatment system for continuous efficiency.	Improved the wastewater filtration system (treated wastewater). Water that passed through the filtration system was found to be of high quality and at a comparable standard to water filtered using a Reverse Osmosis (RO) system, meaning that more water could be reused. This allowed SET to reuse 2,250 cubic meters of wastewater, and reduced water costs by 40,500 baht.

In 2019, SET consumed a total of 50,996 cubic meters of water, an increase of 4.9% from 2018. This was due to the increase in number of activities and in average number of building users per day.

+ Waste and Pollution Management

At SET, systematic and efficient waste management is a priority. The organization encourages our employees to be aware of the waste problem, and to engage in solutions to reduce waste creation and separate waste using proper methods, while applying the concept of “Invisible Trash,” to achieve the Zero Waste to Landfill target. In 2019, SET undertook the following approach to waste management:

Management Approach	2019 Performance
Continuously improve waste management efficiency.	<ul style="list-style-type: none"> Analyzed and separated trash according to type, to ensure appropriate and effective management. Partnered with Siam Cement Group Public Company Limited to use trash as a fuel source for the cement production process, and thereby reduce the problem of waste to landfill. Collaborated with food vendors in the cafeteria to reduce single-use plastics, including plastic bags, forks and spoons.
Campaign to reduce waste and separate trash correctly and systematically.	<ul style="list-style-type: none"> Partnered with 14 organizations and 12 social enterprises in the Ratchadaphisek road area, as well as partner environmental agencies, to organize the project, “Care the Whale: Climate Action Collaboration @Ratchada District,” which aimed to reform waste management processes by using the “Invisible Trash” concept. The Project aims to encourage communities in the Ratchadaphisek area to jointly collaborate on creating a balanced environment, adopt methods of reprocessing leftover materials into new items, and also promote the adoption of the Circular Economy approach.



In 2019, SET generated 156,960 kilograms of waste. Of this amount, 39,730 kilograms were sent to be used as fuel for cement production. Looking ahead to 2020, SET will remain committed to reducing its total waste by encouraging employees to use resources efficiently, campaigning for the use of cloth bags and personal cups, and expanding the “Care the Whale” Project. **306-2**

Apart from waste management efficiency, SET also has in place a pollution management system within its buildings, particularly to maintain air quality. PM2.5 protection measures have been installed at key points within the building, starting from the entrance, where there are dirt carpets and Precool Air-Handling Units (PAU) that contain two types of filters – a filter for screening 0.3-1 microns (MERV7) and a finer filter (MERV13) for screening particles smaller than PM2.5. Furthermore, SET has designed a closed printing room to control dust levels within the office.

Green Procurement 308-2

SET has designated that green procurement be a part of its environmental policy. The organization therefore developed the Green Procurement Guidelines in order to delineate SET’s procurement approach, which also serves as a resource for listed companies to adopt in their own business operations. In 2019, SET continued to promote compliance with the Green Procurement Guidelines among its suppliers, and increased its list of green suppliers to widen the options available for product and service procurement.

In 2019, SET’s green procurement value was 66% a 15% increase from 2018, compared to the target of 60%. In addition, 3% of its 125 new suppliers entered the environmental screening process. SET is committed to increasing its procurement value of green products and services to 70% by 2020.

66%

Green Procurement value, a 15% increase from 2018



Management Approach	2019 Performance
Update the database of green products and services to serve as alternatives for procurement.	<ul style="list-style-type: none"> Increased the number of environmentally-friendly suppliers and green products/services.
Regularly communicate with stakeholders on the Green Procurement Guidelines.	<p>Revised the environmental guidelines in its Terms of References (TOR) for green product and service groups to ensure that suppliers are aware of and consider environmental impacts in their choice of materials and services, including by:</p> <ul style="list-style-type: none"> Eliminating the use of decorative materials made from plastic and foam. Choosing to use natural or recycled materials. Ensuring that materials can be reused, or used for other social benefits after services are provided.

