



**Annual Report 2023**

The Stock Exchange of Thailand



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

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## Message from the Chairperson

### View on the Direction of Thailand's Economic Growth

To answer whether the Thai economy has expanded or not, it is necessary to look at cyclical and structural factors that can overlap each other. Though tourism and consumption have improved after the rescindment of the COVID-19 outbreak in 2020, the economy still showed a sign of slow and gradual improvement as the recovery cycle was interconnected with that of other countries.

As the Chinese economy slowed down, this produced “a double cyclical factor” that affects Thailand, further exacerbating the already high household debts situation. As such, the cyclical recovery, though vivid, was slow in light of these limitations.

Besides, during the last 20 years, the record showed a sharp decline in domestic investment, from both public and private sectors. The level of investment, needed to be about 25 percent of GDP when the economy expanded 6-7 percent, lately plummeted to only 13-14 percent of the GDP.

### Approaches to Brace for Exponential External Risks and Challenges

In addition, external uncertainties contribute quite severe impacts. For instance, the policies and external factors of major economies, i.e., interest rates, have imposed a significant influence on the capital market in the past few years. Coupled with international conflicts, fluctuations of oil prices and disturbances to international trade, these are the factors that direct our attention towards maintaining the domestic economic stability and overcome global uncertainties.


In perspective, Thailand's competence is overcoming its challenges. Inflation has been contained, while foreign exchange rates, current account balance and international reserves have remained at appropriate levels, indicating Thailand's economic strengths.

Amid a spate of challenges including low productivity growth, geopolitical tensions, digital disruption and aging demographics, structural factors appear to be the primary cause of the decline in the country's growth potential. Therefore, it is necessary to address underlying structural factors to restore the economy to its potential output and provide a path towards sustainable growth in a long run.

### SET's Role in the Capital Market's Sustainable Development

On what roles that SET can play to sustainably develop the capital market? As a dynamic agent adjusts to changing situations and circumstances, we need to adhere to the three pillars: 1) trust and confidence 2) competitiveness and 3) sustainability.

It is necessary that SET is able to cope with risks, complications and society's changing expectations, and become an organization that allocates resources in support of economic and social development and national growth targets. Thus, these three pillars are interconnected as a chain and require collaboration. Any policy imposed to have impact must produce measurable results to meet the targets and objectives of each pillar.



**“Like a living being,  
an organization shall adjust**  
to changing situations and circumstances.  
In addition, to be an organization that promotes  
economic and social development and  
national growth targets,  
**all changes should be adhered  
to these three pillars: 1) trust and  
confidence 2) competitiveness  
and 3) sustainability. ”**

*Prasarn Trairatvorakul*

**Dr. Prasarn Trairatvorakul**  
Chairperson





“SET upholds the principles of **risk management while giving supports to the business sector.**

Preventive measures and guidelines have been elevated systematically and efficiently, **to secure public confidence and market stability** as well as continuous and long-term growth for all.”

**Dr. Pakorn Peetathawatchai**  
President

## Message from the President

### Overview of the Capital Market and Key Developments in the Past Year

The Stock Exchange of Thailand (SET) in 2023 grew in line with the long-term plan. Several new products were launched to address the different preferences of both existing and new investors. The issued value of initial public offerings reached THB 38.26 billion, the 7th highest in Asia, with 12 listed companies in new economy industries. SET also recorded the highest liquidity in ASEAN, having held such position since 2012.

SET continued to harness new technologies in improving work processes and infrastructure. That included a new trading system and data analytics for the decision-making process and enhancement of operational efficiency, to ensure a balanced and equitable access to investing and investment information for all investor groups. The goal is to make information disclosure more comprehensive and faster in support of investors' analysis and decision making. Meanwhile, SET continuously pursued sustainability for further development opportunities, internally and externally.

### Significance of Immunity and Trust amid Fast and Fierce Changes

To adapt and respond to changes, SET has given a priority to continuous capital market development by offering a diverse range of products and developing new investor groups in Thailand and abroad. SET has upheld the principles of prevention to guard against risks to the market and relevant parties and therefore strengthens the role of its self-regulatory organization (SRO). Sufficient, quality and timely information, of both SET and all in the market's value chain, is the focal point, so that stakeholders can confidently use the information and promote the use of market mechanisms as well as social sanctions, for better prevention and faster corrective actions.

### Future Challenges

Looking forward, market participants are facing greater volatility and more challenges associated with the connectivity of diverse financial transactions. Financial data alone may not be sufficient and must be supported by other relevant information such as ESG data that cover business risks and opportunities. SET has proceeded with the systematic and improvement in risk preventive measures and guidelines to secure public confidence in the capital market which is the foundation for market immunity and long-term stability.

### SET's Next Moves

SET always strives to serve as a fundraising and investing platform with a balanced and diverse base of investors and fund-raisers to drive the economic growth at home and abroad while creating positive impacts on the environment and society and adhering to good governance in all fronts. In addition, SET aims to provide the linkage to the interconnected world of capital markets, through partnership with potential players. As SET's 50<sup>th</sup> anniversary approaches, **"To Make the Capital Market 'Work' for Everyone"** our vision is to achieve these goals through three main strategies: 1) Reforging Trust 2) Boosting Competitiveness and 3) Enabling Capability.

## 2 SET at-a-Glance

### Change Factors

In 2023, the Stock Exchange of Thailand (SET) faced both domestic and international challenges, leading to adaptation and development of processes and working methods to brace for the situations and be in line with the vision “**To Make the Capital Market ‘Work’ for Everyone**”, especially expanding the implementation to cover more stakeholders. The change factors that affected the Thai economy and the capital market in 2023 were as follows:

 <p><b>Competitiveness</b></p>	 <p><b>Confidence in the Capital Market</b></p>	 <p><b>Readiness of Personnel</b></p>	 <p><b>Cooperation with the Regulatory Agencies</b></p>
<ul style="list-style-type: none"> <li>• The Thai economic slowdown amid political uncertainty, coupled with rapid change of global factors affecting securities trading volume</li> <li>• The limited number of potential listed companies</li> <li>• Foreign stock exchanges compete more on varieties of businesses and products, innovatively using approaches of partnerships and joint investments with various organizations.</li> </ul>	<ul style="list-style-type: none"> <li>• The recent fraudulent cases in the capital market affecting investor confidence and trading</li> <li>• The upsurge in online fraud cases causing damage to the people and affecting trust in the capital market</li> </ul>	<ul style="list-style-type: none"> <li>• Challenges in leveling up the quality of personnel in the Thai capital market to have updated knowledge and understanding</li> <li>• Recruiting personnel with the skills and abilities to meet the more demanding tasks</li> <li>• Developing corporate culture to drive change</li> </ul>	<ul style="list-style-type: none"> <li>• The understanding in the capital market by agencies involved in the justice process</li> <li>• Policy formulation by the government and regulatory agencies that will affect the capital market</li> </ul>

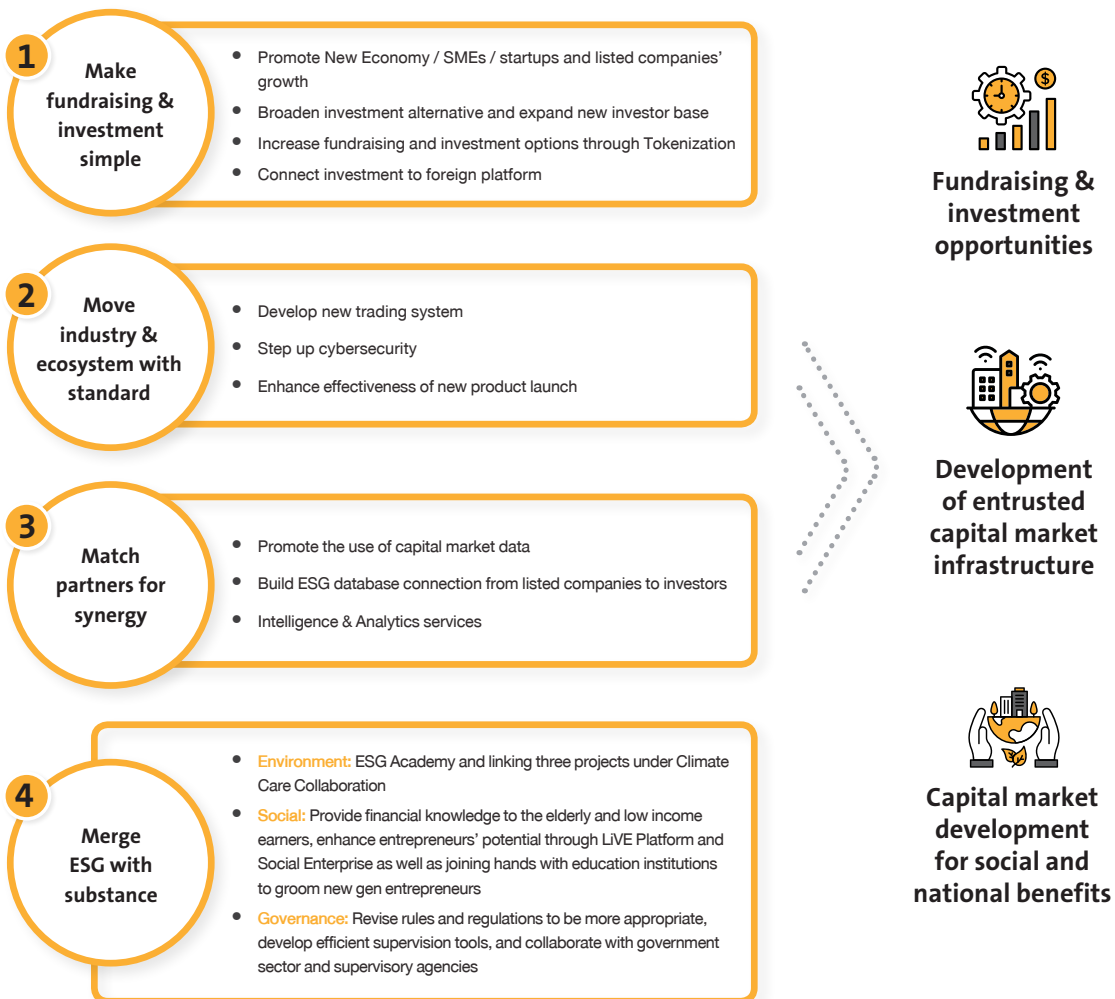


# Adapting to Changes

To cope with various challenging situations that may arise, while laying the foundation for strong growth, SET in 2023 operated according to the set strategic framework to “**Growth for Business, Industry and Society**”, consisting of four strategies as follows: 1) Make fundraising & investment simple, 2) Move industry & ecosystem with standard setting 3) Match partners for synergy, and 4) Merge ESG with substance.

## SET Strategic Plan

# Growth for Business, Industry, and Society



## Highlights of Key Developments in 2023

In 2023, the implementation according to the strategic plan in all four areas has generated satisfactory outcome, especially driving greater opportunities for all stakeholders: the business sector, the investors, the capital market, the economy, the society and the environment, supporting the country’s growth altogether.

### Fundraising & Investment Opportunities

In 2023, there were 41 newly listed securities (IPO), consisting of 20 SET-listed companies, 20 mai-listed companies, and one LiVEx- listed company. The issued size totaled THB 38.29 billion, the 7<sup>th</sup> highest in Asia and the 2<sup>nd</sup> highest offering value in ASEAN, with the market capitalization at IPO of THB 174.72 billion. In 2023, there were a total of 12 listed companies in the new economy group from various businesses, namely digital business and e-commerce, medical and healthcare business, advanced agricultural and food business, aviation and logistics business, and intelligent electronics business.

Significantly, SET has conducted special programs to enhance the potential of entrepreneurs via SET’s LiVE Platform, particularly boosting their capabilities and strengths in business operations via know-how courses and tools for entrepreneurs to prepare them for entering the capital market in the near future. In 2023, a total of 120 SMEs and startups from various industry groups participated in the Acceleration Program via LiVE Platform, getting well-prepared to be listed on SET, mai, and LiVEx within 2027.

SET has had the highest liquidity in ASEAN since 2012. In 2023, the average daily trading value (SET and mai) totaled THB 53.33 billion. Thailand Futures Exchange PCL (TFEX) recorded an average daily trading volume of 532,886 contracts.

In 2023, the Thai stock exchange developed products as alternatives for investors by adding 11 Depository Receipts (DRs) and Fractional Depository Receipts (DRx), with underlying securities in the stock markets of Singapore, Hong Kong, Europe, and the US. Consequently, there were 23 DRs and DRx at the end of 2023. In addition, the DR product opens opportunities for Thai listed companies to gain more international recognition. For example, DRs on three Thai listed securities have been listed on the Singapore Exchange while DR on Singapore Airline Inc. has been listed on SET through the regional cooperation called “Thailand-Singapore DR Linkage” project. This will lead to further cooperation with other ASEAN stock exchanges. Moreover, SET has also encouraged the establishment of the Thai mutual fund for sustainability named “Thai ESG Fund” to promote long-term investment in businesses that focus on sustainability in Thailand, which will benefit investors in terms of tax benefits as well.

SET has continuously created investment opportunities for the Thai people. In 2023, there were over 600,000 new investor accounts, increasing the total number of investors to over 5.5 million accounts. SET aims to equip investors with investment knowledge and understanding, especially among the new generation. SET has then joined hands with capital market participants to organize investment promotional activities regularly. Basically, SET also promotes investment to be convenient to match today’s lifestyle.





## Development of Entrusted Capital Market Infrastructure





SET has developed the capital market infrastructure to support continued growth in terms of the trading system, certain platforms that support new types of products and services, and the development of rules and regulations in accordance with the market situation.

On May 8, 2023, SET and TFEX launched the new trading system, developed in collaboration with Nasdaq, utilizing the state-of-the-art innovations and technology. The new trading system is faster and much more efficient, fully supporting the expansion of the capital market and the launch of new investment products, responding to the needs of both domestic and foreign investors.

In 2023, Thai Digital Assets Exchange Co., Ltd. (TDX) developed digital token trading system by applying modern digital technology such as distributed ledger, etc., to create new products and services that will increase investment opportunities and alternatives for investors and the capital market as a whole, after TDX had received the license to operate digital token exchange and began the operation starting from the end of 2022. The first digital token listed for trading on TDX was RealX Token, with the 1<sup>st</sup> Day trading on September 25, 2023.

SET has developed the ESG Data Platform infrastructure system to support the disclosure and linkage of listed companies' ESG data. The ESG Data Platform has been developed on a continuous basis, with focus on data and information that can actually be in use, address industry needs, while taking into account the readiness of listed companies. In 2023, a total of 692 companies, accounting for 76 percent of the total listed companies, disseminated ESG information via ESG Data Platform system which makes such data accessible to users through SETSMART system.

In 2023, SET conducted research studies and uplifted the supervision process in five steps, starting from 1) Listing: upgrading the qualifications of new listed companies, 2) Ongoing Obligations: tightening up the supervision of companies with performance problems by adding C-sign causes, 3) Trade Surveillance: adding detection on unusual trading activities, and studying the guidelines for setting up a "Securities Bureau", 4) Delisting: adding grounds for delisting, and 5) Escalation to Public: requiring company to disclose additional information in cases where there are suspicious transactions, and providing more information on unusual trading, including revealing information about program trading.

 <p>SET and TFEX launched the <b>new trading system</b> on <b>May 8, 2023</b> in collaboration with Nasdaq</p>	 <p><b>RealX</b> Token, the first digital token listed for trading on <b>TDX</b></p>
 <p><b>76%</b> of listed companies disseminated <b>ESG</b> data through <b>ESG Data Platform</b></p>	 <p>Studied and <b>uplifted</b> the supervision process in <b>5 steps</b> comprising Listing, Ongoing Obligation, Trade Surveillance, Delisting, and Escalation to Public</p>

## Capital Market Development for Social and National Benefits

SET, in the role to promote the capital market to grow sustainably, has driven operations throughout the work process towards sustainability. In 2023, SET announced the goal to reduce greenhouse gas emissions to net zero, the corporate Net-Zero Commitment, by the year 2050. The goal setting is based on scientific principles in compliance with The Science Based Targets initiative (SBTi) Net-Zero Standard, leading to long-term operational plans.

In addition, SET has already prepared a "Standard Master Trading Agreement for Verified Emission Reductions and

Renewable Energy Certificates Manual" to facilitate listed companies or those who intend to trade carbon credits to access such transactions conveniently and quickly and promote the carbon trading business in Thailand

In 2023, 28 listed companies were components of the DJSI Sustainability Index, the highest in ASEAN for 10 straight years. SET has prepared 191 listed companies for information disclosure in line with the international assessment standards including S&P Global, FTSE4Good and MSCI ESG.









On the educational front, SET has continued to promote financial and investment knowledge for the Thai people, particularly through the Happy Money campaign called “Know How to Overcome Debts”. In 2023, SET developed the learning process and contents of the post-retirement financial management course, participated by a total of 6,684 persons, while promoting the how-to on debt management to the general public. Moreover, the Happy Money’s Financial Mentor project has also progressed substantially. Currently, there are a total of 11,326 financial mentors, disseminating knowledge through 680 partner organizations, covering the target group of 3.08 million persons.

Markedly, SET has boosted the potential of SMEs and startups via SET’s LiVE Platform. In 2023, over 2.9 million views and 756,818 registrations joined SET’s e-Learning program, particularly the LiVE Academy project, implemented in collaboration with nine partners, and participated by over 1,100 companies. Notably, SET has also encouraged the collaborative efforts in creating a suitable family business

ecosystem, supporting Thai family businesses in the journey to strong and prosperous growth.

Significantly, SET has promoted the potential of social enterprise (SE) under the SET Social Impact Platform. In 2023, there were 51 cases of connections between the business sector and social sector (business co-creation). There have also been promotional activities to boost SE potential through various ongoing projects and expanded knowledge on social entrepreneurship as a general education subject for universities across the country, in collaboration with Thailand’s General Education Network.

In 2023, the danger of investment fraud on digital media continued to be the national-level problem. SET has therefore joined forces with partners in the capital market and government agencies to initiate the project called “Collaboration in the Fight against Investment Fraud” with objectives to exchange information, examine, and pinpoint the fake news, while building immunity and warning the public not to be victims of investment scams.

 <p>SET declares <b>Net-Zero</b> target by <b>2050</b></p>	 <p>Happy Money “Know How to Overcome Debts” with post-retirement financial management course participated by <b>6,684</b> persons</p>
 <p><b>SMEs and startups</b> e-learning via SET’s LiVE Platform: over <b>2.9</b> million views</p>	 <p>LiVE Academy, in collaboration with 9 partners, participated by over <b>1,100</b> companies</p>
 <p><b>28</b> listed companies as components in <b>DJSI</b>, the highest in ASEAN for 10 straight years</p>	 <p>Prepared <b>191</b> listed companies for information disclosure in line with the international assessment standards</p>
 <p>SET Social Impact Platform synergized <b>51</b> connections <b>Business Co-creation</b></p>	 <p>“<b>Collaboration in the Fight against Investment Fraud</b>” project to build immunity for the public not to be victims of investment scams</p>

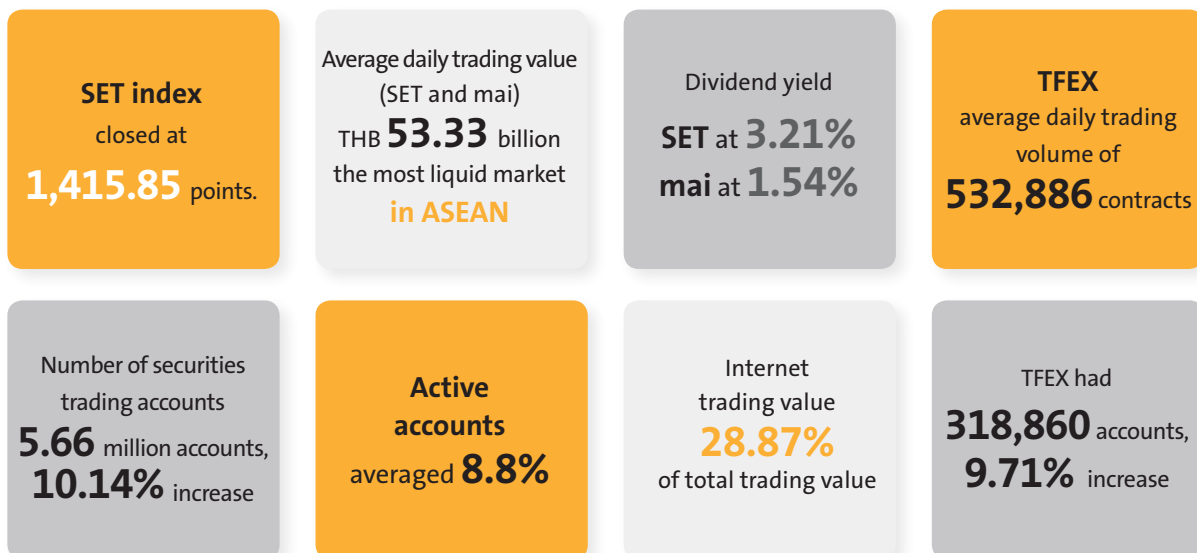
## SET Movement in 2023

The SET Index at the end of 2023 closed at 1,415.85 points, down 15.2 percent from the end of the previous year. The industry groups that performed better than the SET Index in 2023 were Technology, Financials, Agro & Food, and Consumer Products industry groups and the average daily trading value on SET and mai was THB 53.33 billion, down 30.5 percent from the preceding year. The Thai stock exchange has remained the most liquid market in ASEAN since 2012. Thailand Futures Exchange PCL (TFEX) recorded an average daily trading volume of 532,886 contracts, a decrease of 5.8 percent from the year before.

The number of securities trading accounts continued to hit a new record high. At the end of 2023, there were a total of

5.66 million accounts, an increase of 10.14 percent from the end of 2022, with the number of accounts trading at least once a month (active accounts) averaging 8.8 percent. The Internet trading value of retail investors averaged 28.87 percent of the total trading value of the entire market. In addition, TFEX recorded a continuous increase in the number of investors. At end-2023, the number of investors who opened accounts totaled 318,860, an increase of 9.71 percent from end-2022.

As for the dividend yield of SET and mai at the end of 2023, the average returns were 3.21 percent and 1.54 percent, respectively, while the forward P/E ratio of SET and mai were 16.68 times and 37.68 times, respectively.



# 3 Structure and Operation of the SET Group

## Vision and Mission

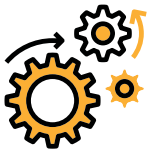
The Stock Exchange of Thailand (SET) is a market for securities trading and providing related securities services. Incorporated under the Stock Exchange of Thailand Act B.E. 2517 (1974), SET is a legal entity currently operating under the Securities and Exchange Act B.E. 2535 (1992).

### Vision

#### “To Make the Capital Market ‘Work’ for Everyone”

The capital market is an integral part in driving a holistic economy, so we strive to create a capital market that benefits all sectors of the society. We believe that sustainable business growth will strengthen the country and this in turn will improve the Thai people’s quality of life.

### Mission



To “plant” state-of-the-art financial Platform Development that is both innovative and accessible to our customers locally, regionally, and globally



To innovatively “grow” Product Development that not only caters to market needs but also resonates with the sustainable growth



To “foster” People Development to ensure that our people will be best equipped with effective and proactive working spirit with synergy, while adhering to professional integrity



To “implant” an Inclusive Growth Approach that will enable us to perform as the best business partners and social supporters



To continuously “cultivate” ourselves and our stakeholders by investing in Knowledge Management, creating, sharing and generating knowledge as part of an intangible asset

## Headquarters Location

93 Ratchadaphisek Road, Din Daeng Subdistrict, Din Daeng District, Bangkok 10400, Thailand

Tel : +66 2009 9999 Fax : +66 2009 9991 Email : SETContactCenter@set.or.th Website : www.set.or.th

## 2023 Achievement Awards



In 2023, The Stock Exchange of Thailand (SET) received the Best in Building Health 2023 Award in the category of Greatest Impact on Viral Response : Highest Scoring Module. The SET building was certificated with both the three-star Fitwel Award and the Fitwel Viral Response Module (VRM) with Distinction (organizational and building management standards that focus on building standards to reduce the respiratory infection rate). The Fitwel standard has been established by the US Centers for Disease Control and Prevention (CDC) and administered by the Center for Active Design (CfAD).