Sustainability Performance Summary 2019

Topic	Indicator	Performance			
		Unit	2017	2018	2019
Key Financial Performance 201-1					
Overall Financial Performance	Operating revenues	THB million	5,007	5,722	5,884
	Other income ¹	THB million	280	270	454
	Income from investments	THB million	1,045	586	948
	Operating expenses	THB million	3,818	3,978	4,217
	Contribution to the Capital Market Development Fund (CMDF) ²	THB million	-	-	5,700
	Income tax expense	THB million	504	479	214
Key Financial Ratios	Revenue growth	%	4.70	3.90	10.76
	Operating revenue growth	%	-1.80	14.28	2.83
	Operating ratio (Operating expenses / operating revenues)	%	76.25	69.52	71.67
	Net profit margin ³	%	28.95	29.72	-35.67
Sustainability Management					
Corporate Governance	Average board meeting attendance	%	94	91	88
	Number of complaints or violations of regulations on the acquisition or disposal of securities by governors, management, and employees	cases	0	0	0
	Incidents of confidential data leaks	cases	0	0	0
Risk Management	Number of complaints relating to at-risk behaviors or potential acts of corruption or conflicts of interest with SET	cases	0	0	0
	Incidents of cyber attacks or data breaches	cases	0	0	0
Products, Services and Innovation Development	Number of listed companies in the SETTHSI Index ⁴	companies	-	45	53
	Proportion of market capitalization of listed companies in the SETTHSI Index ⁴	%	-	53.43	55.70
Capital Market Value Creation					
Quality Development of the Capital Market	Number of listed companies in the Thailand Sustainability Investment (THSI) list	companies	65	79	98
	Proportion of market capitalization of listed companies in the THSI list	%	-	59.80	65.00
	Number of listed companies in the Dow Jones Sustainability Indices (DJSI)	companies	17	19	20
	Proportion of market capitalization of listed companies in the DJSI	%	-	42.80	43.00
	Average Corporate Governance Report (CGR) score of listed companies	%	80	81	82
	Proportion of listed companies disclosing ESG information in accordance with the GRI Sustainability Reporting Standards	%	11	13	14
Quality Development of Entrepreneurs, Intermediaries and Investors	Number of participants in business owner development projects or activities	persons	2,357	3,266	2,000
	Number of candidates taking securities professional exams	persons	80,000	48,650	38,442
	Number of participants in the Young Financial Star (YFS) Competition	persons	5,900	6,600	5,700
	Number of views on the SET investment education platform	million views	11.80	17.00	23.00
	Number of dollar-cost averaging (DCA) accounts	accounts	37,400	63,000	80,000

Topic	Indicator	Performance			
		Unit	2017	2018	2019
Employee Development					
SET Staff	Male employees	persons / %	228/31	231/31	234/32
	Female employees	persons / %	510/69	513/69	507/68
	Total number of employees		738/100	744/100	741/100
Employee Remuneration	Female to male remuneration ratio	female : male	0.89 : 1	0.82 : 1	0.81 : 1
Employee Development	Employee development expenses	THB million	40.90	33.10	35.40
	Average training hours of management and employees	hours/person/year	52	57	64
Employee Well-being	Employee workplace injuries or fatalities	cases	-	0	0
	Average employee engagement score	%	74	74	n/a
	Number of employees returning to work after maternity leave	%	100	100	100
	Employee turnover rate	%	6.5	4.6	5.0
Social Development					
Financial Literacy	Number of people accessing the Capital Market Knowledge Center Network ⁵	persons	600,000	900,000	1,046,800
	Number of working age individuals who received knowledge on financial planning for retirement through the Happy Money, Happy Retirement Project	persons	680,000	830,000	2,160,000
Social Enterprise Development	Economic value generated from business deals through the SET Social Impact Platform	THB million	-	44.46	52.11
	Number of members of the SET Social Impact Platform	organizations	123	138	156
	Number of views on the SET Social Impact website	views	157,000	228,000	120,160
Social Responsibility	Contributions to the SET Foundation	THB million	221	186	186
	Number of shares donated to the Making Merits through Stock Sharing Project	shares	368,647	1,012,976	2,001,622
Environmental Management					
Green Building	Scope 1 Greenhouse gas emissions 305-1	tons CO ₂ e per year	175	175	205
	Scope 2 Greenhouse gas emissions 305-2		5,223	5,013	4,837
	Total greenhouse gas emissions⁶		5,398	5,188	5,042
	Electricity purchased	kilowatt-hours	8,973,000	8,613,000	8,310,000
	Electricity generated from solar energy		65,795	66,867	74,092
	Total electricity consumption		9,038,795	8,679,867	8,384,092
	Diesel consumption	liters	25,858	28,263	24,350
	Benzene consumption		43,709	43,357	57,840
	Total fuel consumption		69,567	71,620	82,190
	Water supply use	cubic meters	53,105	49,068	50,996
	Treated wastewater		15,932	14,583	15,299
	Reused wastewater		1,488	2,996	2,250
	General waste	tons	87.33	98.53	82.74
	Recycled waste		33.90	24.02	38.16
	Organic waste		24.86	22.58	35.58
	Hazardous waste		0.30	0.25	0.48
Total waste 306-2	146.39		145.38	156.96	
Waste reused as fuel for cement production	-		-	39.73	
Green Procurement	Proportion of green procurement	%	51	57	66

¹ Other income consists of income from educational activities, marketing activities, management fees and fund management, etc. ² In 2019, the Securities and Exchange Act (No. 6) B.E. 2562 was issued, requiring that SET contribute THB 5,700 million to the Capital Market Development Fund (CMDF), as a one-time payment for 2019. This led to SET Group having THB 2,599 million more in expenses than net revenues. ³ Net profit margin is calculated by net profit/total revenues. ⁴ Number of companies selected for the SETTHSI Index as of 31 December 2019. ⁵ The Capital Market Knowledge Center consists of Maruey Library, INVESTORY Museum, and SET Investment Centers (SET ICs). ⁶ Only direct (scope 1) and indirect (scope 2) greenhouse gas emissions are reported, as they had significant impacts on SET's business operations. In addition, SET purchased 5,200 tCO₂e per year of carbon credits from Mitr Phol Bio-Power (Dan Chang) Co., Ltd, to use as carbon offsets to reduce its emissions to zero.