In addition, SET also won two awards at the “Future Trends Ahead & Awards” event held to recognize trendsetters and innovation leaders of the year. SET received the “Most Attractive Employer” awards, being one of the 10 organizations that attract employees the most, in both categories voted by those over 30 years old and by those under 30 years old. The awards reflected SET as a brand of the future that creates new innovations and values for society and as an organization that employees seek out and want to work for.

## Key Strategies and Developments in 2023

SET has set up a strategic framework for the operations in 2023 under the concept of “**Growth for Business, Industry and Society**” consisting of four strategies: Strategy 1: Make fundraising & investment simple, Strategy 2: Move industry & ecosystem with standard setting, Strategy 3: Match partners for synergy, and Strategy 4: Merge ESG with substance. SET is confident that the implementation of this plan will lead to greater fundraising and investment opportunities for the business sector and investors, the upgrading of infrastructure for the capital market, and caring for the society and the environment for the country’s sustainable growth.

The key developments according to the strategic plan in 2023 are as follows:


Strategy 1: Make Fundraising & Investment Simple																																								
Goal	Key Development																																							
Increase fundraising opportunities	<p>SET aims to be a fundraising channel for the business sector for continuous growth by encouraging businesses of all sizes: small, medium, and large, to capitalize the capital market more easily with more quality and quantity. In 2023, there were 41 newly listed securities (IPOs), of which 20 were SET-listed, 20 were mai-listed, and one was LiVEx-listed. The total issued value was THB 38.29 billion, the 7th highest in Asia. The market capitalization at IPO was THB 174.72 billion.</p> <p>In 2023, a total of 12 companies in the new industry group or new economy were listed, consisting of six digital and e-commerce businesses, three medical and healthcare businesses, as well as one company each of advanced agro and food businesses, aviation and logistics business and intelligent electronic business, with diversity and attractiveness on the radar screen of the capital market.</p> <p>The issued value via SET in 2023 totaled THB 143.50 billion, from initial public offering (IPO) and secondary offering (SO) altogether.</p>																																							
	<p><b>Issued Value and Market Capitalization of Listed Companies Classified by Fundraising Type</b></p> <table border="1"> <thead> <tr> <th rowspan="2">Securities type</th> <th colspan="3">Issued value (THB million)</th> <th colspan="3">Market capitalization (THB million)</th> </tr> <tr> <th>2021</th> <th>2022</th> <th>2023</th> <th>2021</th> <th>2022</th> <th>2023</th> </tr> </thead> <tbody> <tr> <td>Initial Public Offering (IPO)</td> <td>98,125</td> <td>98,048</td> <td>38,285</td> <td>454,016</td> <td>507,779</td> <td>174,720</td> </tr> <tr> <td>Secondary offering (SO)</td> <td>383,668</td> <td>162,560</td> <td>105,210</td> <td>578,878</td> <td>327,517</td> <td>152,459</td> </tr> <tr> <td><b>Total</b></td> <td><b>481,793</b></td> <td><b>260,608</b></td> <td><b>143,495</b></td> <td><b>1,032,894</b></td> <td><b>835,296</b></td> <td><b>327,179</b></td> </tr> </tbody> </table>						Securities type	Issued value (THB million)			Market capitalization (THB million)			2021	2022	2023	2021	2022	2023	Initial Public Offering (IPO)	98,125	98,048	38,285	454,016	507,779	174,720	Secondary offering (SO)	383,668	162,560	105,210	578,878	327,517	152,459	<b>Total</b>	<b>481,793</b>	<b>260,608</b>	<b>143,495</b>	<b>1,032,894</b>	<b>835,296</b>	<b>327,179</b>
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<p>In terms of promoting SMEs and startups, a company listed on LiVEx : MMM Capital pcl (MMM23), with the issued value of THB 25.50 million, in 2023. At end-2023, there were four companies trading on LiVEx: AWS22, SITRON22, ISTORE22, and MMM23.</p> <p>In addition, there are 120 SMEs and startups participating in the Acceleration Program by LiVE Platform to prepare readiness for listing by 2027. They operate in many industry groups, consisting of Services (39 companies), Technology (20 companies), Consumer Products (18 companies), Property &amp; Construction (14 companies), Agro &amp; Food Industry (11 companies), Industrials (nine companies), Financials (six companies), and Resources (three companies).</p> <p>Simultaneously, in 2023, a total of four additional securities companies also launched the system to provide trading services on LiVEx, comprising Maybank Securities (Thailand) pcl, UOB Kay Hian Securities (Thailand) pcl, Beyond Securities pcl, and Liberator Securities Co., Ltd., making a total of 22 securities companies offering trading services on LiVEx. Moreover, payment services for trading transactions on LiVEx have also been provided via SET’s Finnet Innovation Network Co., Ltd. (FinNet).</p>																																								

Goal	Key Development
<p><b>Increase investment opportunities</b></p>	<p>SET is dedicated to expanding investment opportunities for Thai people while fostering financial literacy. This focus on education has helped attract over 600,000 new investment accounts in 2023 particularly among younger generations, bringing the total to over 5.5 million accounts, SET leverages online platforms such as websites and social media channels to capitalize today's behavior and lifestyle. Additionally, collaborations with capital market participants through events like SET in the City expos, SET roadshows, Fund Wealth Fair, and Mutual Fund Fair create a well-rounded investor experience. To further empower investors, SET provides online resources of market data and information, including key trading data and statistics, sustainable stock data, along with company snapshots.</p> <div data-bbox="379 497 1423 763"> </div> <p>Moreover, SET has made investing more convenient and aligned with lifestyle needs by simplifying onboarding process, allowing investors direct access to a wider range of investment products, including derivative instruments. Additionally, SET has also embraced more partners in the "Point to Invest", making the total of 13 partners, reaching a user base of over 50 million people. This collaboration allows users to convert credit card points and loyalty program rewards into an investment in mutual funds.</p> <p>For more alternatives and investment opportunities, SET collaborated with industry to promote the tax-saving Thailand ESG Fund (Thai ESG Fund) that invests in businesses that focus on the country's sustainability. In addition, products with foreign underlying assets have also been developed in the form of Depositary Receipt (DR) and Fractional Depositary Receipt (DRx). In 2023, 11 newly listed DRs and DRx, with leading underlying securities such as Microsoft Inc., Google Inc., etc. were listed. At end-2023, there were a total of over 23 DRs and DRx securities, with underlying securities covering securities and exchange traded funds (ETFs) from Asia, Europe, and the U.S. The DR and DRx provide investors opportunities to conveniently diversify their investment portfolio abroad via the Thai stock exchange and Thai intermediaries with comparatively low initial investment.</p> <div data-bbox="379 1265 756 1554"> </div> <p>The DR product, in addition to offering investment alternatives in foreign assets for Thai investors, is also another channel that can make Thai listed companies more internationally recognized, such as regional cooperation via a project called Thailand-Singapore DR Linkage which has launched the trading of three Thai listed companies on the Singapore Exchange (SGX) and DR of Singapore Airlines Inc. on the Thai stock exchange, etc. The collaboration is a starting point for further development of cooperation with other ASEAN stock exchanges.</p> <p>In addition, SET also prioritizes the development and adjustment of Thai stock indices on a continuous basis, making it updated and meet the needs of users. SET has developed the SET50FF Index and SET100FF Index, the first ever, to calculate the weight of stocks in the Index by market capitalization weighted by the ratio of free float to reflect the actual investibility of stocks in the Index and align with international index calculation guidelines. These new Indices will be launched in early 2024.</p>



Goal	Key Development
<p><b>Increase investment opportunities (Continued)</b></p>	<p>Thailand Futures Exchange PCL (TFEX) has increased service efficiency to support growth by promoting the increase in number of market makers for various products. In addition, TFEX places importance on the development of products and services to meet the needs of investors in line with the current situation, such as preparing to extend trading hours for products in the non- equity e.g. Currency Futures and Precious Metal Futures, etc., developing new products in the Currency Futures group, as well as developing the new TFEX website making it user-friendly and convenient, presenting contents according to users’ interests, and responding to the needs of each group of users purposely.</p> <p>Regarding liquidity, in 2023 the Thai stock exchange (SET and mai) still maintained the highest liquidity in ASEAN, with an average daily trading value of THB 53.33 billion, while TFEX recorded the average daily trading volume of 532,886 contracts.</p>

**Strategy 2: Move Industry & Ecosystem with Standard**

<p><b>Upgrade infrastructure</b></p>	 <p>SET and TFEX switched to a new trading system on May 8, 2023. Prior to that, SET has collaborated with Nasdaq to develop a new securities and derivatives trading system, building upon the existing system with the latest innovations and technologies. The new trading system offers greater speed and efficiency, universal order routing and market data dissemination connectivity, adhering to the same standards as leading global exchanges. It supports the growth of the capital market, introduction of new investment products, and meets the needs of both domestic and international investors. This new trading system is used by many leading global exchanges, marking an important development to enhance the Thai capital market’s competitiveness and global integration.</p> <p>Settrade.com Co., Ltd., a SET’s subsidiary, has upgraded the securities and derivatives online trading systems, Streaming, to align with SET’s new trading system. The new services and functions of Streaming and related systems have been developed, such as an e-Payment system for deposit and withdrawal between trading accounts and bank accounts. The online customer onboarding process has also been enhanced in accordance with SET’s Efficient Onboarding guidelines. More options for identity verification have been introduced, such as a digital method through the Department of Provincial Administration D.DOPA (ThaID application). This provides more convenient ways for investors to open trading accounts and reduce onboarding costs for the industry.</p> <p>SET’s Digital Gateway service is an infrastructure business that provides a convenient, secure and efficient connection between entrepreneurs and various platforms, enabling access to digital transactions for Thai citizens. The service currently offers four key services: National Digital ID Proxy (NDID Proxy), E-Stamp Duty, DOPA Gateway, and AMLO Gateway. The E-Stamp Duty service was enhanced in 2023 to handle high-volume contracts and integrated with FinNet for automated payments. The DOPA Gateway facilitates ID card verification by connecting to the Department of Provincial Administration (DOPA). The AMLO Gateway connects to the Anti-Money Laundering Office (AMLO)’s database.</p> <p>Markedly, the payment infrastructure has been continuously upgraded, linking with commercial banks to provide services that cover more customer needs. In 2023, the real-time payment service saw a 20 percent increase in the number of transactions compared to 2022, thanks to the launch of the bill payment service. A pilot program for electronic stamp duty payments were introduced in 2023. Additionally, this platform supported internal payments within the SET group, such as payments for securities trading on LiVEx and money withdrawals via e-Payment on Streaming. In each service, the number of customers increased by an average of 15 percent from the previous year.</p> <p>SET’s FundConnex service is a central platform that streamlines mutual fund transactions. This service allows investors to open an account with distributors and invest in mutual funds from any asset management companies. In 2023, FundConnex expanded to FundConnex Plus, building upon the core functionalities. The enhanced system supports regulatory requirements like Liquidity Management Tools and Common Reporting Standard (CRS), while also incorporating Thai ESG funds. This makes it easier for investors to manage their investments and for distributors to meet regulatory requirements.</p>
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Goal	Key Development
<p><b>Upgrade infrastructure (Continued)</b></p>	<p>Another significant development is that Thai Digital Assets Exchange Co., Ltd. (TDX) has developed a digital token trading system by applying advanced digital technology, distributed ledger, to create new products and services that will increase investment opportunities and alternatives for investors and the capital market as a whole, after TDX officially received a license to operate a digital token trading center business and started operating at end-2022. Essentially, the TDX’s system focuses on the reliability, stability, and security of the system. TDX received ISO27001 (Information Security Management) and ISO27701 (Privacy Information Management) in June 2023, reflecting the management of information technology and personal data and information that is secure and in accordance with the set standards.</p>  <p>In addition, TDX has also developed the TDX application to enable retail investors to access investing on TDX. The application is equipped with staff help desk available 24 hours a day, 7 days a week (24 / 7), making it the first system under the SET group that provides non-stop trading service. RealX Token emerged as the first digital token listed for trading on TDX, with the 1<sup>st</sup> Day trading on September 25, 2023. There are other digital tokens currently under consideration by the SEC to be listed for trading on TDX in the near future.</p>
<p><b>Maintain trustworthiness in the capital market</b></p>	<p>SET prioritizes enhancing the standards of security of information technology (IT) and data and information, both at the corporate and at the industry levels to build the confidence in the market and passed ISO international standard certifications for SET’s important IT systems: the IT security standard ISO 27001 (Information Security Management), the IT service standard ISO 20000 (IT Service Management), and the personal information management standard ISO 27701 (Privacy Information Management), inclusive of strengthening the detection and response guidelines, as well as continuously monitoring threats enterprise wide (Managed Detection and Response).</p> <p>Furthermore, SET has strengthened IT security management guidelines in collaboration with the Thai capital market sector, aiming to mitigate the risk of probable cyber threats, particularly the self-assessment and the preparation of additional practice guidelines for the trading order submission systems of member companies connected to the SET system. The SETNET3 network has also been improved to be more efficient to be able to manage problematic connections with speed. Inclusively, SET has organized activities to promote and ascertain the realization of IT security for listed companies through seminars, highlighting information on cybersecurity presented by experts and specialists, which will be beneficial in jointly developing and boosting the potential in IT security management, ultimately gaining confidence for the overall industry.</p>
<p><b>Strategy 3: Match Partners for Synergy</b></p>	
<p><b>Create business opportunities via ESG infrastructure</b></p>	<p>SET encourages listed companies to disclose ESG information via the ESG Data Platform system to be an alternative channel for disclosing information and increasing the opportunity for companies to reach various groups of ESG data users. Meanwhile, data users also benefit from convenient access to comprehensive ESG data. The platform ensures clear and consistent data presentation in a structured format aligned with Form 56-1 One Report and international standards like GRI standards, by which the information can be retrieved via the SETSMART system. In 2023, 692 listed companies or 76 percent of the total number of listed companies utilized the platform to disseminate their ESG data.</p> <p>In addition, SET has also gathered opinions from listed companies, investors, regulatory agencies, and various groups of assessors in order to continuously improve the contents and functional features of the system for more efficient and convenient utilization.</p>





Goal	Key Development
<p><b>Create business opportunities via ESG infrastructure (Continued)</b></p>	<p>In 2023, SET renamed Thailand Sustainability Investment rating (THSI) to SET ESG Ratings together with raising the level of assessment into rating scales, divided into four tiers: AAA, AA, A, and BBB, and clearly demonstrate the sustainability performance status of listed companies. At the end of 2023, there were 193 listed companies, representing 72 percent of the SET and mai market capitalization, on the SET ESG Ratings list. Correspondingly, the name SETTHSI Index has been changed to SETESG Index (to be in line with SET ESG Ratings).</p>

**Strategy 4: Merge ESG with Substance**

<p><b>Environment</b></p>	<p>SET commits to a corporate Net-Zero target by 2050, based on the Science-Based Targets initiative (SBTi) Net-Zero Standard. Recognizing the importance of the pressing issue, SET has taken part in solving the intensifying problem of the global warming crisis to minimize the impact on the economy, society, and environment.</p> <p>As an intermediary of Thailand’s capital market, SET has supported market participants by preparing readiness of 191 listed companies to disclose information in line with various international assessments such as S&amp;P Global, FTSE4Good, and MSCI ESG, etc. through the ESG Global Rating Workshop and S&amp;P Global’s ESG Coaching 2023 Program to encourage Thai listed companies to participate in international sustainability assessments. In 2023, a total of 28 Thai listed companies were included in the DJSI Sustainability Index calculation, the highest number in ASEAN for 10 consecutive years.</p> <div data-bbox="392 837 721 1115" data-label="Image"> </div> <p>Simultaneously, SET has driven environmental care via the Climate Care Platform, a platform for GHG emissions reduction, a tool that meets the needs of every organization: government agencies, private sector, and social sector. The platform has been designed to take care of the environment in a concrete and balanced manner under three projects: 1) Care the Bear project, reducing GHG from all types of events and activities, 2) Care the Whale project, reducing GHG from waste management at source, and 3) Care the Wild project, creating ecological balance for the country by planting forests to absorb GHG. Any organizations can use this tool to reduce GHG based on the standards of Thailand Greenhouse Gas Management Organization (TGO).</p> <p>In 2023, there were 736 member organizations on the platform, reducing GHG by 32,520.98 tonCO<sub>2</sub>e, an increase of 75.93 percent from the previous year. The reduced amount of GHG from the Care the Bear project was 6,653.92 tonCO<sub>2</sub>e, and from the Care the Whale project was 25,867.06 tonCO<sub>2</sub>e. The absorption of GHG from reforestation based on the Care the Wild project was recorded at 679,500 kgCO<sub>2</sub>e.</p> <p>In addition, SET, in partnership with Baker McKenzie Thailand, has developed “Standard Master Trading Agreement for Verified Emission Reductions and Renewable Energy Certificates” to facilitate listed companies or anyone who wishes to trade carbon credits to access such transactions conveniently and swiftly, both locally and globally. Moreover, SET has also promoted and supported the carbon trading business in Thailand to encourage various business groups in the synergy of jointly promoting Thailand’s carbon neutrality goal by 2050.</p>
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Goal	Key Development
<p data-bbox="164 232 236 259"><b>Society</b></p>	<div data-bbox="376 237 719 584"> </div> <p data-bbox="743 232 1428 607">SET has continuously played a role to promote the teaching and learning of financial and investment literacy for the Thai people over the past decades through “Happy Money” campaigns. In 2023, SET developed the learning process and content of post-retirement money management courses, and produced a Happy Money, Happy Young Old manual for planning a retirement life. 6,684 persons have participated via both online and offline channels, with an average of 31.05 percent knowledge increase. In addition, SET has campaigned to encourage the public to learn about proper debt management through short clips, articles, infographics and SET e-Learning on debt management, consisting of three courses, with 144,460 registrations.</p> <p data-bbox="376 629 1428 730">Another on-going project is the Happy Money Financial Mentors project. Currently, there are a total of 11,326 financial mentors, disseminating knowledge via 680 partner organizations, covering the target group of 3.08 million persons (continuing since 2017).</p> <div data-bbox="384 745 1422 958"> </div> <p data-bbox="376 965 1428 1256">SET is dedicated to advancing expertise in financial analysis and investment management through its Certified Investment and Securities Analyst (CISA) program, which undergoes continuous refinement. This initiative aims to deepen understanding and foster professionalism among financial professionals in the business sector, while also grooming students to be proficient contributors to the future capital market. In collaboration with various professional associations, SET endeavors to enrich the knowledge and skills of professionals engaged in investment analysis and advisory services within financial intermediaries. Furthermore, SET has strengthened its oversight of knowledge standards by implementing licensing examinations and refresher training courses, ensuring seamless and standardized processes that stay abreast of developments in the Thai capital market.</p> <p data-bbox="376 1279 1428 1525">Strengthening SMEs’ and startups’ capabilities and business operations through LiVE Platform is one among SET’s priorities. In 2023, a total of 180 learning materials including e-learning courses for entrepreneurs were created with over 756,000 enrollments. SET has also joined hands with media partners to produce three program series: Business Maze, The Next Gen Heirs, and Family Business Secrets. These programs provide SMEs and Startups with key business insights, strategies and lesson learned from successful entrepreneurs and family business owners in Thailand. In addition, SET has collaborated with nine partners to develop 12 Entrepreneurial Development Programs under LiVE Academy to strengthen SMEs’ and Startups’ capabilities and readiness for fundraising in capital market.</p> <div data-bbox="376 1547 895 1827"> </div> <p data-bbox="927 1554 1428 1872">In 2023, SET also emphasized on education for family business by organizing the 1<sup>st</sup> SET International Conference on Family Business, under the concept of “Family Business in the Changing World”, for the first time ever, to provide knowledge and create a supportive business ecosystem towards growth and sustainability. In addition, SET has launched family business service on LiVE Platform, containing knowledge and services for family business.</p>

Goal	Key Development
<p><b>Society</b> <b>(Continued)</b></p>	<p>SET has also promoted the potential of social business or social enterprise (SE) and supported the co-creation of the social sector with the business sector, mainly via the SET Social Impact Platform. In 2023 there were 51 business co-creation opportunities, inclusively in terms of support through the purchase of products and services, sales channels, business knowledge, business consultant, including capital or business equipment. At the same time, entrepreneurial potential was promoted via various projects, consisting of the SE101 Online Offering project; the SET Social Impact Gym project; the After Gym to LiVE project, extending from SET Social Impact Gym to prepare SEs for the path towards fundraising in the capital market. On top of that, the knowledge on social entrepreneurship has also been exponentially expanded as a general education subject for universities across the country, a collaborative project with Thailand’s General Education Network, instilling students with business attitudes together with social responsibility.</p>  <p>Recognizing the national issue of investment scams on digital media, SET prioritizes investor protection. Therefore, SET collaborates with capital market partners and government agencies on the “Collaboration in the Fight against Investment Fraud” project. This initiative facilitates information exchange, investigation, and identification of fake news. Additionally, in conjunction with the Capital Market Development Fund (CMDf), SET has launched a large-scale public awareness campaign utilizing omnichannel media. This campaign aims to build investor resilience and prevent them from falling victim to investment scams.</p>  <p>Human resources development: In 2023, SET developed employees’ knowledge based on work and experience, coaching system, and training courses by using 70:20:10 development framework. The knowledge and skills were enhanced by building on previous capabilities (upskill), adding new knowledge (reskill), and promoting various knowledge (multi-skill) necessary for self-development and expertise according to the nature of work responsibilities. Altogether the employee training totaled 695 courses with an average of 6.6 hours of training / person / year. In addition, SET has managed succession plan continuously. In 2023, the group of executives who are successors participated in the SET Leadership Program are groomed to be well-equipped and well-prepared for the business challenges that the organization may face both now and in the future, based on the concept of SETNEXT (N = New Ways Forward, E = Experience in Digital Transformation, X = Xcelerating through Collaboration, T = Transforming Your Team).</p>

Goal	Key Development
<p><b>Corporate Governance</b></p>	<p>In 2023, SET revised the supervision rules and regulations to better suit with the current situation, while developing tools for better efficiencies consisting of:</p> <p>Repositioning of SET and mai, and tightening the supervision of listed companies end-to-end by strengthening their financial requirements upon listing. In addition, the stricter listing scrutiny have been applied for backdoor listing, and trading resumption to ensure that all listing methods must go through the same standard. Causes for the “caution” sign posting have been added including the case of no business operation, continuous losses, defaults, the auditor’s disclaimer of opinion, low free float, and audit committee deficiencies. Moreover, more criteria for securities delisting have been added and tightened.</p> <p>Strengthening supervision of member companies and market surveillance in terms of supervision of short selling transactions includes submitting information on owning or having borrowed securities before sending a short sell order more promptly upon SET’s requests to ensure efficient supervision and inspection. In addition, certain principles have been added for members to consider setting trading credit limits, taking into consideration the quality of customers and their collateral, as well as imposing limits on customer securities buying orders to prevent risk for member companies. These adjustments are in collaboration with the Securities and Exchange Commission (SEC) and the Association of Thai Securities Companies (ASCO). Amendment of relevant regulations governing Non-Voting Depository Receipt (NVDR) to allow only foreign investors to trade such instrument is also underway. Furthermore, SET, in collaboration with the SEC and the ASCO, is conducting study on the establishment of the Securities Bureau to exchange information on the risk exposure of each member’s customers.</p> <p>Providing more information to investors to keep them informed, SET has escalated public warning by categorizing the “caution” sign based on different causes that listed companies must clarify to investors through various channels. Moreover, there would be more disclosures of the list of securities holders inclusively in listed companies, property funds, infrastructure funds (IF), and real estate investment trusts (REIT) so that investors can better track the changes of their holdings. Also, statements in case where securities experienced unusual trading activities would be issued to alert the public. In addition, SET has provided additional information regarding trading, such as the percentage of program trading and short selling, and the outstanding short positions.</p> <p>Developing tools via Machine Learning (ML) and Robotic Process Automation (RPA) technology to help track and analyze the disclosure of information by listed companies that must be in compliance with the set criteria. The system has already been in operation since mid-2023 by utilizing data and information in financial statements and various reports. Additionally, volume alerts during auction trading to detect irregular trading has been implemented in conjuncture with the new trading system on May 8, 2023. SET has also ramped up the prevention measures for trading by using technology to help analyze data to enhance the supervision process for more efficiency, under the Surveillance Prevention and Analytics (SPA) project. Furthermore, SET has already boosted the efficiency of the surveillance system for the supervision of DRx, to be in line with its increasing trading volume.</p> <p>In 2023, SET assumed a significant global leadership role by convening the annual Global Association of Central Counterparties (CCP12) meeting from June 13-15, 2023. Additionally, SET hosted the 36th ASEAN Exchanges CEOs Meeting on September 8, 2023. The ASEAN Exchanges CEOs Meeting resulted in the launch of the ASEAN Exchanges Common ESG Metrics, which are aligned with international standards and best practices. These metrics empower foreign investors with comprehensive information and promote the investment attractiveness of the region.</p>

## The Capital Market Condition in 2023

In 2023, the major central banks tightened monetary policy to tame stubbornly high inflation to target level by raising interest rate continuously and for a longer-than-expected period as viewed by analysts. The string of rate hikes caused the global economic slowdown and started to send negative impacts on some fragile financial institutions. Moreover, geopolitical tensions dampened the global stock market investment sentiment throughout the year. However, the global inflation trend eased in late 2023 and central banks in many countries had started easing monetary policies more significantly. Moreover, analysts had a clearer view of the US economy avoiding a severe recession. Consequently, investors shifted their funds to risky assets such as Bitcoin, stock markets in numerous countries, and high-yield bonds.

The Thai stock market in 2023 offered lower returns than the stock markets in many countries owing to the slower-than-expected recovery of Thai exports and tourism, the delay in the new government formation and China's economic slowdown. These factors made foreign investors adopt a wait-and-see approach, consequently slowing down fund inflows. However, if considering the longer 2022-2023 period, it was evident that the SET Index movements were close to other indices in the region. The SET Index at end-2023 closed at 1,415.85 points, or a 15.2 percent decrease from end-2022. The Industry groups that performed better than the overall SET Index in 2023 were Technology, Financials, Agro & Food Industry, and Consumer Products.

In 2023, SET had the highest liquidity among ASEAN exchanges, the position it has been holding since 2012. The average daily trading value of SET and Market for Alternative Investment (mai) in 2023 was THB 53.33 billion, or a 30.5 percent decrease from 2022, similar to the level in 2019 before the COVID-19 pandemic. The lower trading value was somehow in line with the situation of other stock exchanges in the region. As for Thailand Futures Exchange PCL (TFEX), the average daily trading volume recorded 532,886 contracts, or a 5.8 percent decline from the previous year, mainly due to the decrease in trading volume of Single Stock Futures.

According to a breakdown of SET's and mai's combined trading value in 2023 by investor type, 1) local individual investors' daily trading value averaged THB 18.03 billion, representing 33.82 percent of the total trading value; 2) foreign investors' daily trading value averaged THB 27.02 billion, accounting for 50.67 percent; 3) local institutional investors' daily trading value averaged THB 4.36 billion, making up 8.17 percent; 4) proprietary trading's daily trading value averaged THB 3.91 billion, representing 7.34 percent.

On the investors front, in 2023 the number of securities trading accounts continued to hit record highs. The number of securities trading accounts at end-2023 totaled 5.66 million accounts, or a 10.14 percent increase from end-2022. In 2023, active accounts - those with trading activity at least once a month averaged 8.8 percent, and the average Internet trading value of retail investors was 28.87 percent of the total trading value. The number of TFEX's investors continuously increased to 318,860 accounts at end-2023, up 9.71 percent from 290,628 accounts at end-2022.

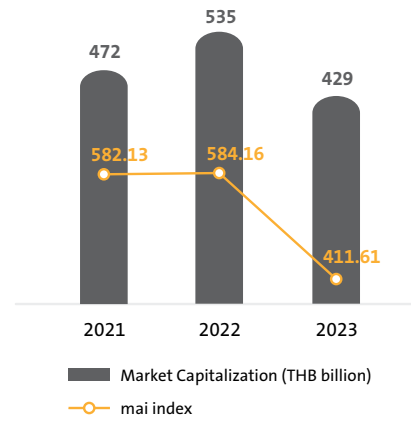
For the fundraising in 2023, the Thai stock market was the second largest IPO venue in ASEAN and the seventh in Asia by the issued size. Newly listed companies were from varieties of industries. If considering the number of newly listed companies, it was higher than the past five years' average. In terms of the quality of listed companies, the number of Thai companies included in various international ESG indexes steadily increased every year and consistently held the top spot in ASEAN for numerous consecutive years. As for the dividend yield of SET and mai at end-2023, the average returns were 3.21 percent and 1.54 percent, respectively, while the forward P/E ratios of SET and mai at end-2023 were recorded at 16.68 times and 37.68 times, respectively.



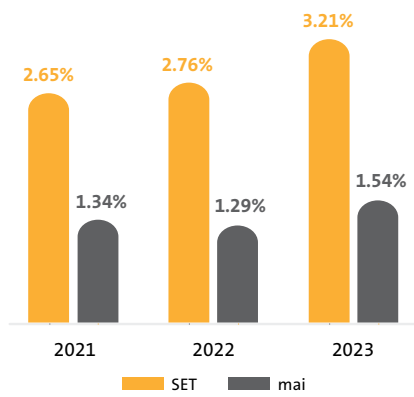
The Stock Exchange of Thailand (SET)



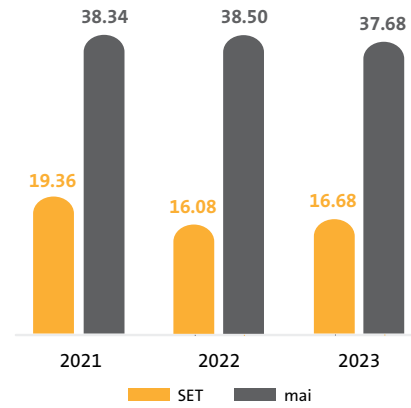
Market for Alternative Investment (mai)



Dividend yield



Forward P/E ratio



Source: SETSMART

## SET's Development Direction

A spate of macro-level issues has dampened market activities and led to a drop in trading volume. The issues include the attractiveness of the Thai capital market in the context of the uncertainty of global economic recovery stemmed from the high inflation level, the prolonged geopolitical risks, and the lack of confidence in the Thai capital market both in the supervision of listed companies and securities trading. Moreover, the development of financial technology that offers new investment options has driven the rapid changes in investor behavior.

SET, therefore, prioritized the strengthening of confidence in the capital market; enhancing the competitive capabilities; and developing sustainability in the aspects of environmental, social, and corporate governance (ESG) towards becoming the

capital market that benefits all sectors, in line with the vision "To Make the Capital Market 'Work' for Everyone". SET aims to reinforce confidence and foster growth of businesses, capital market industry, society, and the country together under the **2024 - 2026 strategic direction "Delivering Market Quality x Growth"** by raising confidence, sharpening competitiveness, and making the Thai capital market attractive, while driving important agendas for the Thai and overseas capital markets, for continuous development on the foundation of creating sustainability internally (enterprise-wide) and externally to enable the capital market and the Thai economy to finally grow in a balanced and sustainable manner. SET has formulated the 2024-2026 strategic plan in three key areas as follows:



### Reforging Trust

SET has enhanced the confidence in the capital market by developing systems equipped with tools that help in the prevention by analyzing and monitoring the quality of listed companies on SET and mai through the financial data health check system by utilizing information disclosed by listed companies. SET has also cooperated with partners such as the Thai Bond Market Association (ThaiBMA) to connect listed companies' debt instrument data. Moreover, SET has accelerated the potential of small business entrepreneurs listed on LiVE Exchange (LiVEx) by enabling them to assess their business quality with SMEs / startups self-assessment tools to be guidelines for efficiently evaluating the initial business quality. The tools are expected to be available from the third quarter of 2024.

In the area of preventing wrongdoings in trading, SET has developed the Surveillance Prevention and Analytics (SPA)

system to increase detection capabilities with more diverse forms of wrongdoings. Consequently, the trading supervision is to be more efficient and will help reduce probable damages to the capital market as a whole.

Furthermore, SET has focused on protecting and immunizing the public from investment frauds by using the AI-based Capital Market Brand Protection system to help detect fake news and investment scams posted in social media, to warn investors via SET's various channels and report to the Anti-Fake News Center to further process in warning the public. In addition, SET is developing a system that will notify social media operators to remove fake news and close fake pages, aiming to safeguard public from more widespread damage. The Capital Market Brand Protection system is expected to be launched by the final quarter of 2024.

## Boosting Competitiveness

SET has developed the Thai capital market to be competitive and attractive to fundraisers and investors. For fundraisers, SET, in collaboration with partners, has promoted companies with high growth potential to be listed, especially for those engaged in the target industries namely the digital, healthcare, and agriculture & food industries. SET is poised to harness technology to increase service efficiency for companies applying to be listed as well as current listed companies, such as One Report and Digital IPO System, etc. SET has continuously supported listed companies' operations in various ways. SET has recently initiated and developed a new platform called LiVE Platform for SMEs and startups to easily access, understand, and use, expected to be ready for use by the fourth quarter of 2024. Moreover, SET has a plan to boost the attractiveness of listed companies among domestic and foreign investors via in-bound and out-bound roadshows.

To cater to investors' demand, SET will increase investment alternatives to suit each group of investors by developing various new products especially for the new generation investors, such as Small Size Thai Share, as well as offering products for diverse market conditions and useful in risk management, such as Inverse exchange-traded fund (ETF). SET is also preparing to extend trading hours and review the

development of new indices. Furthermore, SET will provide easier and more efficient channels to access the capital market, such as a trading account opening to be more convenient and faster, and an access to investing to be easier and more supportive to trading in a variety of assets.

In addition, SET will speed up to create instruments and access to useful information for retail investors, make the stock market attractive while promoting the real knowledge and understanding about investing in securities among investors and the general public via various projects and omnichannel media, as well as strengthening professional investors, while providing in-depth knowledge to enhance the skills of capital market professionals.

For the capital market infrastructure, SET aims at developing the infrastructure in line with global standards to support the business expansion of market participants in more diverse formats. SET also takes aim at expanding collaboration in the form of alliances, inclusive of increasing the capabilities of IT services which are underlying fundamentals of SET's services, and introducing new data solutions that are tailored to more complex capital market data usage, such as using Machine Learning as part of the Thai capital market's data analysis service.

## Enabling Capability

SET uses ESG principles to drive operations in both internal and external organizational processes in collaboration with partners to drive the Thai capital market towards sustainable growth. The details are as follows.

**Environmental:** SET has built on the SET's Journey Towards Net Zero project, moving towards becoming an organization with net zero greenhouse gas emissions (Net Zero Organization). SET has formulated a plan to reduce energy usage and greenhouse gas emissions (GHG Reduction) within the organization and submitting such plan to the Science Based Targets initiative (SBTi) for approval of the Net Zero goal in 2050. At the same time, SET is in the process of assessing risks and measures to manage climate change according to the Task Force on Climate Related Financial Disclosure (TCFD) framework to ensure inclusive and efficient implementation.

Markedly, SET has developed an ESG infrastructure through the Climate Care Collaboration Platform project, currently having 665 participating organizations, as well as the SET Carbon project, a platform that helps listed companies

manage end-to-end GHG, an extension of the ESG Data Platform currently in operation jointly with listed companies.

Furthermore, SET has collaborated with global partners to raise a bar for SET ESG Assessment to international standards. It is expected to help boost the attractiveness of listed companies among Thai and foreign investors. At the same time, it will help reduce the burden on listed companies by assessing them based on the current disclosed information.

**Social:** SET has started a project to promote financial knowledge to freelancers and multi-professional groups through media-related knowledge development with influencers and urban community building activities with partners such as Fastwork, Talance, Shopee and Grab. The move is aimed to promote financial planning and savings, expecting to have over 3,000 participants in the project in 2024. In addition, SET will set up financial knowledge assessments of the Thai people so that the content development and channels selection can be fine-tuned to suit their needs.



To enable entrepreneurs, SET emphasizes on enhancing the potential growth of entrepreneurs, especially by specifically focusing on family businesses. In 2024, SET expects to establish a Family Business Knowledge Center, which will be a source of wisdom on research studies and information insights, including various activities to disseminate family business-related knowledge. Significantly, this center can utilize SET's LiVE Platform for exponential results.

On Human Resource Development, SET is determined to develop the organization to meet the needs of the new generation and create a corporate culture that is more resilient and agile, while uplifting the employee experience on an end-to-end basis, starting from the recruitment process to work process. Also, SET prepares and develops successors to be ready to take senior executive positions in the future. SET will continue to recruit employees with potential and synergy to further drive the capital market growth together.

**Corporate Governance:** SET will collaborate with regulatory agencies and private capital market agencies such as the Federation of Thai Capital Market Organizations (FETCO), the Association of Thai Securities Companies (ASCO),

the Association of Investment Management Companies (AIMC), among others, in materializing various policy issues. SET will encourage the enhancement of the operation and competitive capabilities of the Thai capital market through the Thai Capital Market Development Plan on a continuous basis. In addition, SET will reinforce the knowledge and understanding of the capital market mechanism and securities trading supervision, cascading to the sectors involved. Notably, SET will support the enforcement of laws or regulations that are beneficial to the overall capital market.

As for the internal control process, SET has developed an efficient risk management and corporate governance system, while expanding the use of Robotic Process Automation (RPA) technology and utilizing in-depth analysis to continuously develop work processes, purposely to streamline processes. These are in conjunction with the development of an investment fund tracking and management system to collect key information helpful in supporting the organization's operation. Significantly, SET will join forces with regulatory agencies in developing related processes and work systems to increase efficiency and reduce complexity in overseeing the capital market as a whole.

## Nature of Business

The SET group operates the only stock exchange in Thailand, providing end-to-end services, with main functions as follows:

### Stock Market Business

#### 1. Equity Business

**Securities listing and trading:** The SET group is a venue for listing and trading of equity focusing on enabling entrepreneurs to raise funds in the primary market and trade securities in the highly liquid secondary market. The SET group listing venues consist of SET, Market for Alternative Investment (mai), and LiVE Exchange (LiVEx) which is a board for small and medium-sized enterprises (SMEs) and startups so that entrepreneurs can raise funds from investors, and investors, in turn, can trade securities. As of December 31, 2023, a total of 628 were listed companies on SET, 213 on mai, and four on LiVEx.

In addition, the SET group provides the listing and the trading services for other types of financial instruments such as warrants, derivative warrants, depositary receipts (DRs), ETFs, real estate investment trusts (REIT), and infrastructure funds, etc.

#### **Securities clearing and settlement (delivery):**

The SET group is a center for clearing and settlement (delivery) of securities traded on stock market by acting as a clearing house in order to reduce the counterparty risk from securities trading, by providing service as contractual counterparty and guaranteeing the clearing and settlement (central counterparty: CCP) of all transactions made in the market. If any member fails to comply with the contract, the clearing house will be responsible for, by paying or delivering securities to the counterparty instead. In addition, SET provides clearing & settlement services for over-the-counter (OTC) trading of the debt instrument.

**Securities depository:** The SET group is a securities depository center for both equity and debt instruments using the scripless system that is safe and efficient, by providing securities depository services, withdrawal of securities, transfer of securities, pledge and revocation of pledged securities.

**Supervisory and surveillance:** The SET group supervises and oversees trading by investors and securities companies' duty performance to ensure that the market is reliable, transparent and efficient, reflecting the real price of securities, as well as supervising and overseeing the disclosure of listed securities' data and information to investors in order to ensure accuracy, transparency and in a timely manner.

## 2. Derivatives Business

The SET group is a center for trading and settlement of derivatives transactions using securities, commodities, debt instruments, interest rates, and exchange rates as underlying assets, as well as supervising and overseeing the trading of derivatives instruments by investors and the derivatives business operated by securities companies that are SET members.

## 3. Technology Services Business

The SET group provides the capital market's technology and infrastructure services to support customer needs and slim down costs for the industry, so that entrepreneurs can access and utilize technology more, while shortening the length of time to develop products and services for market participants.

- **Online trading of securities and funds**, consisting of a system for sending orders to buy and sell securities (Front-office Service Bureau: FSB), securities trading system via Internet and Back-office Service Bureau (BSB) for securities companies
- **Services on the dissemination of trading information and market data**, for data vendors and investors to make investment decisions, including the preparation and dissemination of key stock indices that are used globally
- **Services on the payment system for the capital market**, connecting between intermediaries in the capital market and commercial banks to increase efficiency of the payment process in the capital market
- **FundConnex service** to help broaden access to mutual funds, a central system that connects investment management companies to investment unit sales agents for greater efficiency, enabling investors quick and easy way

to invest in mutual funds by opening an account with only one fund broker, but can trade with multiple investment management companies

- **Digital identification service (NDID Proxy)**, by connecting information between National Digital ID Co., Ltd. (National Digital ID: NDID) and entrepreneurs so that investors can open trading accounts for securities, mutual funds, life insurance and other types of accounts conveniently and quickly via a fully digital process
- **Electronic stamp duty purchase and payment service**, by connecting with the Revenue Department conveniently, quickly, safely, as such streamline process, meeting the needs of entrepreneurs in doing business, such as affixing duty stamps for contracts, power of attorney and proxies to vote at meetings, etc.
- **Electronic conference system service (e-Shareholder Meeting)**, to facilitate listed companies and shareholders to attend shareholders' meetings via online channels
- **Digital Asset Exchange services**, via Thai Digital Assets Exchange (TDX) Co., Ltd., offering trading or exchanging services for digital tokens, settlement system for trading, including digital token storage services

In addition, SET acts as the main operator, in conjunction with the Association of Thai Securities Companies (ASCO) and the Thai Bankers' Association (TBA), under the support of the Capital Market Development Fund (CMDF), to jointly develop the Thai capital market infrastructure. The key projects consist of digital infrastructure services for the Thai capital market, by providing private sector debt instrument issuance services using digital processes, and training and license renewal system for professionals in the capital market (Prof. Link Application).

## 4. Registrar and Other Services Business

The SET group takes responsibility for overseeing and keeping securities information, and preparing the registration of securities holders to ensure that the information and data are accurate, complete and updated at all times. The registrar business unit manages shareholder benefits information, link to the securities depository system, and control the shareholding ratio of foreign investors' securities tradable on SET in compliance with the rules and regulations of relevant government entities. Moreover, there is a data storage, collection and processing systems in the securities registration, including security room system to safekeep securities certificates and rights documents for both listed companies and shareholders.

## Long-Term Capital Market Development

The SET group aims to promote sustainable long-term development of the Thai capital market which will lead to enhancing the country's competitiveness, and quality growth of the capital market participants and the Thai society. The SET group has set three main strategies for long-term capital market development as follows:

### 1. Developing and Promoting Financial and Investment Knowledge (Capital Market Education)

The knowledge enhancement is divided into five target groups:

- 1) the public and potential investors: the development of financial and investment knowledge skills to create financial stability and help support the expansion of the investor base in the long run
- 2) school and university students, and the general public: the development of the capital market knowledge and basic finance for students, as well as developing capital market learning centers to be accessible to the general public, such as the Maruey Library, INVESTORY Investment Discovery Museum, etc.
- 3) professionals in the capital market: raising standards of knowledge and competency for financial advisor and investment consultant
- 4) personnel in listed companies: entrepreneur knowledge development for investor relations, chief financial officer, etc.
- 5) key players of the country, organizational leaders, and new generation entrepreneurs: creating knowledge, understanding and utilization of the capital market mechanism, while also building a network of influencers in the capital market within Thailand and among countries in the Greater Mekong Subregion and ASEAN

### 2. Promoting Listed Company Development for Sustainability (Sustainable Development)

SET focuses on the development of listed companies in four main areas:

- 1) promoting knowledge and developing sustainable business development and investment ecosystems for the capital market

- 2) developing work systems and infrastructure for the capital market to support the growth of the ecosystem of business development and sustainable investment
- 3) promoting knowledge and developing the ecosystem of social enterprises (SE) in Thailand to grow continuously through the SET Social Impact Platform, and
- 4) building networking and collaboration to promote environmental management of the business sector in a sustainable manner through the Climate Care Platform

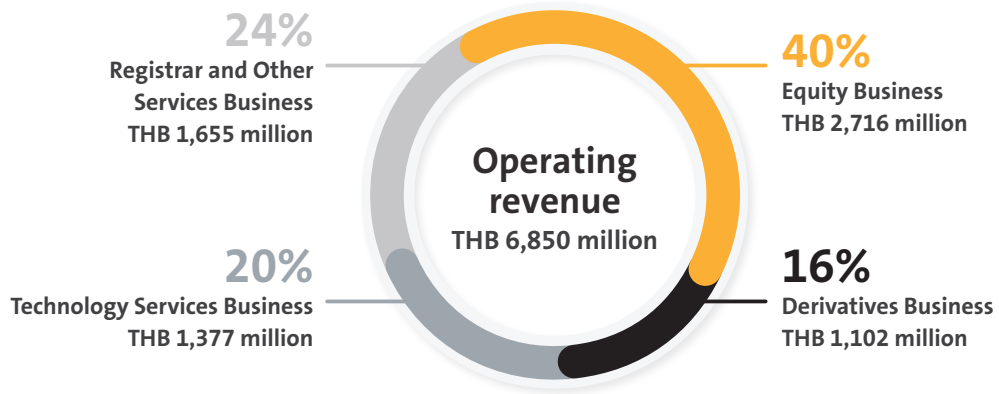
### 3. Developing Capital Market Research

SET plays an important role in capital market research development in five main areas:

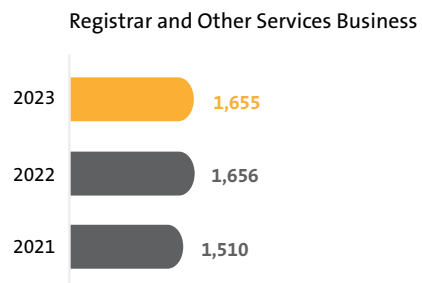
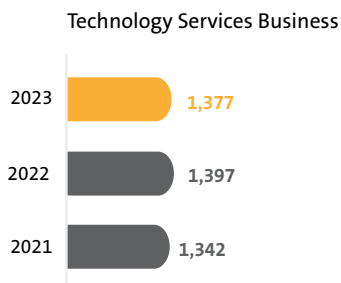
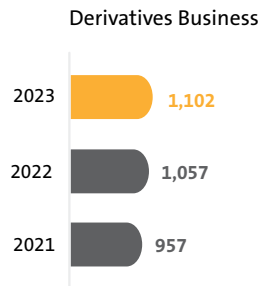
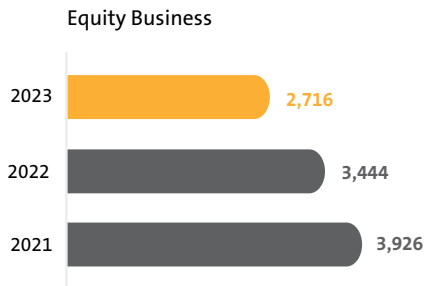
- 1) producing and disseminating capital market research and disseminating the country's capital market index (leading indicator) that market participants, organizations, and the general public can use as reference
- 2) developing important capital market databases for researchers and other business sectors to use for further benefits
- 3) linking the capital market knowledge between research producers and entrepreneurs in order to build on and utilize research results, while making the capital market research accessible to the general public
- 4) collaborating with CMDF to develop quality research such as the capital market infrastructure development project, developing the potential of personnel in the capital market and promoting knowledge and understanding of the capital market, etc., and
- 5) connecting the capital market business sector and the education sector to produce research studies on the capital market that are academically accepted and applicable in practice and can be further developed to benefit the capital market and the Thai economy

## Revenue Structure

Operating revenue by key business segment, consisting of Securities Market, Derivatives Market, Technology Services, and Registrar and Other Services, is as follows:



(Unit: THB million)



(Unit: THB million)