GRI Standards Content Index



GRI Standards	Disclosure	Page Number	URL / Memo	SDG Mapping Linked to Disclosure
GRI 101: Foundation 2016				
GRI 102: General Disclosures 2016				
Organizational profile				
102-1	Name of the organization	Cover	The Stock Exchange of Thailand	
102-2	Activities, brands, products, and services	7		
102-3	Location of headquarters	7	93 Ratchadaphisek Road, Din Daeng, Din Daeng, Bangkok 10400, Thailand	
102-4	Location of operations			
102-5	Ownership and legal form	7	https://www.set.or.th/en/about/overview/history_p1.html#structure	
102-6	Markets served	7-8		
102-7	Scale of the organization	8		
102-8	Information on employees and other workers	38-39		Goal 8: Decent work and economic growth-Employment
102-9	Supply chain	8		
102-10	Significant changes to the organization and its supply chain	17		
102-11	Precautionary Principle or approach	24		
102-12	External initiatives	14		
102-13	Membership of associations	12	https://www.set.or.th/en/about/overview/history_p1.html	
Strategy				
102-14	Statement from senior decision-maker	4-5		
102-15	Key impacts, risks, and opportunities	11		
Ethics and integrity				
102-16	Values, principles, standards, and norms of behavior	6		
102-17	Mechanisms for advice and concerns about ethics	23		Goal 16: Peace, Justice and strong institutions-Ethical and lawful behavior
Governance				
102-18	Governance structure	16		
102-19	Delegating authority	18		
102-20	Executive-level responsibility for economic, environmental, and social topics	2019 Annual Report p.19	https://www.set.or.th/en/about/overview/organization_p2.html	
102-21	Consulting stakeholders on economic, environmental, and social topics	9-10		Goal 16: Peace, Justice and strong institutions-Inclusive decision making
102-22	Composition of the highest governance body and its committees	18		
102-23	Chair of the highest governance body	4		
102-24	Nominating and selecting the highest governance body	18		Goal 16: Peace, Justice and strong institutions-Inclusive decision making
102-25	Conflicts of interest	21		Goal 16: Peace, Justice and strong institutions-Effective, accountable and transparent governance

For the SDG Mapping Service, GRI service reviewed that the disclosures included in the content index are appropriately mapped against the SDGs.

GRI Standards	Disclosure	Page Number	URL / Memo	SDG Mapping Linked to Disclosure
102-26	Role of highest governance body in setting purpose, values, and strategy	18		
102-27	Collective knowledge of highest governance body	19		Goal 4: Ensure inclusive and equitable quality education-Education for sustainable development
102-28	Evaluating the highest governance body's performance	19		
102-29	Identifying and managing economic, environmental, and social impacts	12-13		Goal 16: Peace, Justice and strong institutions-Inclusive decision making
102-30	Effectiveness of risk management processes	24		
102-31	Review of economic, environmental, and social topics	14-15		
102-32	Highest governance body's role in sustainability reporting	4		
102-33	Communicating critical concerns	23		
102-34	Nature and total number of critical concerns	23		
102-35	Remuneration policies	19		
102-36	Process for determining remuneration	19		
102-37	Stakeholders' involvement in remuneration	19		Goal 16: Peace, Justice and strong institutions-Inclusive decision making
102-38	Annual total compensation ratio	2019 Annual Report p.55		
Stakeholder engagement				
102-40	List of stakeholder groups	9-10		
102-41	Collective bargaining agreements	40		Goal 8: Decent work and Economic growth-Freedom of association and corrective bargaining
102-42	Identifying and selecting stakeholders	9-10		
102-43	Approach to stakeholder engagement	9-10		
102-44	Key topics and concerns raised	14		
Reporting practice				
102-45	Entities included in the consolidated financial statements	6-7		
102-46	Defining report content and topic Boundaries	14		
102-47	List of material topics	14		
102-48	Restatements of information	15		
102-49	Changes in reporting	12-13		
102-50	Reporting period	3		
102-51	Date of most recent report		Sustainability Report 2018	
102-52	Reporting cycle	3		
102-53	Contact point for questions regarding the report	3		
102-54	Claims of reporting in accordance with the GRI Standards	2		
102-55	GRI content index	60-63		
102-56	External assurance			No
GRI 200: Economic Topics				
GRI 103: Management Approach 2016				
103-1	Explanation of the material topic and its Boundary	14		
103-2	The management approach and its components	12		
103-3	Evaluation of the management approach	13		