Product and Service	2023		2022		2021	
	Revenue	%	Revenue	%	Revenue	%
<b>Equity Business</b>						
• Trading fee	1,295	18.91	1,850	24.50	2,262	29.24
• Listing fee	625	9.12	668	8.84	696	9.00
• Clearing and Settlement	372	5.43	492	6.51	557	7.20
• Depository	392	5.72	402	5.32	379	4.90
• Membership fee	32	0.47	32	0.42	32	0.42
<b>Total</b>	<b>2,716</b>	<b>39.65</b>	<b>3,444</b>	<b>45.59</b>	<b>3,926</b>	<b>50.76</b>
<b>Derivatives Business</b>						
• Trading fee	749	10.93	717	9.49	647	8.37
• Clearing	321	4.69	308	4.08	278	3.59
• Membership fee	32	0.47	32	0.42	32	0.41
<b>Total</b>	<b>1,102</b>	<b>16.09</b>	<b>1,057</b>	<b>13.99</b>	<b>957</b>	<b>12.37</b>
<b>Technology Services Business</b>						
• Member services fees	449	6.55	477	6.32	507	6.56
• Information services fees	474	6.92	431	5.71	424	5.48
• IT support fees	454	6.63	489	6.47	411	5.31
<b>Total</b>	<b>1,377</b>	<b>20.10</b>	<b>1,397</b>	<b>18.50</b>	<b>1,342</b>	<b>17.35</b>
<b>Registrar and Other Services Business</b>						
• Securities registrar services	1,589	23.20	1,595	21.12	1,458	18.85
• Fund services	41	0.60	38	0.50	32	0.41
• Payment services	9	0.13	10	0.13	13	0.17
• Digital Gateway Services	16	0.23	13	0.17	7	0.09
<b>Total</b>	<b>1,655</b>	<b>24.16</b>	<b>1,656</b>	<b>21.92</b>	<b>1,510</b>	<b>19.52</b>
<b>Total operating revenue</b>	<b>6,850</b>	<b>100.00</b>	<b>7,554</b>	<b>100.00</b>	<b>7,735</b>	<b>100.00</b>

## Business competitors

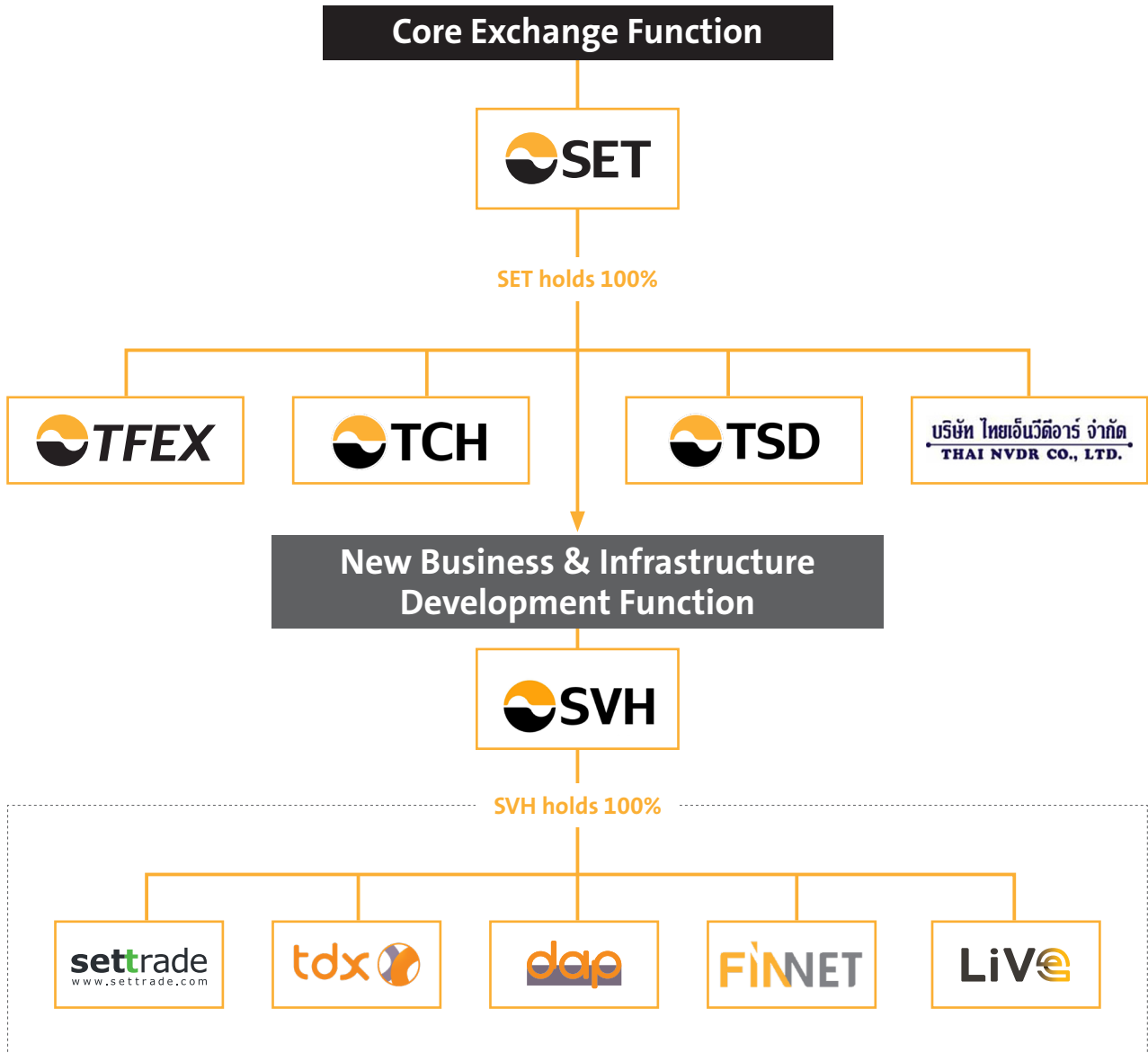
The interconnectedness in the global capital markets always compels the SET group to compete in both regional and the global levels, though the group is currently the country's only stock exchange service provider. Notably, the laws and regulations related to the stock exchange business tend to be more open to allow new competitive players. Fundraisers are able to list overseas or choose other options while investors themselves can freely invest into foreign securities. Moreover, SET's competitors are able to develop similar or substitute products of the SET group to attract both domestic and foreign investors.

In addition, the growth of the digital asset ecosystem has opened up new business opportunities such as ICO Portal, digital asset exchange, and digital asset custodial, etc. The adoption of new technologies such as blockchain and AI in the work process optimization aiming to meet the diverse needs of financial service users. This can also be both an opportunity for collaboration and a competition with SET in the future.

Note: Key statistics data of SET compared to foreign stock exchanges are available via the website [www.set.or.th](http://www.set.or.th)

# Shareholding Structure

The SET group consists of SET and subsidiaries which can be classified by the SET group’s business structure into two main groups as follows:



Note: SET owns a certain stake in TTF Corporation Limited, recently renamed from Thai Trust Fund Management Co., Ltd., which has been granted a permission to cease the securities business operation and has already returned such license. Moreover, the TTF Corporation Limited’s amended objectives have been submitted to the Department of Business Development, Ministry of Commerce.

## Core Exchange Function

Business function in this group is directly associated with the SET operations as stipulated in the Securities and Exchange Act B.E. 2535 (1992). This business group comprises SET and subsidiaries as follows:



### The Stock Exchange of Thailand (SET)

SET has been incorporated to serve as the center for trading of listed securities and to provide related services, operating on a non-profit sharing basis, with a role to promote savings and long-term capital fundraising for the country's economic development.

Currently, SET operates under the legal framework of the Securities and Exchange Act B.E. 2535 (1992). SET's core operations are the listing of securities, the supervision of information disclosures by listed companies, the securities trading and surveillance, the monitoring of member companies involved in securities trading, as well as the dissemination of information and the promotion of education among investors.



### Thailand Futures Exchange PCL (TFEX)

TFEX was established as a derivatives exchange governed by the Derivatives Act B.E. 2546 (2003), and under the supervision of the Securities and Exchange Commission (SEC). TFEX has been permitted to provide derivatives trading services in futures and options with various underlying assets, consisting of equities, debt instruments, exchange rates, commodities and agricultural products.



### Thailand Clearing House Co., Ltd. (TCH)

TCH is a center for clearing, settlement and delivery of financial instruments in the Thai capital market, by acting as a Central Counterparty (CCP) and guaranteeing payment and delivery for every trading transaction made on SET, Market for Alternative Investment (mai), and TFEX, in order to minimize overall risks, strengthen confidence in trading for all market participants, while promoting the long-term development of the Thai capital market.



### Thailand Securities Depository Co., Ltd. (TSD)

TSD is a center for providing continuous service for the end-to-end securities trading services, consisting of two main types of service: 1) Securities Depository Center for depositing scripless securities and debt instruments in a safe and efficient manner, and 2) Securities Registrar responsible for maintaining and safeguarding securities information, as well as preparing registration certificates for securities holders to be accurate, complete, and current at all times, by using advanced and efficient computer system linked to the securities depository system.



### Thai NVDR Co., Ltd. (TNVDR)

TNVDR's function is to issue NVDR which is a security listed on the Thai stock market, automatically, for sale to investors and proceeds from the sale of NVDR are invested in Thai underlying listed securities. NVDR holders are entitled to all financial benefits similar to investing in securities of listed companies: dividends, the rights to subscribe for newly issued shares or warrants to purchase ordinary shares, except for the rights to vote at shareholders' meetings.

## New Business & Infrastructure Development Function

This group's function focuses on new businesses and those relevant to infrastructure development to support SET's operations and build solid infrastructure foundation for the capital market's infrastructure for market participants. The function does not only enhance service quality by streamlining processes of the overall industries but also help cut operational costs of the whole industries. The function consists of the following SET subsidiaries:



### SET Venture Holding Co., Ltd. (SVH)

SVH is a holding company that invests in all subsidiaries engaged in all New Business & Infrastructure Development Function.



### Finnet Innovation Network Co., Ltd. (FinNet)

FinNet is a service provider for the infrastructure system of clearing and settlement for the capital market by acting as an intermediary that connects payment transactions with commercial banks.



### Live Fin Corp Co., Ltd. (LiVE)

LiVE is a platform provider that enhances the strength and competitiveness of SMEs and startups through professionally curated educational contents, services to heighten the organization's capability, and entrepreneur development programs to prepare them for accessing the capital market.



### Settrade.com Co., Ltd. (Settrade)

Settrade provides online investment platform for securities, derivatives and mutual funds; derivatives back office system; and investment technology that supports market participants' businesses and increases convenience channels for investors through the Streaming and Streaming Fund+ applications



### Digital Access Platform Co., Ltd. (DAP)

DAP is a service provider for electronics network, supporting systems, and other services that support electronics and digital transactions.



### Thai Digital Assets Exchange Co., Ltd. (TDX)

TDX is a digital asset exchange, or provider of a center or any network for digital asset trading.



## Joint Venture and Other Companies of which SET Is a Shareholder

### Shareholding Ratio

	<p><b>TSFC Securities PCL (TSFC)</b></p> <p>TSFC provides comprehensive securities financing services to serve the needs of securities business.</p>	<p><b>40.65%</b></p>
	<p><b>TRIS Corporation Co., Ltd. (TRIS)</b></p> <p>TRIS is a credit rating institution established to assess the creditworthiness of debt instruments and provide investors with information needed to make informed decision.</p>	<p><b>13.34%</b></p>
	<p><b>National Digital ID Co., Ltd. (NDID)</b></p> <p>NDID provides database linkage services regarding digital identification and verification for various related agencies such as the Department of Provincial Administration (DOPA), the Department of Business Development (DBD), and the private sector.</p>	<p><b>7.5%</b></p>
	<p><b>InnoSpace (Thailand) Co., Ltd. (InnoSpace)</b></p> <p>InnoSpace has been established to provide end-to-end promotion and development for startups in Thailand.</p>	<p><b>9.52%*</b></p>

Note: \* Including shareholding ratio of LIVE Fin Corp Co., Ltd. (a SET subsidiary) in InnoSpace at 2.72 percent

## 4 Management Discussion and Analysis (MD&A)

### Overview

The operating results of the SET group for the year ended December 31, 2023 are shown as follows:

(Unit: THB million)	For the year ended December 31			
	2023	2022	Increase / (Decrease)	
			Amount	%
Operating revenue	6,850	7,554	(704)	(9)
Other income	235	197	38	19
<b>Total operating revenues</b>	<b>7,085</b>	<b>7,751</b>	<b>(666)</b>	<b>(9)</b>
Operating expenses	(5,226)	(5,134)	92	2
<b>Revenues over expenses from operation</b>	<b>1,859</b>	<b>2,617</b>	<b>(758)</b>	<b>(29)</b>
Investment income (loss), net	206	(365)	571	156
Non-operating revenue	35	29	6	21
<b>Revenues over expenses before contribution to CMDF and income tax</b>	<b>2,099</b>	<b>2,281</b>	<b>(182)</b>	<b>(8)</b>
Income tax expense	(320)	(336)	(16)	(5)
<b>Revenues over expenses before contribution to CMDF</b>	<b>1,779</b>	<b>1,945</b>	<b>(166)</b>	<b>(9)</b>
Contribution to CMDF	(500)	(539)	(39)	(7)
<b>Revenues over expenses, net</b>	<b>1,280</b>	<b>1,406</b>	<b>(126)</b>	<b>(9)</b>

In 2023, the SET group had total operating revenues of THB 7,085 million, a decrease of THB 666 million or 9% from the previous year due to a decrease in revenue from securities business of THB 728 million on trading fees, clearing and settlement fees decreased in line with the decrease in average daily trading volume of equity. Revenue from derivatives business increased to THB 45 million in line with the increase of trading volume of SET50 Index Futures and Currency Futures. Total operating expenses amounted to THB 5,226 million, a 2% increase, mainly resulting from the increase in employee expenses and technology expenses increased according to the new IT system, development and maintenance. Regarding the investment performance in 2023, the net investment income was

THB 206 million, an increase gained from interest income and an increase in the investment value, especially in global equity instruments and global debt instruments, resulting from the slow down of the increasing interest rates trend. Consequently, the SET group had total revenues over expenses before remittance to the CMDF and taxes of THB 2,099 million.

SET had provided the annual contribution to CMDF of approximately THB 500 million, accounting for 90% of the revenue after deduction of expenses, taxes and reserves, based on the SET group's 2023 consolidated financial statements. As a result, the SET group had net revenues over expenses of THB 1,280 million in 2023.

# 1. Analysis of Operating Results

## 1.1 Operating revenue

### Operating revenue by business type

Operating revenue classified by key business type consists of Securities Business, Derivatives Business, Technology Services Business and Registrar and Other Services Business



**40%**

Equity Business

**16%**

Derivatives Business

**20%**

Technology Services Business

**24%**

Registrar and Other Services Business

For the year ended December 31, 2023	(Unit: THB million)
<b>Securities Business</b>	
• Trading fees	1,295
• Listing fees	625
• Clearing and settlement fees	372
• Depository fees	392
• Membership fees	32
<b>Total</b>	<b>2,716</b>
<b>Derivatives Business</b>	
• Trading fees	749
• Clearing fees	321
• Membership fees	32
<b>Total</b>	<b>1,102</b>
<b>Technology Services Business</b>	
• Member services fees	449
• Information services fees	474
• IT support fees	454
<b>Total</b>	<b>1,377</b>
<b>Registrar and other Services Business</b>	
• Securities registrar services fees	1,589
• Fund services fees	41
• Payment services fees	9
• Digital Gateway services fees	16
<b>Total</b>	<b>1,655</b>
<b>Total operating revenue</b>	<b>6,850</b>

**1.1.1 Total operating revenue**

(Unit: THB million)	2023	2022	Increase / (Decrease)	
			Amount	%
<b>Revenue - Securities Business</b>	<b>2,716</b>	<b>3,444</b>	<b>(728)</b>	<b>(21)</b>
Trading fees	1,295	1,850	(555)	(30)
Listing fees	625	668	(43)	(6)
Clearing and settlement fees	372	492	(120)	(24)
Depository fees	392	402	(10)	(2)
Membership fees	32	32	-	-
<b>Key market index indicators</b>				
SET Index at the end of the year (points)	1,416	1,668	(252)	(15)
Average daily trading value - Equity (THB million)	53,331	76,773	(23,442)	(31)
Average market capitalization (THB trillion)	19.3	20.1	(0.8)	(4)
Number of listed securities (securities)	2,875	3,193	(318)	(10)

Operating revenue from securities business decreased by THB 728 million or 21%, in correlation with the drop in average daily trading volume of equity instruments and the number of listed securities. The annual fee continued to be discounted to ease expenses for companies that issue listed securities and participate in activities to support increasing awareness of listed companies as well as managing information through the Data Platform in collaboration with the SET Group.

**1.1.2 Derivatives Business**

(Unit: THB million)	2023	2022	Increase / (Decrease)	
			Amount	%
<b>Revenue - Derivatives Business</b>	<b>1,102</b>	<b>1,057</b>	<b>45</b>	<b>4</b>
Trading fees	749	717	32	4
Clearing fees	321	308	13	4
Membership fees	32	32	-	-
<b>Key market index indicators</b>				
Average daily trading volume - Derivatives (contracts)	532,886	565,627	(32,741)	(6)

Average daily trading volume: all derivatives instruments combined dropped by 6%, while the average daily trading volume of SET50 Index Futures and Currency Futures increased, resulting in an increase in operating revenue from derivatives market of THB 45 million or 4%.

### 1.1.3 Technology Services Business

(Unit: THB million)	2023	2022	Increase / (Decrease)	
			Amount	%
<b>Revenue - Technology services Business</b>	<b>1,377</b>	<b>1,397</b>	<b>(20)</b>	<b>(1)</b>
Member services fees	449	477	(28)	(6)
Information services fees	474	431	43	10
IT support fees	454	489	(35)	(7)

Operating revenue from technology services decreased by THB 20 million or 1% caused mainly by the drop in IT support fees in relation to the decrease in the number of users. Revenue from member services decreased in line with capital market conditions, while the information services fees increased driven by rising demand for SET's data & information.

### 1.1.4 Registrar and Other Services Business

(Unit: THB million)	2023	2022	Increase / (Decrease)	
			Amount	%
<b>Revenue - Registrar and other services Business</b>	<b>1,655</b>	<b>1,656</b>	<b>(1)</b>	<b>(0.1)</b>
Securities registrar fees	1,589	1,595	(6)	(0.4)
Fund services	41	38	3	8
Payment service fees	9	10	(1)	(10)
Digital Gateway service fees	16	13	3	23

Operating revenue from the registrar and other services was similar to the previous year. Securities registrar fees decreased in line with corporate actions services, while other revenue from other services increased in line with the number of services used.

## 1.2 Other income

(Unit: THB million)	2023	2022	Increase / (Decrease)	
			Amount	%
<b>Total other income</b>	<b>235</b>	<b>197</b>	<b>38</b>	<b>19</b>
Funds to support projects from CMDF	51	14	37	264
Revenue from fees of funds management	48	48	-	-
Revenue from education activities	36	29	7	24
Revenue from rental and utilities	13	10	3	30
Revenue from fines	5	14	(9)	(64)
Revenue from others	82	82	-	-

Other income increased by THB 38 million or 19%, mainly from funds to support projects from CMDF for the development of the SME Platform, the preparation of micro learning under the education platform, and the development of the quality of sustainability data for pilot listed companies, etc. Revenue from the training on investment knowledge increased in accordance with training activities.

### 1.3 Operating expenses

(Unit: THB million)	2023	2022	Increase / (Decrease)	
			Amount	%
<b>Operating expenses</b>	<b>5,226</b>	<b>5,134</b>	<b>92</b>	<b>2</b>
Employee expenses	2,271	2,162	109	5
Direct service expenses	624	608	16	3
Depreciation and amortization	601	536	65	12
The SEC fees	524	746	(222)	(30)
Technology expenses	379	337	42	12
Fees and compensation expenses	223	148	75	51
Building and office expenses	199	212	(13)	(6)
Meeting expenses	199	167	32	19
Donations and CSR expenses	23	61	(38)	(62)
Educational activities expenses	53	48	5	10
Others	130	109	21	19

Operating expenses in 2023 amounted to THB 5,226 million, or a 2% increase significantly from employee expenses, technology expenses and depreciation expenses increased according to the development and maintenance of IT systems, whereas the SEC fees decreased due to the drop in equity trading volume.

### 1.4 Investment income (loss)

(Unit: THB million)	2023	2022	Increase / (Decrease)	
			Amount	%
<b>Investment income (loss)</b>	<b>206</b>	<b>(365)</b>	<b>571</b>	<b>156</b>
Interest income	329	206	123	60
Dividend income	51	35	16	46
Realized loss from investments	(220)	(258)	(38)	(15)
Unrealized gain (loss) from investments	45	(357)	402	113
Reversal (allowance) for expected credit loss	1	9	(8)	(89)

In 2023, the SET group recorded a net investment income of THB 206 million or an increase of THB 571 million compared to the loss last year, equivalent to 156%. This was due to an increase from interest income and the rise in the investment value, especially in global equity instruments and global debt instruments, resulting from the slowdown of the trend of increasing interest rates.

## 2. Analysis of Financial Position

(Unit: THB million)	Dec 31, 2023	Dec 31, 2022	Increase / (Decrease)	
			Amount	%
Total assets	56,744	56,306	438	0.8
Total liabilities	25,226	25,442	(216)	(0.8)
Funds balances	31,518	30,864	654	2

Significant changes in assets, liabilities and funds of the SET group as at December 31, 2023 in comparison with the balance as at December 31, 2022, were as follows:

### 2.1 Analysis of assets

As at December 31, 2023, total assets of the SET group amounted to THB 56,744 million, an increase of THB 438 million or 0.8%. Significant details are as follows:

**2.1.1 Cash and cash equivalents, cash at banks for financial benefits payable, and financial assets** were THB 21,434 million or 38% of total assets. There was an increase in the total balance of THB 419 million or 2%, categorized as follows:

(Unit: THB million)	Dec 31, 2023	Dec 31, 2022	Increase / (Decrease)	
			Amount	%
Cash and cash equivalents	2,828	5,621	(2,793)	(50)
Cash at banks for financial benefits payable	94	84	10	12
<b>Financial assets</b>	<b>18,512</b>	<b>15,310</b>	<b>3,202</b>	<b>21</b>
• Investment in debt instruments measured at FVTPL	15,344	10,992	4,352	40
• Investment measured at amortized cost	1,206	1,795	(589)	(33)
• Investment in debt instruments measured at FVTOCI	1,646	1,612	34	2
• Investment in equity instruments measured at FVTOCI	316	911	(595)	(65)
<b>Total</b>	<b>21,434</b>	<b>21,015</b>	<b>419</b>	<b>2</b>

The SET group invests in bank deposits, bonds, debt instruments, investment units in mutual funds, and financial instruments both domestic and international. The investment policy is formulated in accordance with the investment objectives of the investments in each segment. Total financial assets increased from investments in debt instruments. In 2023, there was a loss of THB 595 million when measuring the fair value of equity instruments, which was an investment through a subsidiary company that invests in a foreign business that operate a platform providing integrated digital securities trading centers. As a result, investments in equity instruments measured at fair value through other comprehensive income decreased in value.



**2.1.2 Assets for margin deposits and benefits, and assets for clearing system protection and benefits** recorded at THB 20,597 million or 36% of total assets, a decrease of THB 140 million or 0.7%. This resulted from the withdrawal of collaterals of Thailand Clearing House Co., Ltd. (TCH)'s members, who are obliged to place the assets as collateral for derivatives trading at the specified rate.

**2.1.3 Property, building and equipment, and intangible assets** amounted to THB 5,092 million or 9% of total assets, a THB 90 million or 2% drop, mainly from depreciation based on the useful life of IT system in 2023.

## 2.2 Analysis of liabilities

As at December 31, 2023, total liabilities of the SET group amounted to THB 25,226 million, a decrease of THB 216 million or 0.8%. Significant details are as follows:

**2.2.1 Margin deposits and assets for clearing system protection and benefits payable** amounted to THB 20,445 million or 81% of total liabilities, a decrease of THB 142 million or 0.7%. The decrease resulted from the lower risk from fluctuations in the price of futures contracts or the underlying securities in the market. Therefore, the withdrawal of collaterals of Thailand Clearing House Co., Ltd. (TCH)'s members was incurred.

## 2.3 Analysis of funds

As at December 31, 2023 the total funds of the SET group amounted to THB 31,518 million, an increase of THB 654 million or 2%. The SET group's revenue over expenses for 2023 reached THB 1,280 million and loss on revaluation of investment in other comprehensive income of THB 626 million.

## 3. Analysis of Liquidity

Cash flows of the SET group for the year ended December 31, 2023 and 2022 can be summarized as follows:

(Unit: THB million)	2023	2022	Increase / (Decrease)	
			Amount	%
Cash flows from operating activities	1,176	1,037	139	13
Cash flows used in investing activities	(3,948)	(4,410)	(462)	(10)
Cash flows used in financing activities	(12)	(16)	(4)	(25)
Cash and cash equivalents at the end of year	2,923	5,705	(2,782)	(49)

Cash and cash equivalents as at December 31, 2023 amounted to THB 2,923 million, a decrease of THB 2,782 million or 49% from the year 2022. The details of the inflows and outflows are as follows:

- Net cash from operating activities totaled THB 1,176 million
- Net cash used in investing activities totaled THB 3,948 million, mainly from the purchase of financial assets of THB 20,403 million, cash received from investment of THB 16,906 million and investment in new assets amounted to THB 451 million, especially in the developing of IT system to support business operations.

## 4. Reserves and Contribution to the Capital Market Development Fund (“CMDF”)

The Securities and Exchange Act (No. 6), enacted on April 16, 2019, requires the Stock Exchange of Thailand (SET) to contribute to CMDF no less than 90% of the revenue after deduction of expenses, tax and reserves. In this regard, the consolidated financial statements of SET shall be used to calculate the contribution amount. The provision of reserves shall be in accordance with the type and amount specified by the SET’s Board of Governors. Details are as follows:

### 4.1 Reserves

The type, allocation principles, and reserve amount are presented as follows:

Type of reserve	Principles for reserve allocation to ensure adequacy of funding sources	Reserve amount (THB million)	
		2023	2022
1. Reserves set aside according to law or criteria in business operation as specified, including reserve amount to accommodate special situations	1.1 Legal reserve	4	10
	1.2 Reserves according to business operation such as European Market Infrastructure Regulation (EMIR), Principles for financial Market Infrastructures (PFMI) to meet an increase (decrease) of business operation each year	(23)	(113)
	1.3 Reserves allocated for specific funds such as approval of additional capital in specific funds during the year, benefit sharing of Securities Investor Protection Fund (SIPF), Derivatives Investor Protection Fund (DIPF), Clearing Fund (CLF) or other similar funds	(29)	5
	1.4 Reserves allocated to accommodate financial risks from operations including emergency supporting measures	565	514
2. Reserves set aside to accommodate the fluctuation of investments	According to unrealized gain (loss) during the year	45	(357)
3. Reserves set aside for investment in businesses or fixed assets	According to the investment amount in businesses and fixed assets approved by the Board of Governors	662	1,287
<b>Total reserves</b>		<b>1,224</b>	<b>1,346</b>

## 4.2 Contribution to CMDF

The annual contribution has been calculated as follows:

(Unit: THB million)	2023	2022
Revenue over expenses before contribution to CMDF (according to the statement of comprehensive revenue and expenses)	2,099	2,281
<u>Less</u> Income tax expense	(320)	(336)
Revenue after deduction of expenses and tax before reserves	1,779	1,945
<u>Less</u> Reserves	(1,224)	(1,346)
Revenue after deduction of expenses, tax, and reserves	555	599
Annual contribution amount at the rate of 90%	500	539

Accumulated contribution expenses to CMDF as of December 31, 2023 can be presented as follows:

	(THB million)
Money transferred to CMDF in 2019	5,700
Annual contribution amount for 2020	362
Annual contribution amount for 2021	583
Annual contribution amount for 2022	539
Annual contribution amount for 2023	500
<b>Total accumulated contribution expenses</b>	<b>7,684</b>

## 5 Risk Management

### Risk Management Policy and Guidelines

The Board of Governors (BoG) of The Stock Exchange of Thailand (SET) has set up enterprise risk management policy of the SET group in accordance with the Enterprise Risk Management (ERM) guidelines of the Committee of Sponsoring Organizations of the Treadway Commission (COSO). SET also covers environmental, social, and governance (ESG) issues. To cope with this very challenging task, SET is committed to managing risks in such a way to create opportunities, and to minimize risks that affect profitability, competitiveness, corporate image, as well as confidence in the capital market, by identifying (1) factors that cause risks to the organization, (2) assessment of the control efficiency, and (3) assessment of inherent risk and residual risk in order to manage risks at acceptable level.

In 2023, the SET group focused on the technology capability uplift to increase efficiency and agility in various aspects of the organization's operations, while helping manage risk information as supporting document for analysis and decision making in order to drive the business according to the SET group's strategic plan.

### Governance and Risk Management Structure

The SET BoG has assigned the Risk Management Committee (RMC) to govern, oversee, consider, and provide opinions on the SET group's policies related to enterprise risk management before presenting it to the SET BoG for approval. In addition, the BoG has encouraged everyone in the organization to monitor and manage risks both at departmental and project levels, such as Risk and Control Self-Assessment (RCSA), risk management for new projects, among others. The Risk Management Department shall provide advice on risk assessment and management, and shall regularly prepare reports on the status of key risks of the SET group to be presented to the management team, the RMC, the SET BoG and the SET subsidiaries' Board of Directors.

### Enterprise Risk Management Guidelines

The changing economic, political conditions, information technology (IT), and internal factors including strategy formulation, organization management, and IT management are well-recognized by the SET BoG. The SET BoG places importance on risk management, which is one of the key elements to a good corporate governance system that will strengthen the internal control system to cope with the current changes in a timely manner, to reduce probable operational obstacles, to boost competitiveness globally, while creating added value to stakeholders. The risk management policy and guidelines of the SET group consist of the key points as follows:

1. To specify that **risk management is the responsibility of employees at all levels** who must realize the potential risks in work process in their departments and the organization. There shall be the monitoring and preventing of various risks at an adequate and appropriate level.
2. To set the risk management process to align with the international practice guidelines and with the same direction enterprise-wide by **utilizing the risk management system as part of the decision making, strategic planning, business plans, and operations of the SET group** in search of excellence in operations and confidence among related parties.
3. To set up the **guidelines of risk prevention and mitigation** for the operations of the SET group, in order to avoid damage or loss that may occur, including the **monitoring and assessing of the risk management** on a regular basis.
4. **To report risk management information to the senior management, the RMC, the AC, the SET BoG, and the Board of Directors of the SET subsidiaries, on a continuous basis.**
5. **To specify certain risk management policies** in accordance with the current context of business operations, such as Business Continuity Management policy, IT Security policy, and IT Risk Management policy, etc.

## Risk Factors

In 2023, the SET BoG governed and oversaw the management to closely assess and monitor the situations with effects on the organization, the capital market, the economy, and the society to ensure that the SET group’s operations can drive the capital market efficiently amid risks, impacts and uncertainties, which may affect the stakeholders’ confidence. The SET BoG has specified the risk factors that are important to the business operations of the SET group covering social, environmental and governance (ESG) issues, including emerging risks that may have impact on the SET group’s operations in the next three-five years.

Risk Factors	Explanation	Potential Impacts	Risk Management Measures
<b>Strategic Risks</b>			
<b>Digital technology disruption risk</b>	Realizing the technological advancements of domestic and international capital markets, SET has adapted to cope with the growth of the digital capital market and the rapid change of investment behavior.	<ul style="list-style-type: none"> <li>Financial and operational impacts of the SET group</li> </ul>	<ul style="list-style-type: none"> <li>Expand equal access to the capital market for entrepreneurs in line with the current traditional capital market, simultaneously with the development of infrastructure to support digital capital markets such as developing Thai Digital Assets Exchange (TDX) as a platform for trading digital tokens with digital token custody service. TDX was inaugurated in September 2023.</li> </ul>
<b>Climate change</b>	Climate change causes impact not only to the SET group’s operations, but also stakeholders in the supply chain, especially listed companies which are the key factors driving the continuous growth of the capital market. If climate change trend becomes more severe, it could impact production factors, transportation, trade regulations, and labor mobility, which could lead to both opportunities and risks for the overall capital market operations.	<ul style="list-style-type: none"> <li>Regulatory impacts on climate change disclosure of the SET Group and capital market stakeholders</li> <li>Investment impact of current investors who consider investing in businesses with effective greenhouse gas management within organization and supply chain</li> <li>Reputational Impact of SET’s Advocacy Role in Capital Market Sustainability</li> </ul>	<p><b>Within the organization</b></p> <ul style="list-style-type: none"> <li>Establish governance and management structure for climate change within the SET group and formulate policies and plans to achieve the Net Zero greenhouse gas emissions (GHG) target by 2050</li> <li>Promote greenhouse gas management strategies and operations in the business process by focusing on increasing energy and resource efficiency to cover the SET group’s operations</li> <li>Communicate climate change knowledge and create understanding to employees throughout the organization</li> <li>Study climate change impact and management of the SET group to cater to sustainable investment in the future and align with the IFRS S2 Reporting Framework</li> </ul> <p><b>Supply chain</b></p> <ul style="list-style-type: none"> <li>Enhance decarbonization strategies and operations of business in the capital market through advisory program</li> <li>Disseminate climate change knowledge and learning materials of business operations through SET ESG Academy</li> <li>Support listed companies in preparing for the disclosure of organizational greenhouse gas management data through the SET Carbon Data Management System</li> </ul>

Risk Factors	Explanation	Potential Impacts	Risk Management Measures
<b>Operational risks</b>			
<b>Critical system failure and business interruption risk</b>	SET plays a key role in providing securities trading services on a continuous basis. SET must therefore regulate, control, and oversee the organization's computer and IT systems to ensure security, equipped with reporting process concerning operational damage incidents, root cause analysis, and improvement guidelines to achieve continuity of operations.	<ul style="list-style-type: none"> <li>Impact on the securities trading system, including the operation of the capital market and the economy as a whole</li> <li>Impact on the confidence of related parties in the capital market</li> </ul>	<ul style="list-style-type: none"> <li>Prepared and managed project risks for the new trading system launched in 2023 by arranging testing for every member, and reporting operational progress in each important period</li> <li>Implement the Business Continuity Management (BCM) covering emergency response plan, business continuity plan, and IT disaster recovery plan</li> <li>Review, rehearse and conduct practical tests jointly with the entities in the capital market regularly every year, in order to prepare for and respond to various critical situations in an efficient and timely manner. Consequently, this measure is implemented to support employees in performing their work in accordance with the situation and to ensure continuity of SET's operations.</li> </ul>
<b>Cyberattack risk</b>	Advances in technology pose threats and risks from cyberattacks and cyber threat, which can damage properties and confidence among stakeholders. SET prioritizes this issue and has therefore set up the action plan in accordance with the international standards, equipped with advanced preventive security tools, and has continuously educated employees on the IT usage and applications.	<ul style="list-style-type: none"> <li>Impact on financial performance of the organization</li> <li>Impact on the securities trading system, including the operation of the capital market and the economy as a whole</li> <li>Impact on the confidence of related parties in the capital market</li> </ul>	<ul style="list-style-type: none"> <li>Manage security risks of key data, and IT system in compliance with the relevant laws and regulations, and relevant international standards namely ISO27001 (Information Security Management System), ISO20000 (IT Service Management System), and ISO27701 (Privacy Information Management System)</li> <li>Review and assess IT security management guidelines regularly to keep pace with the emerged situation and test cybersecurity readiness regularly, as well as participating in the cybersecurity testing with the regulatory entities and other related entities</li> <li>Set up a working group to handle the cybersecurity and cyber threat incidents in order to give advice and recommendations, support the operations, while providing useful guidelines to cope with IT cyber threats</li> <li>Provide various types of advanced preventive and precautionary cybersecurity tools with international standards, such as Antivirus and AntiMalware, Firewall, DDoS Protection, etc.</li> <li>Share knowledge and arrange awareness test on IT security for staff regularly</li> </ul>



Risk Factors	Explanation	Potential Impacts	Risk Management Measures
<b>Fraud and corruption</b>	SET is one of the country's leading financial institutions, with an end-to-end securities trading and investment services. Therefore, if there is a case of corruption involving SET's operating process, it will seriously damage the stakeholders and SET's reputation.	<ul style="list-style-type: none"> <li>Impact on SET's financial and business operations</li> <li>Impact on the confidence of related parties in the capital market</li> </ul>	<ul style="list-style-type: none"> <li>Implement anti-corruption measures in accordance with the guidelines of the Anti-Corruption Practice Guide of the Thai Private Sector Collective Action Coalition Against Corruption Council (CAC) project</li> <li>Specify that each department must assess and identify risk measures on fraud and corruption regularly every year to ensure that the risk is at an acceptable level. Moreover, there is also an internal control system that can examine the effectiveness of such measures continuously.</li> <li>Implement in compliance with good corporate governance guidelines, such as the segregation of duties, the review of operations both by business units and by the Internal Audit department, as well as the insistence for employees to perform duties in compliance with employee Code of Conduct, etc.</li> <li>Communicate and provide knowledge on anti-corruption measures and 'No Gift' policy in SET's operating process with all groups of stakeholders</li> </ul>

**Financial Risks**

<b>Counterparty or clearing and settlement risk</b>	Thailand Clearing House Co., Ltd. (TCH) is a center for clearing and settlement of securities, and is also a central counterparty (CCP) for SET for both the buyers and sellers. TCH takes the risks of the liabilities of the clearing and settlement of all transactions of securities and derivatives traded on SET and TFEX. In the event that a TCH member is unable to fulfill its obligations, whether it be clearing and settlement, or delivery, as such, TCH has the duty to manage risks whether it be the dealing with the outstanding status of a defaulting member, including the provision of funding sources for settlement on behalf of the TCH member, inclusive of the value of the damage that may occur in order that the market participants can operate the business.	<ul style="list-style-type: none"> <li>The impact of liquidity risk of TCH which has the duty to handle the clearing and settlement on behalf of the members</li> <li>The impact from the fact that TCH has to handle on behalf of the members who cannot comply with the obligations in clearing and settlement of securities due to the members' liquidity problem and / or bankruptcy (credit risk)</li> </ul>	<ul style="list-style-type: none"> <li>TCH specifies membership qualifications based on financial strength, risk management, operation system, and workforce of those who want to be members to ensure their business stability and minimize potential risks to the industry, including regularly monitoring members' eligibility and compliance.</li> <li>TCH requires all members of SET and TFEX to place collaterals to prevent any damage that may occur from holding the member's positions. The collateral value varies depending on the purpose, whether it be to accommodate risks occurring in a normal situation or risks under a stressful event. The collateral placed by the member must have low market risk, liquidity risk, and credit risk, to be able to support cases that TCH may enforce such collateral to settle the unpaid debts or cover the damages incurred.</li> </ul>
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Risk Factors	Explanation	Potential Impacts	Risk Management Measures
<b>Counterparty or clearing and settlement risk (continued)</b>			<ul style="list-style-type: none"> <li>TCH manages financial resources to accommodate damages that may arise from default or delivery of securities, including Clearing Fund, and SET Reserve Fund. TCH clearly specifies the “Default Waterfall” according to each market, and conducts the “Stress Testing” to test capital sources adequacy in the event of a crisis. In 2023, TCH started to use the approach of contributing funds to the Clearing Fund, by considering risks at each member’s level, as well as developing the work system to enable members to estimate the Clearing Fund contributions on a monthly basis.</li> <li>TCH monitors, evaluates, and provides liquidity resources to cover damages that may arise due to failure of members or related parties to meet their obligations within the specified time.</li> </ul>
<b>Investment risk</b>	<p>Investment risks can be classified by asset classes such as funds, equities, bonds, gold, and commodities, etc., which may be caused by volatility in the overall market conditions and economy.</p>	<ul style="list-style-type: none"> <li>Impact on SET’s financial performance and reserves</li> </ul>	<ul style="list-style-type: none"> <li>Invest in accordance with the investment management policy and ratio set by the SET BoG. In addition, there is an Investment Committee (IC) to control and oversee so that the investment is in line with the specified policy and ratio. Moreover, the status of investment risks is also monitored and reported to the IC, the RMC, the AC, and the SET BoG regularly to ensure that the risk is within the set level.</li> <li>Diversify investment in various types of securities and set an investment limit to each financial institution or issuer to ensure the appropriate investment diversification and the limited impact on investment if any damage occurs. In addition, the Value at Risk (VaR), a statistical calculation risk analysis tool, has also been used to control the overall level of risk in the portfolio within a specified limit.</li> <li>In the case of debt instruments, SET invests in various types of securities such as government bonds, bank deposits, money market mutual funds, and corporate bonds with at least “A-” credit rating or equivalent.</li> </ul>

## 6 Internal Control

The Board of Governors (BoG) places importance on good internal control systems by supporting the management to set regulations and operation practices, and considering the segregation of duty for check and balance. In addition, the delegation of authority has been clearly determined and documented. The Audit Committee (AC) has been assigned to govern and oversee, and audit the operations of the SET group. The Internal Audit Department has been assigned to review the internal control system concerning operations, financial reporting, and regulatory compliance, based on the internal control guidelines framework of The Committee of Sponsoring Organization of Treadway Commission (COSO). In 2023, the AC viewed that the SET group had an adequate and appropriate internal control system and risk management. There were no significant deficiencies in internal control.

### Structure of the Internal Audit Unit

The Internal Audit Department is an independent unit reporting directly to the AC, while the administrative functions shall report directly to the SET President. The AC considers and approves the appointment, the transfer or the termination of employment, and the performance evaluation of the head of the internal audit unit, as well as approving the budget of the Internal Audit Department. At the end of 2023, the department's highest-ranking executive was Yossavadee Debbhasdin Na Ayudhya, Vice President - Head of Internal Audit Department.

### Internal Audit Operations

The scope of internal audit work covers inclusively starting from the business unit level, the supporting systems and the business of the SET group. The Internal Audit Department has the rights to access to the information necessary for auditing, carry out the auditing, as well as assessing the sufficiency, suitability and efficiency of the internal control system of various processes and systems according to the audit plan as approved by the AC. The annual audit plan has been prepared based on the risk-based approach, with support to the organization's strategic plan, which will be reviewed during the year in line with the changing risks. The Internal Audit Department regularly reports the audit results and the management's progress monitoring results directly to the AC.

In 2023, SET implemented certain projects to enhance the efficiency of the internal control system and the internal audit process. The details can be summarized as follows:

- SET prioritizes the development of computer systems to enable good control, by assigning the Internal Audit Department to conduct the pre-implementation review accordingly.
- The operations of SET's information technology (IT) system have to comply with the framework and guidelines of the regulatory bodies. The Internal Audit Department conducts regular annual assessments of the operations. Starting from 2023, a significant new enforcement was the Notification of the Office of the Securities and Exchange Commission No. Sor Thor. 38/2565 regarding rules in details on establishment of information technology systems.
- In performing the audit work, the Internal Audit Department has utilized audit tools to analyze and verify data in order to boost efficiency in both speed and number of random items to be checked. In addition, the Internal Audit Management System has also been set up to support the audit process of the Internal Audit Department so as to meet the standards and further enhance efficiency.

SET promotes the learning and continuous improvement of internal auditors, especially in digital and technology skills, and helps them to attain professional internal audit certifications, both local and global ones. In 2023, the internal audit officers achieved more professional qualifications in auditing, including Certified Information Systems Auditor (CISA) and ISMS ISO27001:2022 Lead Auditor. In 2023, the staff of the Internal Audit Department attended training sessions for a total of 104 days (man-days).

### Internal Audit Quality Assessment

SET regularly arranges an internal audit Quality Assessment Review (QAR) with reference to international professional practices framework. The Internal Audit Department conducts self-assessed peer review on an annual basis, and obligates an assessment by independent external expert every five years to ensure that the quality of the internal audit work meets international standards. Consequently, this will help support SET's operations to achieve the set goals by having a transparent, efficient and effective internal control system. The latest assessment conducted by an independent external assessor was in 2021.

# 7 Driving Business for Sustainability

## Sustainable Policies and Practices

The Stock Exchange of Thailand (SET) prioritizes integrating environmental, social and governance (ESG) issues into its corporate strategy. The SET Board of Governors (BoG) has assigned the Sustainability Committee (SC) to set policies and oversee operations and continuous disclosure of sustainability information to ensure that various departments within the organization can put relevant policies into practice to achieve organizational objectives and meet stakeholder needs.

In 2023, SET established a management-level “Working Group on Driving Greenhouse Gas Emission Reduction” to set a net zero target by 2050 in line with the Science-Based Targets initiative (SBTi) standards. The working group regularly reports progress to the SC and the BoG. Details appear in the 2023 Sustainability Highlight.

### Sustainable Material Topics

SET analyzes and assesses sustainable material topics that are aligned with the capital market industry trends. Th assessment is based on the Double Materiality approach under the GRI Standards 2021 by considering both positive and negative factors that may have or create an impact on the economy, society, and the environment. Additionally, it takes into account the human rights of stakeholders in a comprehensive manner to ensure that the SET’s operations can mitigate risks, create opportunities, and maintain its business competitiveness for stakeholders throughout the value chain.

In 2023, SET considered and identified sustainable material topics to be an integral part of its strategic planning and goal setting, covering related plans in an appropriate manner as follows:

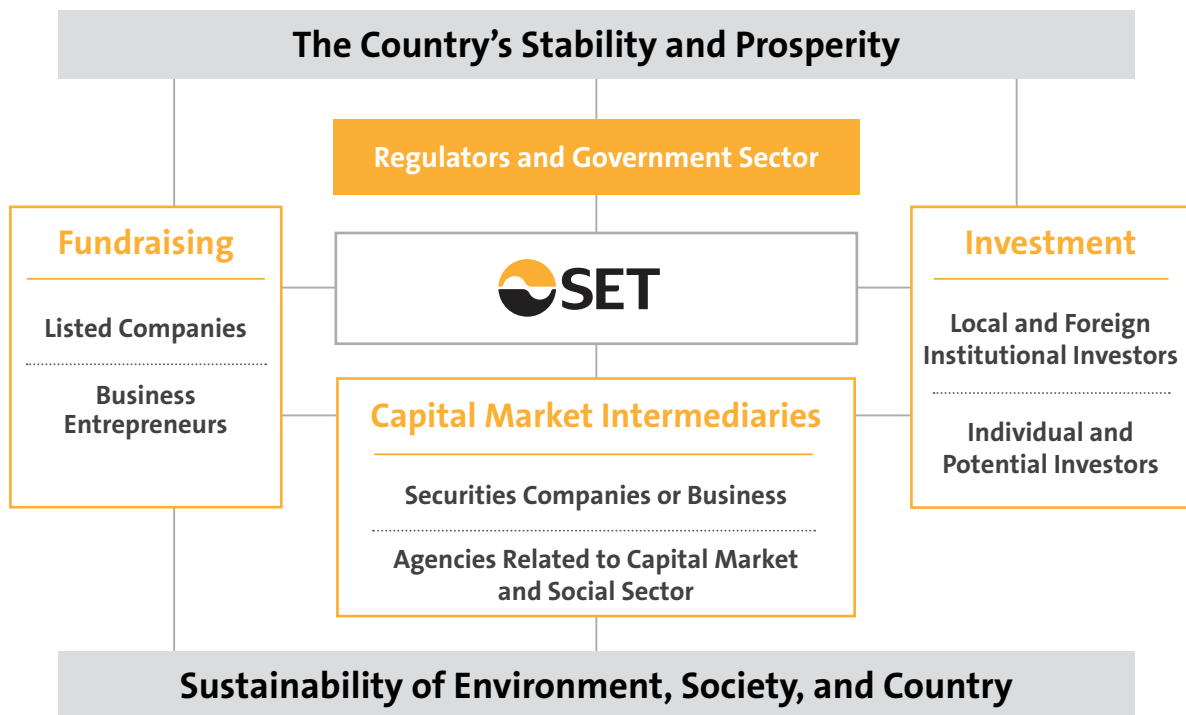
Sustainable Capital Market	Social Inclusion	Climate Action
<p><b>Risk</b></p> <ul style="list-style-type: none"> <li>Adapting to keep pace with situation to maintain competitiveness is crucial against the backdrop of a rapid growth in investment value of various asset classes.</li> <li>Change in rules and sustainable investment trend increases operating costs.</li> </ul>	<p><b>Risk</b></p> <ul style="list-style-type: none"> <li>Investment information has become a channel for investment scams.</li> <li>Entering an aging society, while the proportion of those with retirement savings is decreasing</li> </ul>	<p><b>Risk</b></p> <ul style="list-style-type: none"> <li>Climate change impacting business operations in the capital market, such as business interruptions due to shortage of production factors, or obstacles in transportation and services, or the emergence of new diseases</li> </ul>
<p><b>Opportunity</b></p> <ul style="list-style-type: none"> <li>Developing diverse investment products and tailored solutions for investors such as SETESG Index and SET ESG Ratings</li> <li>Promoting capital market mechanisms to drive society and environment to grow together</li> </ul>	<p><b>Opportunity</b></p> <ul style="list-style-type: none"> <li>Promoting investment knowledge and financial planning</li> <li>Developing access channels for retirement savings</li> </ul>	<p><b>Opportunity</b></p> <ul style="list-style-type: none"> <li>Developing environmentally-friendly products such as Climate Indexes, Climate Bonds, etc.</li> <li>Promoting the growth of green industries in the capital market</li> </ul>

However, SET reviews sustainable material topics at least once a year in order to respond to today’s rapid changes. Details appear in the 2023 Sustainability Highlight.