GRI Standards	Disclosure	Page Number	URL / Memo	SDG Mapping Linked to Disclosure
GRI 201: Economic Performance 2016				
201-1	Direct economic value generated and distributed	58		Goal 2: End hunger-Infrastructure investments Goal 8: Decent work and economic growth-Economic performance
201-2	Financial implications and other risks and opportunities due to climate change	11		
201-3	Defined benefit plan obligations and other retirement plans	40		
GRI 202: Market Presence 2016				
202-1	Ratio of standard entry level wage by gender compared to local minimum wage	39		Goal 8: Decent work and economic growth-Earnings, wages and benefits
GRI 203: Indirect Economic Impacts 2016				
203-1	Infrastructure investments and services supported	26-27		Goal 9: Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation-Infrastructure investment
203-2	Significant indirect economic impacts	13		Goal 8: Decent work and Economic growth-Indirect impact on job creation
GRI 205: Anti-corruption 2016				
205-1	Operations assessed for risks related to corruption	24		Goal 16: Peace, justice and strong institutions-Anti-corruption
205-2	Communication and training about anti-corruption policies and procedures	20		Goal 16: Peace, justice and strong institutions-Anti-corruption
205-3	Confirmed incidents of corruption and actions taken	20		Goal 16: Peace, justice and strong institutions-Anti-corruption
GRI 300: Environmental Topics				
GRI 103: Management Approach 2016				
103-1	Explanation of the material topic and its Boundary	14		
103-2	The management approach and its components	52		
103-3	Evaluation of the management approach	13		
GRI 302: Energy 2016				
302-1	Energy consumption within the organization	55		Goal 12: Ensure sustainable consumption- Energy efficiency
302-4	Reduction of energy consumption	55		Goal 12: Ensure sustainable consumption- Energy efficiency
302-5	Reductions in energy requirements of products and services	55		Goal 12: Ensure sustainable consumption- Energy efficiency
GRI 305: Emissions 2016				
305-1	Direct (Scope 1) GHG emissions	54,59		Goal 13: Take urgent action to combat climate and its impacts-GHG emissions
305-2	Energy indirect (Scope 2) GHG emissions	54,59		Goal 13: Take urgent action to combat climate and its impacts-GHG emissions
305-5	Reduction of GHG emissions	54		Goal 13: Take urgent action to combat climate and its impacts-GHG emissions
GRI 306: Effluents and Waste 2016				
306-2	Waste by type and disposal method	56,59		Goal 3: Good health and well being-Waste Goal 12: Ensure sustainable consumption-Waste

GRI Standards	Disclosure	Page Number	URL / Memo	SDG Mapping Linked to Disclosure
GRI 308: Supplier Environmental Assessment 2016				
308-2	Negative environmental impacts in the supply chain and actions taken	57		
GRI 400: Social Topics				
GRI 103: Management Approach 2016				
103-1	Explanation of the material topic and its Boundary	14		
103-2	The management approach and its components	38,44		
103-3	Evaluation of the management approach	13		
GRI 401: Employment 2016				
401-1	New employee hires and employee turnover	40		
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	39-40		Goal 8: Decent work and economic growth-Earnings, wages and benefits
401-3	Parental leave	40		Goal 8: Decent work and economic growth-Parental leave
GRI 404: Training and Education 2016				
404-1	Average hours of training per year per employee	42		Goal 8: Decent work and economic growth-Employee training and education
404-2	Programs for upgrading employee skills and transition assistance programs	42-43		
GRI 405: Diversity and Equal Opportunity 2016				
405-1	Diversity of governance bodies and employees	17,38		Goal 8: Decent work and economic growth-Diversity and equal opportunity
405-2	Ratio of basic salary and remuneration of women to men	39		Goal 8: Decent work and economic growth-Equal remuneration for women and men
GRI 417: Marketing and Labeling 2016				
417-1	Requirements for product and service information and labeling	30		Goal 12: Ensure sustainable consumption-Product and service information and labeling
GRI 418: Customer Privacy 2016				
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	21		Goal 16: Peace, Justice and Strong institutions-Protection of privacy
GRI Sector Disclosures: Financial Services				
Product and Service Labeling				
FS10	Percentage and number of companies held in the institution's portfolio with which the reporting organization has integrated on environmental or social issues	26		
FS11	Percentage of assets subject to positive and negative environmental or social screening	31		
Local Communities				
FS14	Initiatives to improve access to financial services for disadvantaged people	26,44,48		Goal 10: Reduce inequality within and among countries- Access to financial services



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