## SET’s Business Value Chain

SET acts as an intermediary, making funding source accessible to potential entrepreneurs for business expansion. Also, SET has a role to play in developing convenient channels for investors and the general public to invest in a variety of businesses and financial products for savings and investment returns. When all sectors grow with stability and quality, it will lead to positive outcomes for the economic system, such as higher employment rates, increased consumer purchasing power, money circulating in the economy creating liquidity, and investment in infrastructure uplifting quality of life for society overall.

SET offers products, services, and investment innovations that meet the needs of all sectors, in conjunction with the continuous development of an effective corporate governance and management, and capital market system. SET is committed to the benefits of stakeholders, society, and the environment in all business processes, from securities listing to disseminating investment knowledge to society.



### SET’s Stakeholders

SET has diverse stakeholder groups across its business value chain, both directly and indirectly involved based on their roles and business activities. To foster effective collaboration, SET emphasizes stakeholder engagement and listening to their views through online, offline and hybrid communication channels to allow everyone to access information, news, and express their opinions through channels that are appropriate for the interests of each stakeholder group. SET collects stakeholder data and feedback to effectively formulate operational plans.

In 2023, SET’s key stakeholder groups comprise 1) Listed companies and entrepreneurs, 2) Member companies and intermediary institutions, 3) Investors, 4) Board members, executives and employees, 5) Regulators and the government sector, 6) Agencies related to capital market and social sector. Details on the stakeholder analysis and engagement process appeared in the 2023 Sustainability Highlight.

# SET's Sustainability Operations

## Corporate Governance and Economic Dimensions

### Policies and Practices on Corporate Governance and Economy

SET recognizes that corporate governance (CG) is the fundamental of sustainable growth for the organization and the capital market. SET's Board of Governors (BoG) has therefore established the vision, the missions, and the structure and system of good corporate governance in business operations. SET informs the governors, executives and employees at all levels to strictly adhere to corporate

governance policies. Details on SET's corporate governance are in Corporate Governance Policy chapter. In addition, good corporate governance is a factor that drives the organization with capabilities to compete, develop and create innovations amid changing environments. The key performance for business and stakeholders are as follows:

### Sustainability Performance on Corporate Governance and Economy

Maintaining and driving the economic ecosystem to grow sustainably is crucial nowadays and requires cooperation from all sectors. Every year, the capital market must brace for increasing complexity of challenges from economic, environmental and social changes.

The success of the capital market therefore depends on developing the ability to adapt, strengthen resilience and build immunity. Currently, developing an economy that values the environment, society and good governance in order to grow in a balanced way is considered a foundation for building confidence and creating new opportunities for the capital market itself and everyone in society.

SET has been determined to develop and promote sustainability in the capital market for over 20 years, from developing corporate governance for listed companies, promoting knowledge of sustainable finance and investment for the broader public, and fostering the concept of sustainable business development.

SET pioneered the SET ESG Academy to be a center of up-to-date knowledge on sustainable development for the capital market, with over 2,000 learning materials to allow a broad range of stakeholders to access to knowledge and information, adapt to evolving trends, and translate knowledge into action.

SET also organizes workshops, seminars, and provides ESG Scholarships for sustainable development to personnel of stakeholders. It is also an incubator of ESG DNA for personnel in the capital market, creating and enhancing the sustainable development profession (ESG Professionals) to meet demand. Moreover, SET has gathered ESG expert personnel and created SET ESG Experts Pool network, which currently has over 300 members, to develop, build upon, exchange knowledge and jointly drive ESG development in the capital market sector and disseminate knowledge to the broader public.

In addition, SET places importance on appropriately engaging stakeholder groups in the capital market to ensure that various agencies in the capital market can develop robust and sustainable businesses as follows:





## Corporate Sustainability Development for Listed Companies

SET realizes the importance of the quality of listed companies, especially the preparation of human resources to support the quality growth of industries and capital markets. Furthermore, SET also educates and disseminates the principles of business development and investment taken into consideration of environmental and social issues that can affect long-term business operations.



### Sustainable business development for listed companies

- Carried out the Sustainable Development Journey (SD Journey) project for medium and small listed companies since 2019. The project emphasizes on building knowledge and understanding in implementing key ESG issues across the business value chain, from risk analysis processes, to policy and strategy setting, planning, and engaging participation within organizations to ensure that executives and employees can put ESG issues into concrete practice. In 2023, 44 companies joined the project, bringing the total to 186 participating companies. Among them, 48 companies have been selected as sustainable stocks in the SET ESG Ratings.
- Organized training workshops to help listed companies comprehensively understand and manage ESG related risks, as well as disclosing such risks transparently with the tools provided for effective ESG risks assessment. In 2023, 157 listed companies participated in these workshops.
- Implemented the Climate Change Measurement & Management project to raise awareness and provide hands-on practice to equip listed companies with skills related to risk analysis, risk management and greenhouse gas emission disclosure for organization through workshops and in-depth consulting. There were 40 early-stage listed companies who are new to greenhouse gas measurement and management participated in this project.
- Carried out a pilot project on Climate Change Management Organization to support nine potential listed companies in setting targets, strategies and disclosing organizational greenhouse gas management information in line with the Task Force on Climate-related Financial Disclosures (TCFD) standards.
- Organized the Sustainability Data Quality Development Program for 22 listed companies (batch 1) by SET and the Capital Market Development Fund (CMDP), in collaboration with leading sustainability consulting firms. This enabled companies to gain awareness, understanding and a learning process on implementing key sustainability issues from policies into tangible outcomes, leading to quality sustainability disclosure in accordance with the Sustainability Reporting Guideline and recommended ESG metrics by industry groups, and also consequently elevated overall data quality in the ESG Data Platform.
- Supported the Thai Institute of Directors Association (IOD) to assess listed companies' Corporate Governance Reports (CGR) by enhancing the evaluation of ESG performance, focusing on both the intensity of the ESG efforts and their alignment with current business practices. In 2023, 782 listed companies participated in the assessment with an average score of 81 percent.
- Organized activities to uplift business practices in line with the SET ESG Ratings assessment through e-learning courses and coaching activities. These programs focus on key criteria, evaluation processes, and sustainability assessments, ensuring companies are well-prepared for the evaluation, by which 209 listed companies were interested in joining these activities.
- Disseminated the ESG Impacts and Business Showcases 2023 report, which complied examples of best practices from the 193 companies recognized in the 2023 SET ESG Ratings, demonstrating the measurable benefits of sustainable business operations for both internal and external stakeholders.

## Sustainable investment promotion

- Developed courses and knowledge materials on sustainable investing for investors and capital market professionals. In 2023, SET developed five new courses focusing on approaches and strategies for analyzing ESG data, including guidelines for selecting investments based on the Net Zero trend for investors and interested parties. Additionally, knowledge materials in the form of articles and infographics were developed for dissemination through the SET group's websites for convenient access. In 2023, there were 45,531 views of the sustainable investing learning materials, and 715 professionals took the sustainable investing courses.
- Evaluated and selected sustainable stocks from sustainable outstanding listed companies. In 2023, the announcement format was reformed from the THSI list to the "SET ESG Ratings", assigning rating scales with levels of AAA-BBB to the qualified listed companies. At the end of 2023, 193 listed companies received SET ESG Ratings, an increase from 166 companies in the previous year. The 193 companies represented 72 percent of the combined market capitalization of the SET and mai.
- Provided ESG Ratings information, including ESG Risk Ratings assessments from six global ESG raters, namely ESG Book, Morningstar Sustainalytics, Moody's ESG Solutions, MSCI, Refinitiv and S&P Global. The data is available on the settrade.com website for investors and interested parties. In 2023, there were a total of 181,301 views accessing the ESG Ratings information and ESG Risk Ratings data.
- Disseminated the SETESG Index, which is a share price index on SET that meets the criteria for SET ESG Ratings sustainable stock assessment. The index reflects the price movements of listed companies that conduct business taking into account economic, social, and environmental factors. The SETESG Index serves as both a benchmark index to measure investment performance and for launch of other financial products such as mutual funds or exchange traded funds (ETFs) referencing sustainable stocks. At the end of 2023, SET had 114 securities listed on the SETESG Index, accounting for 73 percent of the SET's total market capitalization.

- Provided Thai listed companies' ESG data service through the SETSMART system, available both on a website where users can download excel documents, or via an Application Programming Interface (API). This empowers users to access individual company and industry ESG data seamlessly. Users can also view historical data dating back up to five years. Nevertheless, SET remains committed to enhancing its ESG datasets, continuously providing valuable tools for informed investment decisions.

## Sustainable infrastructure development

- Developed ESG Data Platform as a channel for listed companies' ESG information disclosure in accordance with the 56-1 One Report of the Securities and Exchange Commission (SEC) and other international sustainability reporting standards. The ESG Data Platform acts as a database that gathers ESG performance data of listed companies in an end-to-end manner, from data submission to disclosure. Users can also conveniently compare ESG data alongside financial information, enabling well-informed business and investment decisions. In 2023, over 76 percent of listed companies submitted information via ESG Data Platform.
- Developed manual and Master Trading Agreement for Verified Emission Reductions and Renewable Energy Certificates (RECs) to accommodate interested parties with standard agreement for carbon credit and RECs trading which provides clear guideline for counterparty and cater to the rising carbon credit trading transactions both locally and internationally.
- Initiated and developed greenhouse gas management system for listed companies, or the SET Carbon System to provide them with a tool to collect, manage, calculate, report, and verify greenhouse gas emission data. The SET Carbon system will also connect with the ESG Data Platform to allow companies to submit data on a single system. Furthermore, the system will help enhance the quality of greenhouse gas emission data on the ESG Data Platform. It is expected that the SET Carbon System will go live in 2025.

## Capacity Building for Intermediaries

SET together with relevant agencies has jointly enhanced the knowledge and potential for the operations of securities professionals such as investment analysts, investment consultants, securities support officers and students to prepare their readiness for entering the capital market industry. The development focuses on critical thinking skills that will enable them to adapt to changes. The key initiatives are as follows:



### Promoting the new CISA curriculum to be widely accepted and recognized

SET has continuously offered scholarships for the Certified Investment and Securities Analyst (CISA) training course to capital market personnel and students. In addition, SET has proactively promoted the foundation level of CISA or Accredited Investment and Securities Analyst (AISA) curriculum to be taught in higher education, in order to prepare qualified personnel to become securities professionals in both analysis and investment management. At the end of 2023, 12 universities offered such courses and SET has cooperated with the Association of Thai Securities Companies (ASCO), Investment Analysts Association (IAA), the Association of Investment Management Companies (AIMC), the Thai Life Assurance Association, and Thai Listed Companies Association (TLCA), to set guidelines for personnel development as follows:

#### New Breed Capital Market Financial Professionals 2023 project

SET has enhanced investment analysis and management knowledge through training and examination grants for the CISA curriculum at the foundation knowledge (AISA) level to undergraduate students in their 3rd year or higher from 86 universities across the country, totaling 2,687 people, to participate in various activities of the project, including:

- Learning through intensive courses prepared in both e-learning and live training formats, totaling over 120 hours.
- Taking the AISA curriculum examination (with 200 students meeting the criteria and receiving grants).
- Fulfilling knowledge, skills, and experience beyond classroom through a newly added activity called the “Exclusive Financial Career Camp,” comprising two career tracks: financial institutions and listed companies. This aims to expose students to the business world and working life of professionals through company visits, fostering motivation for self-development in the financial profession. A total of 120 students were selected to participate in this activity.

#### CISA Scholarship project

- Promoted knowledge and expanded professionalism in the in-depth financial analysis and investment management. Along with enhancing the potential of those who have passed the CISA Foundation Knowledge (AISA) level, enabling them to have the knowledge and skills to keep pace with capital market developments and empower them to effectively apply to their operation. This includes developing exemplary personnel in listed companies and financial institutions who have obtained the qualification from the newly revamped curriculum, the first batch in the Thai capital market.
- Provided training and examination grants for the first batch of the CISA Advanced Knowledge level curriculum in the Thai capital market. Participants learned the content through e-Learning and attend preparatory training sessions for the CISA examination with instructors and experts. The grants helped creating 105 personnel, or 62 percent of total participants, who have passed the first batch of CISA Advanced Knowledge level curriculum for the Thai capital market.

#### CISA Professional Community

- Initiated the establishment of a CISA Professional Community, with the objective of fostering a community of individuals who have passed the CISA curriculum at all levels, through the LinkedIn platform. This led to further collaboration in developing financial analysis and investment management together. Organized the CISA Lifestyle Activity, which served as the official inaugural event under the theme ‘Innovative’ on the topic ‘AI in Financial World’, with 58 CISA certified individuals registering to attend.
- Initiated to present CISA Achievement Award at the CISA Certification Ceremony to congratulate CISA graduates who have brought honor to the program and made significant contributions to the Thai capital market.

### Migration program for new CISA

- Supported and provided opportunities for those who have previously passed the CISA curriculum (Levels 1 and 2) to further develop their knowledge by participating in the courses and leveraging training results to register with the Securities and Exchange Commission (SEC) and request to use the certificate marks after the 'Association of Investment Analysts' name. At the end of 2023, there was a total of 522 applicants for the Migration Program's training, with 295 people passing the training according to the conditions.

### Strengthening Financial Professionals @ Intermediaries

- Developed the curriculum content to cover new investment products, techniques for investment planning in terms of both knowledge and soft skills in practice, as well as content related to integrating ESG factors into investment recommendations and analysis. A total of 11,016 personnel from intermediaries have received knowledge development through training courses in both live training and classroom formats, consisting of 9,482 investment consultants, 495 investment analysts, and 1,039 securities operations officers and human resource officers.

### Setting testing standards and renewal training for securities professionals

- Oversaw the readiness of the examination system and established testing standards for the investment

consultant and CISA curriculum to keep pace with current situation. SET has initiated a feasibility study for establishing regional examination centers for the CISA curriculum in three provinces: Chiang Mai, Khon Kaen, and Songkhla, aiming to facilitate convenience and reduce travel burdens for examinees, including students and the general public, by providing easier and more convenient access to the examinations. This expanded the support for academic collaboration projects for capital market development with universities in the regions. It is expected that the project will officially commence in 2024.

- Conducted 30 random inspections to assess the operational standards of authorized examination centers, training institutions, and tutorial centers
- Approved 118 new renewal training courses for licenses across 14 training institutions, with the aim of expanding course content to support knowledge development for license holders
- Developed additional functions for the Prof. Link Application to meet the needs of stakeholders involved in the license renewal training process. This included promoting and encouraging license holders to use the application, resulting in a total of 67,663 downloads as of the end of 2023, an increase of 27,311 downloads or 68 percent from the previous year

## Knowledge Enhancement and Quality Investor Base Expansion

SET promoted financial literacy and investment knowledge, along with expanding the base of quality investors, by disseminating investment knowledge and services through various accessible channels. In 2023, there was an increase of 676,853 new investment accounts.



### Quality investor base expansion

- Enhanced investment knowledge, especially among the new generation, through online platforms such as websites and social media that align with current behavioral trends. Simultaneously, organizing investment promotion activities in collaboration with capital market participants to continuously enhance investment experience and potential, such as the SET in the City investment expos, SET roadshows, Fund Wealth Fair, and Mutual Fund Fair, among others.
- Facilitated convenient and lifestyle-oriented investment by improving account opening procedures to enable investors to seamlessly access other investment products like derivatives. Moreover, expanding the "Point to Invest"

partnership to 13 partners, covering over 50 million users, to allow them to redeem credit card points and loyalty program points for mutual funds.

- Collaborating with capital market partners and government agencies to initiate the "Collaboration in the Fight against Investment Fraud" project, to exchange information, verify and identify false news, and joining forces with the Capital Market Development Fund (CMDF) to launch an awareness campaign through various media channels, enabling the public to develop immunity and avoid falling victim to investment scams.

### 21-Day Challenge project: able to trade stocks season 2

Launched the “21-Day Challenge” Season 2. The mission challenges you to select stocks yourself and trade stocks easily via the comprehensive knowledge-packed Playbook containing articles, short clips, and e-learning courses. There were also live sessions to exchange views and ask gurus questions every week. The live sessions had a total of 78,770 views, generating 10,123 engagements. Moreover, 90.50 percent of viewers were satisfied with the content, and 23 percent reported an increase in knowledge after participating in the program.

### SET e-Learning Platform for learning about financial planning and investment

- Developed 23 additional courses on financial planning and investment such as: new debt management courses

including Credit Bureau, Debt Notebook (in collaboration with National Credit Bureau Co., Ltd.), new financial planning courses including Money Style Season 3: Turn Your Passion into Career with sustainable financial planning, and new investment courses including Managing PVD Portfolio, Comprehensive Investing, Building a Stock Portfolio, Investing in Debt Instruments, Investing in DRs and Investing in ETFs. Currently, there are a total of 135 e-learning courses with accumulative course registrations of 3,638,558 times (repeat counts).

- Collaborated with partners to increase reach to target user groups, such as the Student Loans Fund (SLF). Supported 51 SET e-Learning courses, which have accumulated 3,154,937 course registrations (repeat counts).

### Technology Development for Capital Market

SET is the central developer of systems related to securities trading and modern capital market infrastructure to accommodate rapid technological changes to facilitates market participants’ access to products and services that meet digital-era investment needs, under good corporate governance principles. SET places importance on IT governance and transparent capital market oversight. At the same time, SET prioritizes cyber threat monitoring by regularly testing systems and cultivating an organization-wide cybersecurity culture to raise awareness and enable timely prevention planning.



### SET’s Technology Standard

**Information Security Management Standard  
ISO 27001**

(Information Security Management)

**IT Service Management Standard  
ISO 20000**

(IT Service Management)

**Privacy Information Management Standard  
ISO 27701**

(Privacy Information Management)

### Transaction and digital system development

#### New Trading System Development project

Developed New Trading System to support the capital market expansion, and upgraded the Order Entry System and Market Data dissemination to standards on par with the world’s leading stock exchanges. The New Trading System went live on May 8, 2023.

#### TDX’s digital token trading system development

- The TDX digital token trading system has been certified with ISO27001 Information Security Management and ISO27701 Privacy Information Management standards.

- Developed the TDX application in parallel to serve as a channel for public investors to access investment on TDX with 24/7 staff assistance. The application marked the SET group’s first system that provides non-stop trading service.
- Debuted on September 25, 2023, RealX Token emerged as the first digital token traded on TDX. Other digital tokens which were under the SEC’s consideration, and planned to seek listing on TDX.



## Investment product and information service development

### ESG Data

Around 76 percent of listed companies have fed ESG data to the ESG Data Platform.

### Issuer One-Stop Service (ISOS)

Securities issuers can issue Depositary Receipts (DR) and Fractional Depositary Receipts (DRx) either through an IPO or Direct Listing.

### Data structure for One Report

Listed companies submitted 100 percent of their One Report for 2022’s Structured Data version, and the One Report Phase 3 system would be ready for use in preparation of the 2023 annual reports to be submitted in 2024.

## Enhance Market Surveillance

SET placed importance on overseeing securities trading and the overall capital market to ensure orderly, fair, and transparent operations. In 2023, SET emphasized strengthening governance in all dimensions, including elevating the oversight of listed companies throughout the process, from selecting companies to be listed on SET and mai to intensifying the supervision of listed companies. Market surveillance has also tightened up to ensure closer oversight of member companies and trading activities to create a fair and orderly market and build investor confidence.



### Review positioning of SET- and mai-listed companies

Uplifted supervision measures for listed companies by improving the qualifications of companies to be listed on SET and mai to ensure the strong operating performance and financial position.

### Considering customers’ trading limits

Required member companies to consider customers’ quality and collateral when setting trading limits and order sizes for customers’ securities purchase orders to prevent member companies’ risks. SET has been working the matter with the SEC and the ASCO.

### Strengthening supervision measures for listed companies and investor alerts

Added investor warning with a “C” (Caution) sign for companies that may have any impacts on investment decisions and disclose any issues such as declining performance trends, verifying that there is no actual operation, consecutive losses, debt defaults, auditors’ disclaimer of opinion on financial statements, non-compliance with free float requirements, or incomplete audit committees as required. Listed companies must hold meetings to provide information to investors and related parties.

### Intelligent Document Processing Platform System

Deployed the Intelligent Document Processing Platform powered by Machine Learning (ML) and Robotic Process Automation (RPA) technology as a tool to monitor and verify the completeness of information disclosure by listed companies as per criteria, starting with financial statements and reports from 2023 onwards.

### Stricter supervision for short sale activities

Strengthened oversight of short selling transactions by issuing a circular letter that specifies the timeframe for evidence submission to verify securities adequacy before executing customers’ sell orders. This must be done within 15 days from the date SET requests it. Failure to submit will lead to the presumption that the member company did not comply with the SET’s criteria.








## Social Dimension

### Social Policies and Practices

The Stock Exchange of Thailand (SET) adheres to driving the capital market responsibly, fairly, transparently, and inclusively, taking into consideration the benefits of all groups of stakeholders. The corporate core values or “SET DNA” have therefore been established to develop the potential of employees, consisting of five expected characteristics as follows:

#### SET DNA Corporate Values

 <p><b>Leadership</b></p> <p>A leader dares to think, act, and make decisions to change for the better</p>	 <p><b>Proactive</b></p> <p>Proactive, enthusiastic, motivated, ready to overcome obstacles and challenges</p>	 <p><b>Proficient</b></p> <p>Professional to achieve goals efficiently</p>	 <p><b>Partnership</b></p> <p>Focusing on team working and building collaborative relationship with others to achieve team success</p>	 <p><b>Sustainable</b></p> <p>Performing duties by taking into consideration the economic, social and environmental development for sustainable growth together</p>
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Additionally, SET also ascertains that in applying social principles or practices that cover respect for human rights, promotion of equality, non-discrimination against any person based on race, gender, religion, age, education or any other matter, strict compliance with the law, as well as creation of workplace atmosphere that is safe and instrumental to learning for employees and stakeholders, will lead to sustainable growth of the business and the society.

To ensure that good social principles and practices are fully applied, SET has therefore integrated them into various policies and code of conducts, such as policies and code of conduct for operating business, code of conduct for governors, committee members and experts, for employees, and for partners, including policies on safety, occupational health, and working environment. These various policies and codes of conduct will be reviewed annually for appropriateness and in accordance with the changing situation.

## Social Performance

### Employees Potential Development and Care

Employees are important human resources to the capital market development and the drive to achieve the set goals. This is the reason why SET focuses on taking care of employees starting from the transparent recruitment process, continuous care and development of employee potential, fair performance assessment as well as fair compensation payment as incentives to motivate employees’ engagement to decent and safe workplace environment. Therefore, to be able to efficiently materialized employee policies and practices in line with laws and good practices, SET has set up various committees or working groups to carry out the following implementations:



### Welfare Committee

Jointly discussing with the employer in providing appropriate welfare, and consultation and suggestions on suitable welfare arrangements, as well as monitoring, steering, and overseeing to ensure efficient welfare arrangements, and then providing opinions to the Labor Welfare Committee to push the welfare package that is most beneficial to employees

### Provident Fund Committee

Managing funds, taking care of members, setting investment guidelines, appointing and dismissing asset management companies, auditors and liquidators, or persons involved, and performing other duties as required by law, for the optimum benefit of members

### Safety, Occupational Health, and Working Environment Committee

Considering policies, plans, and guidelines regarding safety, occupational health, and the working environment as specified by laws, promoting and supporting activities relating to safety matters, including monitoring and controlling working conditions, environment and working modes, investigating to find the cause of accident and dangerous events, as well as reporting operational results to the employer, Board of Governors (BoG), and relevant entities

### SET Savings & Cooperatives Operation Committee

Formulating policies, directions, and overall strategic goals of the cooperative for submission to the general meeting for consideration and approval, including steering and overseeing to ensure that the management carries out such policy with efficiency and effectiveness, as well as monitoring and overseeing to ensure that the management manages the cooperative’s work efficiently, while implementing strictly in compliance with the law on cooperatives and other related laws

### SET Employee Club Committee (Sor.Por.Tor.)

Each of the one-year term, a total of 21 committee members shall be elected and appointed, responsible for organizing activities to promote employee participation according to the SET DNA corporate values, while also promoting the synergy of employee engagement enterprise wide.

In 2023, SET’s various plans, projects, and operating performance were as follows:

#### Fair Employee Treatment

SET adheres to the principle of treating employees fairly and equally, with no discrimination due to differences in gender, disability, age, education, or any other matter, as well as honoring and respecting each other in compliance with human rights principles. Therefore, such principles of good practice have been applied starting from the recruitment and hiring process of employees onwards, by taking into consideration the applicants’ qualifications, abilities, and attitudes suitable for the job positions and corporate values.

Full-time employees  
(classified by gender)

**825** persons

Voluntarily resigned  
(classified by gender)

**27** persons



**33%**  
**269**



**67%**  
**556**



**41%**  
**11**



**59%**  
**16**

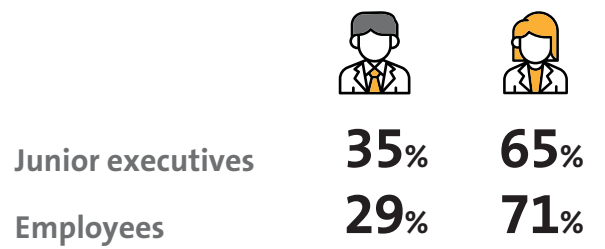
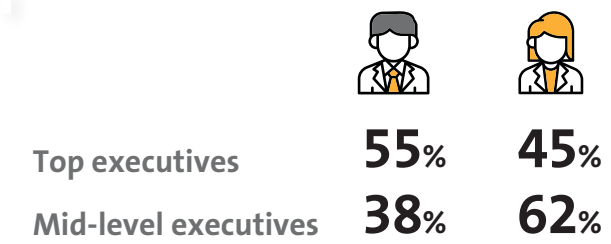
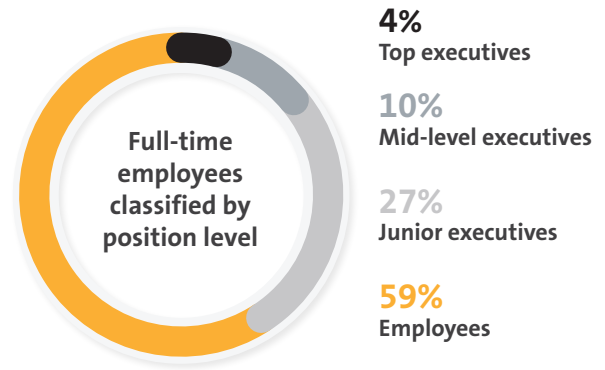
Average length of service  
**15.5** years

Average age of employees  
**43** years

Full-time employee voluntary resignation rate  
**3.3%**

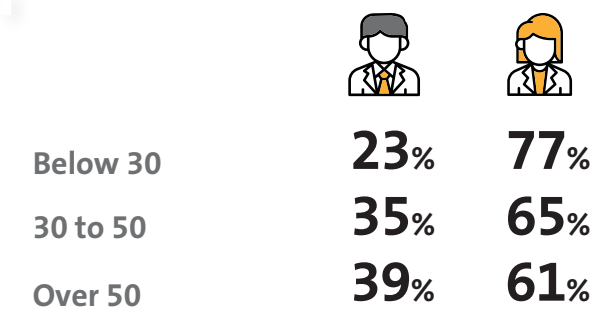
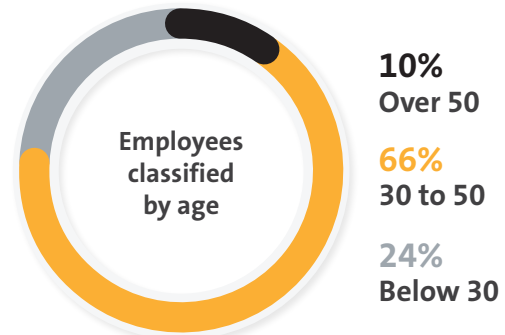
### Number of full-time employees classified by position level

Employee level	Male	Female
Top executives	17	14
Mid-level executives	31	51
Junior executives	79	144
Employees	142	347
<b>Total</b>	<b>269</b>	<b>556</b>



### Number of employees classified by age

Age	Male	Female
Over 50	33	52
30 to 50	191	352
Below 30	45	152
<b>Total</b>	<b>269</b>	<b>556</b>



**Number of employees with disabilities**

# 5 persons

Note: SET hired five persons with disabilities (one full-time employee and four temporary employees) in compliance with the ratio as prescribed by law. Not include three people with disabilities who work as massage therapists in accordance with the regulations section 35.

SET encourages the third and fourth-year students from higher education institutions across the country to enter the SET Internship program to promote learning process and prepare them for further studies to gain professional skills of their interest. The program was another channel to attract highly talented students to work with the organization. In 2023, a total of 32 students participated in this program.

## Caring of and Promoting Safety, Occupational Health, and Working Environment of Employees

SET has formulated policies and plans for safety, occupational health, and working environment and established the Safety, Occupational Health and Working Environment Committee as required by law. Last year, the committee held meetings to jointly recommend measures or guidelines for improvement in line with the law and occupational safety standards to the employer, as well as promoting and supporting work safety activities at SET on a monthly basis to ensure employees' realization of the importance of occupational health and safety. In 2023, key implementations were as follows:

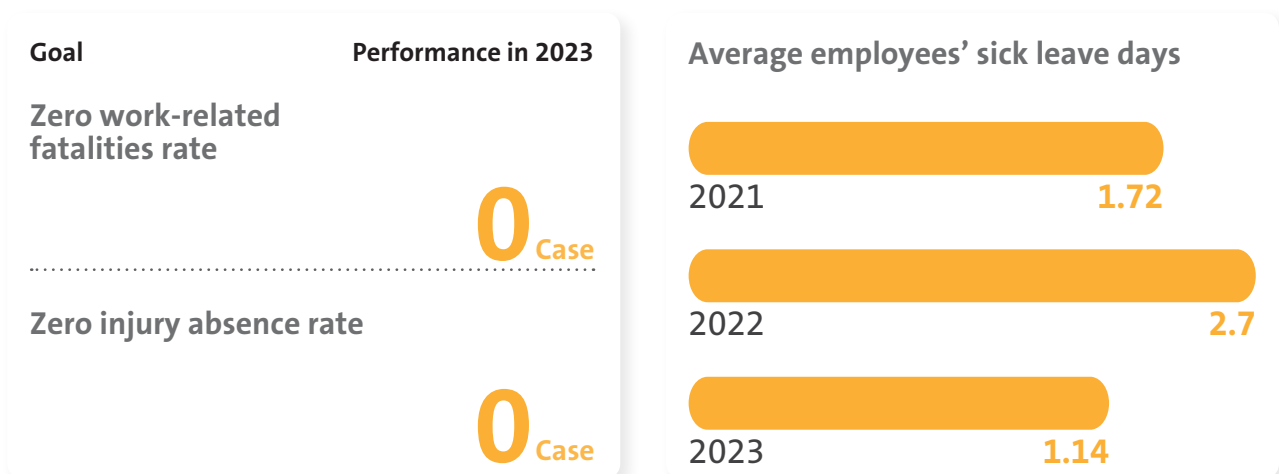
### Promoting and developing knowledge on safety, occupational health and working environment

- Organized training courses for safety officers at the supervisory and management levels, as well as work safety training courses for new employees, including outsourced personnel, 100 percent completed within the timeframe specified by law
- Arranged for security officers to attend the training course according to the Security Business Act 2015, to be reviewed every three years. The course covers laws and regulations related to the respect for human rights, and society and environment consideration.
- Developed knowledge and understanding, and prepared readiness for emergency situations, such as fire, active shooting, etc., participated by employees, building users and related stakeholders, including testing the readiness of the building system
- Assessed and prevented risk factors that could cause epidemics such as COVID-19, new types of influenza, etc.

### Caring for the health and safety of employees

- Increased the service channels of the medical room and annual health check-up services. Employees could use the service at a number of hospitals instead of having the check-up at the SET building. The expense for employees to get vaccinated against influenza has also been supported. The COVID-19 vaccine booster shots have also been provided. Furthermore, medical specialists in certain fields such as internal medicine, orthopedics, and allergies, etc., have also been arranged for consultation, diagnosis, and further conducted treatment at the medical room in the SET building.
- Provided group life insurance and health insurance, in addition to social security benefits to reduce the burden of medical care costs for employees.
- Organized an Ergonomics project to prevent and ease the Office Syndrome. Employees participating in the project would receive devices and advice to help adjust behavior and create an appropriate work environment. In addition, the Office Syndrome massage service has also been provided to relieve the tension and pain, carried out by visually impaired therapists.
- Provided Mental Health service via website or application so that employees could conveniently discuss work and personal matters with the psychiatrist and psychologist.
- Provided a lactation room, and promoted the use of maternity or parental leave rights for both male and female employees, with more days than legally required.

### Results of caring for and promoting safety, occupational health, and working environment of employees



## Proper and Fair Allocation of Welfare

SET allocates benefits to employees fairly and appropriately according to the changing situations. The Welfare Committee and the Provident Fund Committee represent the employer and employees in jointly considering appropriate welfare arrangements, as well as monitoring, steering, and overseeing welfare management for more efficiency. In addition, to create financial stability and promote additional savings for employees, SET has also established the SET Savings Cooperatives having the Steering Committee to set policies as well as steering and overseeing the Management team. In 2023, key implementations were as follows:

### Increasing savings potential and financial planning for employees

- Established a provident fund (PVD) for employees where employees shall have a choice to save at the rate of 3.00 percent to 15.00 percent of their salary and SET shall contribute 10.00 percent - 12.00 percent of the employee's salary. In addition, SET has also communicated and provided knowledge and understanding of provident fund investment plans among employees continuously. In 2023, 100 percent of all employees participated in the PVD, and SET contributed to the provident fund totaling THB 132.92 million.
- Established a savings cooperative as a savings channel for SET employees. In 2023, there were a total of 595 employees registered as members, representing 72 percent of all employees.
- Provided housing and loan welfare for employees, such as loans for mortgage, housing repairs, vehicle high purchases, solar rooftop installation, or any other equipment that promotes the environmental, social and good governance (ESG) aspects, etc.
- Prepared for employees' happy retirement, by organizing training and knowledge sharing regarding savings, investment, and financial management in addition to the establishment of the provident fund for employees

### Promoting employee activities and education

- Supported various club activities such as fitness club, running club, table tennis club, soccer club, badminton club, etc. by efficiently facilitating exercise rooms and various sports fields for a healthy lifestyle with access to various activities.
- Encouraged employees to develop their potential on a continuous basis. SET has allocated scholarships for

employees from master's degree up, at universities in Thailand and abroad, in the fields related to their work. In addition, scholarships for world-class programs on sustainability from leading institutions are also provided to match employees' interest and to enhance the opportunity to learn, to expand knowledge base, and to develop skills, so they can apply the knowledge and experience to further develop the organization.

## Participation in Building Employee Engagement

SET uses an open-door policy for a pleasant working atmosphere and promotes efficient communication between executives and employees via various communication channels such as team meetings, weekly and monthly executive meetings, or town hall meetings, etc. In addition, SET also encourages employee participation in various forms to create bonding and a good (professional) working environment, such as activities through SET Employee Club and employee engagement surveys, etc. In 2023, the key implementations were as follows:

### SET Employee Club

The SET Employee Club Committee (Sor.Por.Tor.) has been established to promote participation and to build bonding among employees through various activities in line with the corporate core values of the SET DNA. In addition, SET Employee Club is also another important stage for employees to practice leadership and teamwork, using the skills, talents and expertise of each individual from various business units, undergone creative thinking and analysis, with responsibility for the organization and society. In 2023, the key implementations of Sor.Por.Tor. were as follows:

- Organized social-related activities such as donating blood (SET Blood Donation: Give Love, Give Blood), joining voluntary activities on various occasions, organizing Buddhist ritual Kathin ceremony, monthly merit-making offerings to monks, etc., including festive events such as New Year, Songkran Day, etc.
- Organized activities to promote cordial atmosphere in the workplace, such as Market to Market event by donating unused items or exchanging second-hand products, energy-saving event, including waste-separating event, and reduce-reuse-recycle event, etc. to boost realization and synergy among employees in caring for and managing the environment in the workplace.

### Creating employee engagement

SET prioritizes effective communication between management and employees. Communication channels have therefore been created to promote participation, to exchange ideas, and to acquire lessons learned. Employees can choose channels to receive news and communicate, such as

- SET Town Hall, a stage that provides employees at all levels an opportunity to keep well-informed of and updates with the organization’s operating results on a quarterly basis, especially the strategic directions and outlook for the next year.
- SET Open Talk, an online channel where employees can communicate with the President, exchange views about the current work situation and life in the workplace. This information will be useful for further development and improvement to benefit the organization.

In addition, SET has also conducted a survey of employee engagement with the organization in collaboration with Kincentric, a leading consulting firm in personnel management. The results would be used to analyze and plan human resource management further. In 2023, the survey showed that 100 percent of employees participated in the assessment, and the average score of employee engagement and commitment to the organization recorded at 76 percent. The survey is conducted every two years, with the upcoming survey scheduled for 2025.

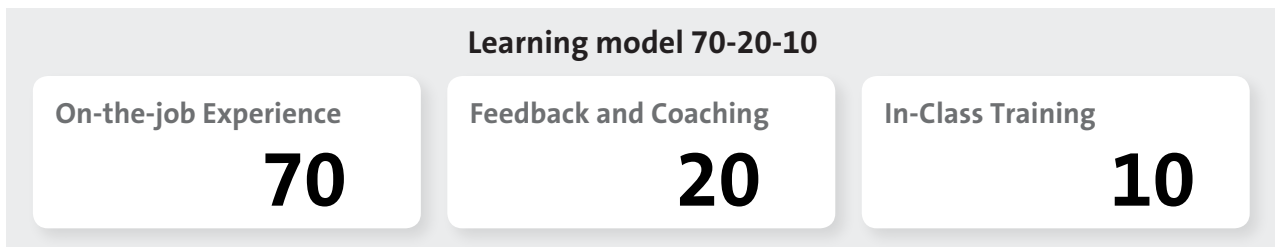
Average employee engagement score for the organization



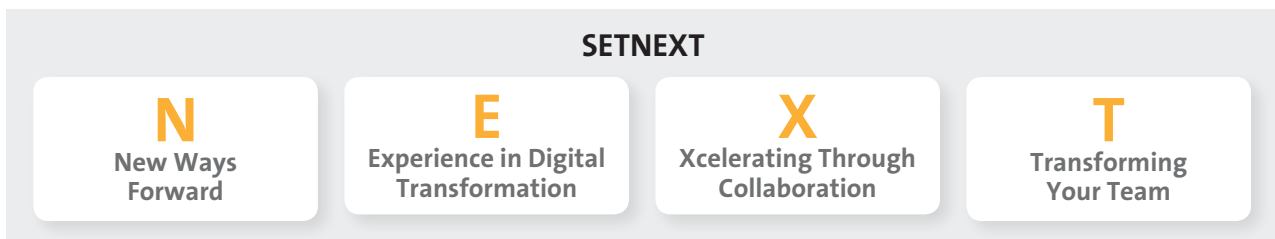
**76%**

### Developing Knowledge and Potential of Employees

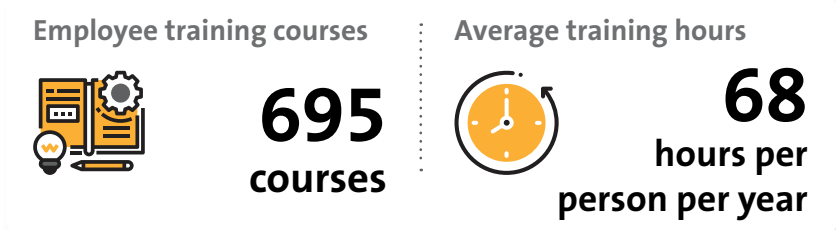
SET places importance on employee potential development by expanding abilities and minimizing skill gaps to improve job performance (up-skill), adding new skills to do different tasks (re-skill), and promoting skill, aptitude and ability in more areas (multi-skill), through the 70-20-10 learning model. Employees will focus on learning from work experience, mentoring system and training courses, foreseeing the diversity and skills needed in the future. SET has planned training courses according to the Development Roadmap, together with the Individual Development Plan (IDP). Purposely, SET has facilitated employees at all levels to consult and seek advice from their business units to exchange ideas, listen to more opinions and expectations for developing skills and expertise. Additionally, SET has also prepared readiness to enhance employees’ capabilities to be able to cope with changes in the capital market and updated with technology via various courses related to necessary skills, such as more use of IT, data analytics and AI, decision making and problem solving, creative communication and teamwork, self-development, etc.



In addition, SET has also provided a learning channel via an online platform for employees at all levels. This digital learning system contains contents that are easy to understand and easy to learn with a variety of training courses to choose from according to each person’s interests. In 2023, SET organized the SET Leadership Program training course, specifically aiming to enable executives and employees to deal with business challenges today and in the future, based on the SETNEXT theme.



In 2023, SET supported employee development expenses amounted to THB 36.4 million, with a total of 695 training courses, with an average of 68 hours of training per person per year.





### Fair Performance Assessment and Remuneration

SET facilitates employees at all levels to participate in the performance assessment using Key Performance Indicators (KPIs) once a year to be considered in a performance assessment system based on the success factors together with the employee’s potential or competency, and then use the assessment results to further consider remuneration and benefits. In 2023, SET paid remuneration and benefits to employees totaling THB 2.27 billion, consisting of salaries, bonuses, provident funds, and other welfare costs, based on the organization’s achievements, economic conditions, and the average remuneration of the industry, as well as the performance of individual employees.

Average remuneration ratio for employees, male : female

**1 : 0.81**

### Equal Access to the Capital Market for Entrepreneurs

SET is committed to creating an ecosystem that caters to equal access to source of capital for entrepreneurs, by promoting fundraising for entrepreneurs with growth potential for stable business under the principles of good corporate governance utilizing tools and knowledge resources to help develop their business, by connecting networks to create opportunities among entrepreneurs, and by developing a trading center to raise funds for small and medium-sized enterprises (SMEs) and startups or called LiVE Exchange (LiVEx) which has appropriate criteria for SMEs/ startups. In addition, SET also focuses on developing and promoting social enterprises (SE) based on social outcomes, while continuously developing SEs to create change for good and sustainable society.



#### Equal access to the capital market for entrepreneurs

SET launched LiVEx, or the stock market for SMEs and startups, which has criteria suitable for the size of the businesses to be an alternative for raising funds through the capital market and a secondary market for trading among interested investors. Additionally, the SET has developed LiVE Platform, which compiles knowledge and services to enhance the capabilities and business operation resilience of SMEs and startups. Key implementations in 2023 consisted of:

- Produced over 180 online knowledge-based materials, adding knowledge materials for entrepreneurs to over 875 pieces, gaining over 2.9 million views by those interested in studying via the Education Platform in 2023, with a total of 756,818 e-Learning registrations
- Organized the Train the Trainer project in collaboration with the Office of the Vocational Education Commission (OVEC) to disseminate entrepreneurial knowledge to students at vocational level, participated by 51 teachers from 34 vocational colleges
- Organized the 1<sup>st</sup> SET International Conference on Family Business, under the theme “Family Business in the Changing World” to strengthen family businesses, aiming to provide knowledge in family business management with support from all sectors to drive cooperation in creating an appropriate Family Business Ecosystem

- Launched a website for Family Business, gathering highlights of relevant contents and various services as key success factors for family businesses, totaling over 50 pieces of such online knowledge
- Created three entrepreneur interview programs: 1) Business Maze, 2) The Next Gen Heir, and 3) Secret Family Business, in collaboration with media partners to transfer lessons learned and perspectives on doing business from successful SMEs and family business entrepreneurs in Thailand



- Initiated entrepreneur development project (LiVE Academy), in collaboration with leading partners, to reinforce capabilities and readiness to go public for entrepreneurs. In 2023, SET organized a total of 12 projects to develop entrepreneurs with over 1,100 participating companies, which can be divided into:
  - Project to enhance business potential (LiVE Spark): one project, 371 participating companies
  - Project to prepare entrepreneurs to enter the capital market (Incubation Program): six projects, 632 participating companies
  - Project to strengthen entrepreneurs’ readiness for the capital market (Acceleration Program): five projects, 99 companies participating companies

**Platform connecting the capital market and society**

SET Social Impact is a platform that plays a role in promoting positive social outcomes (Impact Multiplier) or encouraging businesses to operate in an inclusive manner (Inclusive Business). The platform serves as a link for collaboration with the private sector, civil society, and social enterprises. In addition, it supports the operations of social enterprises to be ready for sustainable social, grassroots economic, and

environmental development, connecting them with the business sector. The platform is designed as a starting point for learning, leading to collaboration between SEs and business operators. The platform has developed two main mechanisms to drive social outcomes in a tangible manner, consisting of:

**Promoting the potential of social entrepreneurship for social entrepreneurs**

Laying the foundation for developing the new generation starting from the university level to instill an attitude of conducting business alongside social responsibility. SET has collaborated with the General Education Network of Thailand (Gen-Ed Network) under the Ministry of Higher Education, Science, Research and Innovation to introduce the “Social Entrepreneurship” course under the SE101@GE project.

The Social Entrepreneurship course is included in the General Education curriculum at the university level nationwide. Students can apply the knowledge from the “Social

Entrepreneurship” course as a guideline for their careers. Furthermore, SET Social Impact has created an instant online knowledge “Introduction to Social Entrepreneurship” (SE101 Online Offering), allowing social entrepreneurs, community enterprises, social networks, lecturers, students, and those interested to widely access and learn through online channels. In 2023, content related to SDG Goals, sustainable development and SE operations, social innovations with examples of SEs doing business in this area, and inspiring through examples of SEs, attracting a total of 353,590 views.



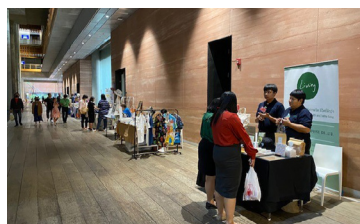
One of the ongoing projects to develop the potential for social entrepreneurship is the SET Social Impact Gym, aiming to equip participants with readiness and ability to build businesses and create sustainable social impact, through professional executives (volunteer coaches) from senior executives at SET and mai.



The project provides one-on-one coaching to advise on adjusting business models, enhancing business strengths for SEs. In 2023, the project expanded collaboration with additional partners such as the Thai Health Promotion Foundation (Thai Health) to link networks and promote knowledge to complement the program while Thai Credit Guarantee Corporation provided knowledge on financial planning readiness to seek funding sources, and enhancing participants' ability to repay debt. PwC also provided consulting on accounting and taxation, crucial components for businesses of all sizes.

**Promoting Workability between the social and business sectors**

The platform serves as an intermediary for meeting, exchanging knowledge, and developing collaboration with the goal of jointly solving social problems through co-creation to connect value chains in various forms such as collaborating with the government and private



sectors to promote working with SEs, presenting social innovations or business models to address social issues through panel discussions, and booth activities to promote SE's products and services.

In 2023, there were 51 connective projects with the business sector, consisting of work-related matters in terms of support, purchasing products, production, sales channels, business knowledge, business consulting, and capital or business equipment support. In addition, SET has also created the After Gym to LiVE project, building on the SET Social Impact Gym project to prepare social entrepreneurs for the path to fundraising in the capital market. SEs with potential have been selected to attend training in the LiVE Platform program in order to prepare readiness for business expansion via fundraising in SET's LiVE Exchange in the future.

**Financial and Investment Literacy Promotion for the Public**

SET is committed to encouraging the Thai people to know how to plan their personal finance, to save and to capitalize their savings through investments. SET focuses on disseminating financial knowledge that is easy to understand, can actually be put into practice, with a variety of learning formats to choose from, whether online or onsite, to match the behavior and lifestyle of each age group, eventually to create the future of financial stability.



**Promoting basic financial literacy for everyone**

SET is a financial and investment learning center where everyone can equally and thoroughly access knowledge services. Maruey Library is a knowledge source on finance and investment, and INVESTORY Investment Discovery Museum, an out-of-classroom learning resource that presents financial and investment knowledge in a self-interactive discovery format with a focus on creating fun and entertaining through storytelling methods that will help raise realization of financial problems, and seeking solutions through financial planning and investing.

In 2023, the post-COVID time, more library goers returned to use onsite services compared to the previous year. However, online channels are still well-received and popular due to the ease of access and convenience of activities participation. Those access to SET's learning sources tallied 3.75 million people and to ensure that everyone has access to financial services and knowledge inclusively, SET has therefore expanded the network and collaboration with various agencies. In 2023, the major implementation results were as follows:

### Establishing a network of secondary school teachers to design active learning classrooms

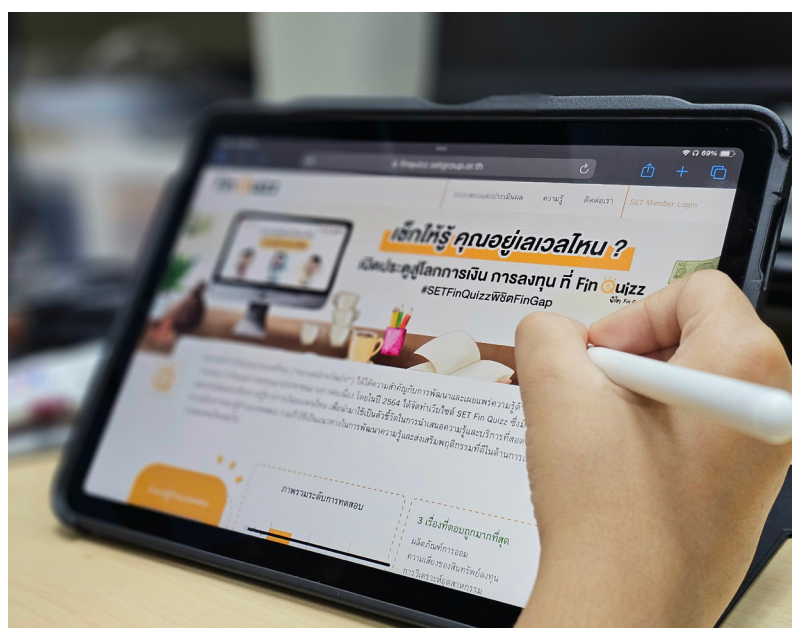
SET organized the INVESTORY Investment Learning Design Bootcamp, with the objective to develop the potential of secondary school teachers to be able to design and organize learning processes in financial planning and investment in a variety of formats appropriate to students. The bootcamp was divided into three periods of time:

- The first phase: “InvestTEACHER Workshop” is a five-day workshop for shaping teacher cum course designers by transferring investment knowledge, enabling the teachers to practice, reflect ideas and jointly share experiences. After that the teachers will start teaching in their own classrooms. The workshops were organized in three batches, participated by a total of 87 secondary school teachers from 65 educational institutions in 24 provinces nationwide.
- The second phase: “Teaching Lab”. The teachers will use the teaching process and learning media that they have developed to experiment more with teaching. SET has continued to provide consultation and additional learning materials via online meetings.
- The third phase: “Show & Share”. The teachers will promote the activities and teaching process already developed and tested in real classrooms by disseminating as a learning model and exchanging and sharing experiences with teachers in the network and general public, and via the INVESTORY website, so that secondary school teachers across the country can adapt it to suit the context of each school.

In 2023, the teachers organized demonstration classrooms for high school students in nine models.

### Financial literacy and investment knowledge development and testing

To enable the Thai people to access data and information conveniently, to assess their own level of knowledge and skills in financial planning, and to further develop their financial knowledge right to the point, SET has developed and continued to expand SET Fin Quizz, an online financial and investment knowledge test. In 2023, SET welcomed test takers all year round by distributing tests to target groups through existing partner networks, as well as creating awareness of additional tests, consisting of knowledge in securities investment, and knowledge in selecting stocks in addition to the existing financial knowledge in everyday life. A cumulative total of 50,104 persons participated in the test.



### Disseminating financial planning and investment knowledge to school networks

The Online Mobile Exhibition on Schools activities aim to enhance knowledge about finance and investment skills that Thai children must have. In 2023, activities were organized under the concept of “INVESTORY Investment Adventure” to hunt down investment treasures. The investment knowledge was disseminated to high school students via a network of schools by organizing online activities, focusing on reaching 17 target provinces never been reached before (unmet areas), with over 28,000 students participating in the project from the total of 296 educational institutions nationwide.



## Promoting knowledge on financial planning

SET has been a center of basic financial knowledge for the Thai people for a long time, carrying out by promoting knowledge about financial planning among the Thai people with equal access. SET collaborates with partners to create educational media about financial planning appropriate for each age group, while developing a center for online courses and applications that are convenient to use with contents that are easy to understand and access. SET aims to cultivate discipline in saving money and knowing one’s own financial health. In 2023, the key implementations were as follows:

### Happy Money, Happy Young Old project

SET has developed the learning process and course content, and workshops on how to manage money after retirement, equipped with a manual on Happy Money, Happy Young Old concept focusing on planning ahead before retirement. SET has jointly collaborated with partners in the public and private sectors including state enterprises to disseminate knowledge about financial planning among individuals nearing retirement, aged 45 - 65 years, to prepare for a happy retirement. Quantitatively, this target group has received basic knowledge about financial planning for retirement via online and offline totaling 6,684 times or views, with knowledge increase by 31 percent. They were ready to expand their knowledge and actually practiced by attending the workshops gaining knowledge for a total of 306 persons, with 95 percent satisfaction with the content, and they were of the opinion that it was possible to be practically applied at 93 percent. In addition, SET has also collaborated with such partners as The Cloud (popular online Thai magazine on living & lifestyle) and Manooatangwai (human of different ages: online news & media) in developing media and disseminating knowledge to the target groups for them to prioritize and prepare readiness for retirement by managing money wisely, through articles and video clips, which received good response.



### Happy Money Application

SET has created the awareness more extensively to promote the use of the Happy Money App and to encourage continued use via the campaign called “Check financial health with the Happy Money App”, making the Happy Money App a tool that helps everyone to know and understand more of one’s own financial well-being, financial strengths and weaknesses. The App is ready to give advice that will help plan one’s financial management appropriately. The App’s aim is for users to make changes in financial behavior, with money left to spend and sufficient savings to create stability in life. In addition, the Happy Money App can also link to other financial and investment knowledge media and calculation programs easily and conveniently and users can also attend SET e-Learning without having to login again.

### Happy Money Project: financial mentor

SET has collaborated with partner organizations in both public and private sectors, creating in-house financial mentors, and disseminating knowledge and understanding of financial planning to target groups via online and offline channels. In addition, SET has also developed a network of financial mentors to promote continuous learning and build a strong network of financial mentors so that they can transfer the knowledge efficiently, by organizing training & workshops to enhance financial knowledge and necessary skills, for a total of 156 persons. Moreover, SET has also developed a Happy Money Team Up manual for financial mentor volunteers. Cumulative financial mentors have been 11,326 persons, and knowledge has been disseminated via 680 partner organizations, reaching 3.08 million target persons since 2017.

In 2023, SET organized the Happy Money in Action workshop, a path to financial happiness, in collaboration with the Royal Thai Police and the Police Housewives Association, aiming to develop financial management skills and debt management for police officers. This will create knowledge and change behavior leading to concrete financial success. The project was able to create four role models in developing financial management and debt management skills, and 27 persons for Ton-kla pioneers.



**Disseminating financial and investment literacy exponentially**

SET has carried out the Happy Money campaign called “Know how to overcome debts”, inviting the general public to learn debt management in the right direction via short media clips on debts presenting how to calculate interest on credit cards, what to consider before getting a loan and when not able to pay debts, together with online knowledge media comprising articles, infographics, and three SET e-Learning courses on debt management. In 2023, there were 144,460 cumulative registrations. In addition, SET has also disseminated knowledge about financial and investment scams to the target groups to learn more about current scams that criminals use to deceive the victims, with precautions to prevent being deceived by scammers, via knowledge clips broadcast on Channel 7’s “Ways to become rich” program. Moreover, SET has also developed a knowledge bank in various formats such as articles, video clips, infographics, e-Books, calculation programs, etc., while increasing online channels to disseminate knowledge via TikTok, covering knowledge in financial planning, investment starters, and investment products. Currently, this knowledge bank contains a total of 1,966 items of accumulated financial and investment knowledge.

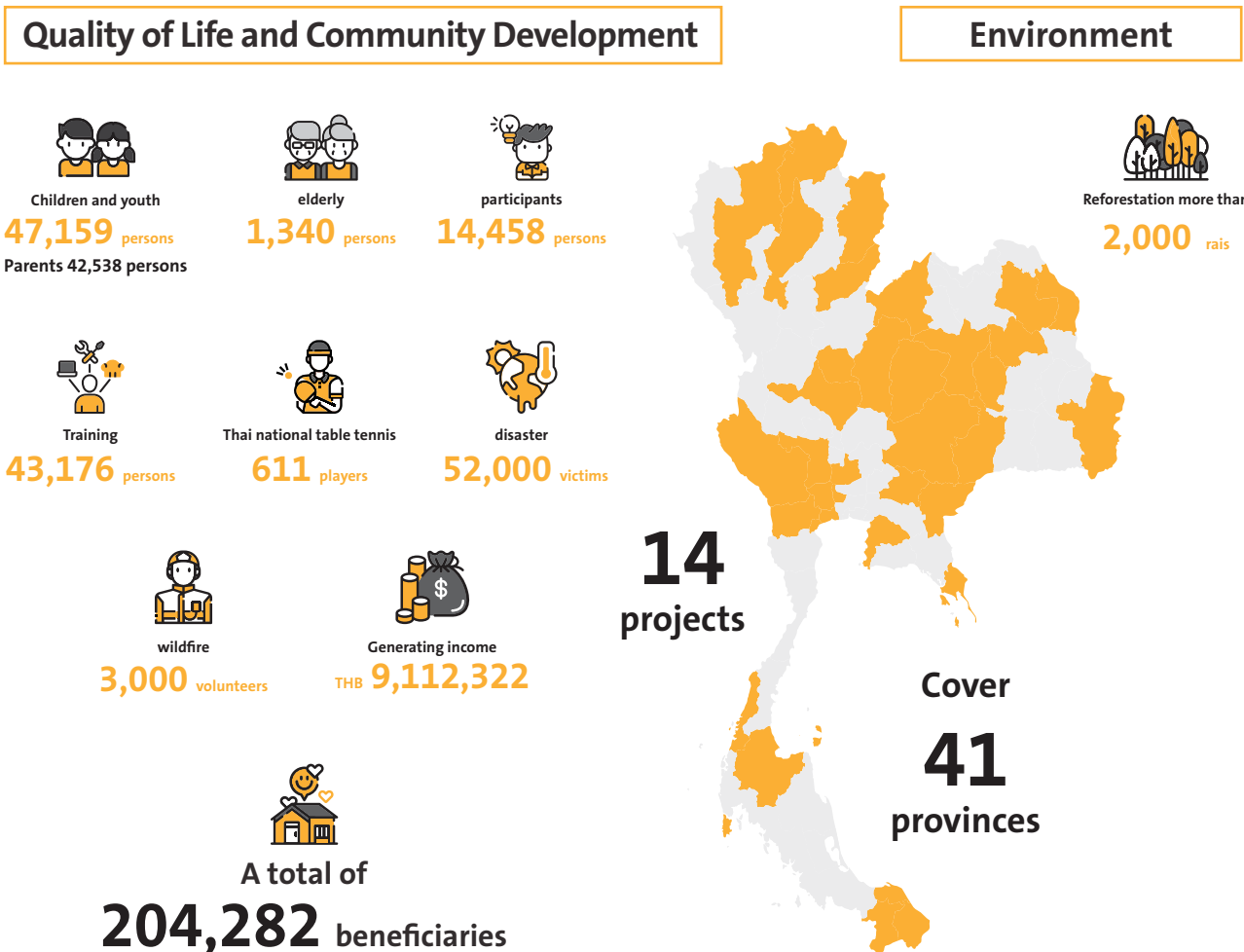
**Promoting Firm Foundation and Good Quality of Life**

SET creates positive outcomes on the quality of life and the environment by collaborating with the SET Foundation to support projects that create sustainable social benefits on a large scale, focusing on solving social problems related to the development of the country’s foundation towards sustainability.



# 2023 Performance

Social Responsibility Management Department





## Project to develop brain skills for children and youth's healthcare (Executive Functions: EF)

Based on the statistics of the Thai population with increasing number of elderly people and with declining birth rates, it is necessary to place importance on the development of children for higher quality, enabling living with stronger immune system and more happiness. SET & the SET Foundation has therefore supported the project to develop brain skills for good health of children and youth, utilizing the concept of Executive Functions (EF), focusing on developing the frontal brain skills of children that are important in growing into adults with appropriate characteristics in terms of emotional and social health. SET has worked with key partners, consisting of:

- **Public health network**

SET has created a model from Phaya Mengrai Hospital, Chiang Rai province (in upper northern Thailand near the borders of Laos and Myanmar), to continuously expand the work of mother and child development in Chiang Rai province. As a result, currently there are personnel with knowledge about EF that can be used to develop children and youth covering every district in Chiang Rai province, totaling 18 districts, considered to be the first model province of EF in Thailand. This project has been able to create a total of 4,897 EF trainers, with an accumulative total of 69,165 beneficiaries consisting of early childhood children, parents, and families.

- **School network**

SET, jointly with Lamplimat Pattana School, Buriram province, has helped transfer knowledge to other schools and encourage students to learn with a comprehensive approach to developing brain skills. It is an integrated work among schools, education supervisors, and parents. In 2023, there were a total of 45 schools in the network using EF model, creating a cumulative 1,154 EF trainers, and 18,669 beneficiaries consisting of early childhood children, parents, and families.

- **Government Savings Bank (GSB), Nan Province**

SET has expanded collaboration with Government Savings Bank (GSB), in addition to the public health network in Chiang Rai and the school network in Buriram, by applying the prototype from Chiang Rai province to initiate a project in Nan province (in upper northern Thailand), by starting from the mountainous area in Chaloe Phra Kiat district and Bo Kluea district. The team has worked with the teachers and a network of early childhood caregivers and found out that there was knowledge & understanding in the use of EF knowledge, with satisfactory results of the before-and-after knowledge tests among the project participants. The EF model has therefore been developed at these two districts, comprising a total 67 EF facilitators, together with the synergy of teachers, public health personnel, and education personnel participating in the project totaling 99 persons.



## Project to assist vulnerable and underprivileged groups

SET and the SET Foundation are committed to implementing projects and activities to reach sustainable development goals by prioritizing the reduced inequality among the vulnerable and underprivileged groups, so as to minimize social gaps and create equality. Jointly with our partners, we have supported various projects to create opportunities and promote good health for the body and mind. The details were as follows:

- **Sarn Fun Scholarship Project** is a project under the fund created by Thailand's Equitable Education Fund (EEF) with the goal to support scholarships to students who lack financial resources and the underprivileged sector who have potential and are at risk of leaving the education system, to enable the opportunity to continue their education at the high school level or vocational certificate level. In 2023, SET, jointly with the SET Foundation, supported 400 scholarships, with almost 100 percent of scholarship recipients remaining in the education system and more than 80 percent of scholarship recipients having a grade point average of 3.00 or higher. These scholarships could help alleviate obstacles to studying, and the scholarship recipients can have access to education in corresponding with their aptitude and potential.

Moreover, these scholarships can also help relieve the families' burden of educational expenses, which is one way to eliminate poverty.

- **Positive energy music project "Dek Phum Dee band"**, in collaboration with the Sukree Charoensuk Foundation, aims to support children who lack opportunities but talented to acquire musical skills to build youth immunity away from drugs, leading to the showcase of musical abilities, while enabling income generation. In 2023, a total of 1,000 students participated in the project. This group of children had the opportunity to show their musical abilities in various events for a total of 69 performances. The positive outcome of this project has resulted in a total of nine schools participating in the project and serving as models.
- **Ramathibodi School of Nursing Scholarship program** aims to support scholarships and other expenses for the full four-year studies for nursing students as financial aid. This program not only provides continuous education, but also helps build quality public health personnel. In 2023, the scholarships were awarded to 15 nursing students, all of them (100 percent) are continuing their studies accordingly.

## Quality of life development project

SET is committed to promoting the quality of life of the community inclusively in the dimensions of well-being and sound physical and mental health, as well as helping to create opportunities to develop one's potential, create income, simultaneously with pride and self-worth, by implementing various projects to develop the quality of life as follows:

- Positive power of the music project: Wong Ploi Kae**, jointly with the Sukree Charoensuk Foundation, aims to promote the quality of life of the elderly to be energetic and happy by using music as a medium to initiate activities together to create good outcomes for well-being, making life bright and lively, with pride. In 2023, a total of 1,100 elderly people participated in the project, showcasing in a total of 92 various performances, such as the “New Voice” performance at the Ban Chiang National Museum in Udon Thani province, a performance at the Trang Municipality Stadium, a performance of “Thai Songs Crossroad” at Thailand Cultural Center with Thai Symphony Orchestra (TSO), etc. In addition, the model communities have also increased to 10 communities covering 10 provinces.
- The project to build food security and income for the elderly jointly with students and youth**, in collaboration with Mechai Pattana School and youth in the villages of Khok Klang sub-district, Lamplaimat district, Buriram province, aims to help taking care of the elderly combined with the growing of organic vegetables, using schools as the center, then expanding into the community. In 2023, there were 16 cumulative implementation areas, bringing benefits to the community embracing a total of 240 households. The elderly groups were able to generate income, with a total accumulated income of THB 2,530,841. Moreover, this project could also bridge the relationship gap between two generations. Currently, there are 240 elderly people who are taken care of by the school, with 368 students participating in the project.
- Sustainable Learning Center Project: Re-learning Space @ Library**, (Re-learning Space @ Library) jointly with Thai Library Association (TLA), aims at using the area of the public libraries as continuous learning centers for the communities and as sources of learning to create “second career” by enhancing career skills and digital innovation through these venues to for the benefit of the general public. In 2023, a cumulative number of 43,176 persons attended the second career training via 7 learning centers in 7 provinces, A total of 637 courses have been developed, and the participants were able to generate a total income of THB 4.94 million. In addition, certain products from the learning centers have also been developed into products of the province, such as Surat Thani province, etc. which has been registered (leveled up) as OTOP products, then selected by Thailand Convention and Exhibition Bureau (Public Organization) (TCEB) to be one of the products from 10 provinces in Thailand to be exhibited in the Thailand Pavilion at IMEX Frankfurt 2023.
- The project to overcome the crisis by developing grassroots economy and society in accordance with His Majesty's initiatives**, jointly with the Pid Thong Lang Phra Foundation, has made progress under the royal initiatives to develop water resources in the areas of repeated drought troubled by water shortage sources or water distribution systems, totaling 12 locations in the three southern border provinces: Pattani, Yala, and Narathiwat, resulting in 1,213 households benefiting from using water sources for agriculture, generating income for farmers totaling THB 1.64 million, while also helping reduce expenses per household by approximately THB 4,000 per month.



## Helping and alleviating the suffering of people affected by disasters

SET, jointly with partners who have experience and readiness in providing assistance to disaster victims as quickly as possible, implemented various projects in 2023, as follows:

- Thai Red Cross Society**
  - Emergency funding program to help disaster victims by preparing survival bags ready to use as soon as a disaster occurs, approximately 10,000 bags, with a total value of THB 10 million
  - Provided aid to victims of the earthquakes in the Republic of Türkiye (Turkey), and the Syrian Arab Republic (Syria), via Thai Red Cross Society, totaling THB 2 million
- Royal Thai Armed Forces Headquarters**
  - Supported the provision of 2,108 winter blankets for people affected by the cold weather, total value of THB 350,000
  - Supported 500 survival bags to help rehabilitate flood victims in the southern region, total value of THB 500,000
  - Supported 200 sets of survival bags & drinking water for flood victims in Yala province, total value of THB 200,000
- The provision of four additional ambulances** from the previous four ambulances provided in 2022, via the Somdej Phra Yupparat Hospital Foundation for use in emergency cases in the remote areas. These four ambulances were delivered to Somdej Phra Yupparat Hospital in four provinces: Ubon Ratchathani province, Kalasin province, Sakon Nakhon province, and Nakhon Phanom province.

### Project to promote table tennis potential

SET has supported the Table Tennis Association of Thailand (TTAT) via the SET Star Table Tennis project for over a decade. The athletes under this project have developed their skills and capabilities to enter the national sports team with championship records, creating inspiration for the younger generation and goodwill for the country. This continuous support has resulted in important developments in the Thai table tennis industry as follows:



- Leveled up the skills of Thai youth table tennis athletes to currently ranking in the Top 80 globally. Remarkably, athletes from the Thai national team could make Thailand proud in major competitions such as the 32<sup>nd</sup> SEA Games in Cambodia, winning two gold medals, one silver medal, and four bronze medals, totaling seven medals. Moreover, they have also made history in the country’s 57 years by winning a bronze medal in the women’s team category from the 19<sup>th</sup> Asian Games in Hangzhou, People’s Republic of China, followed by a gold medal in the women’s doubles category from the 2023 World Table Tennis Competition in Turkey.
- Organized the campaign named “Table Tennis creates happiness and fun for all ages”, in collaboration with TTAT and Bangkok Metropolitan Administration (BMA), and signed a memorandum of understanding (MoU) on the cooperation to carry out a project to develop sports centers on certain areas under BMA to have table tennis in such areas so that the public can easily access this type of sport. The pilot project is the Benchakitti Park Sports Center, expected to be ready for use in March 2024.
- Supported the construction of sports fields and provide table tennis tables with all necessary equipment and training coach (in the beginning) to Ban Sam Kha School in Mae Tha district, Lampang province. This was to promote a healthy lifestyle and increase athletics skills to the community.
- Supported the Thai national team of disabled table tennis athletes. Notably, four SET employees are table tennis athletes who have made achievements in the 12<sup>th</sup> ASEAN Para Games (Cambodia 2023), receiving two medals, consisting of one gold medal and one silver medal. In addition, in the 4<sup>th</sup> Asian Para Games (Hangzhou 2022) in the People’s Republic of China, they also won two bronze medals.

### Project to promote and maintain religion

In 2023, SET organized a Kathin Samakkhi, an annual Buddhist merit-making ceremony, at Sayan Palaram temple, Chae Hom district, Lampang province, to contribute a certain amount for the restoration of Phra That Mon Kong Khao, a community religious center, a place often used for encouraging villagers to preserve the forest. In addition, SET also contributed a certain financial support for children and youth in this community for education enhancement and career development.

### Project to promote environmental care

SET has initiated reforestation and caring for forests projects, by enabling the community to participate in planting trees and monitoring the growth results. The aims were to create balance in the ecosystem and to reduce the impact of climate change. In 2023, the key implementation results were as follows:

- SET, in collaboration with Siam Cement (Lampang) Co., Ltd. and the Association of Lampang Learning on Community Forest, has signed a memorandum of understanding (MoU) to join forces in implementing the “SET Sustainable Forest for Community” project by leveraging the strengths of each party to enhance community works in Lampang province based on inclusive work process, focusing on participation in creating sustainability in every dimension. This project will create synergy from the government, private sector, and civil society, including all volunteers, aiming at the conservation, restoration, and management of natural resources and the environment in a sustainable manner, while increasing green space and reducing air pollution, usable as carbon credits. The two pilot projects cover a total area of over 2,000 rai.
- In 2023, SET granted an insurance policy to increase insurance coverage to the Department of National Parks, Wildlife and Plants (DNP), worth THB 100,000, for the “Accident Insurance Project to Protect the Volunteer Forestry Network”, with the objective to take care of the volunteer network to extinguish forest fires in the protected forest areas in nine provinces in the northern part of Thailand.

### Pan Hoon Aom Boon and Pan Pol Aom Suk projects

SET’s Thailand Securities Depository (TSD) has gathered shares or monetary benefits to donate to foundations and entities: Sai Jai Thai Foundation under the Royal Patronage, Ramathibodi Foundation under the Royal Patronage, and the Faculty of Medicine, at Vajira Hospital. Donors can donate stocks and dividends as intended. In 2023, there were 581 accumulative donors, totaling 711 transactions, with cumulative value of approximately THB 11.7 million.



Cumulative value of donated shares:

**THB 11.7 million**

## Environmental Dimension

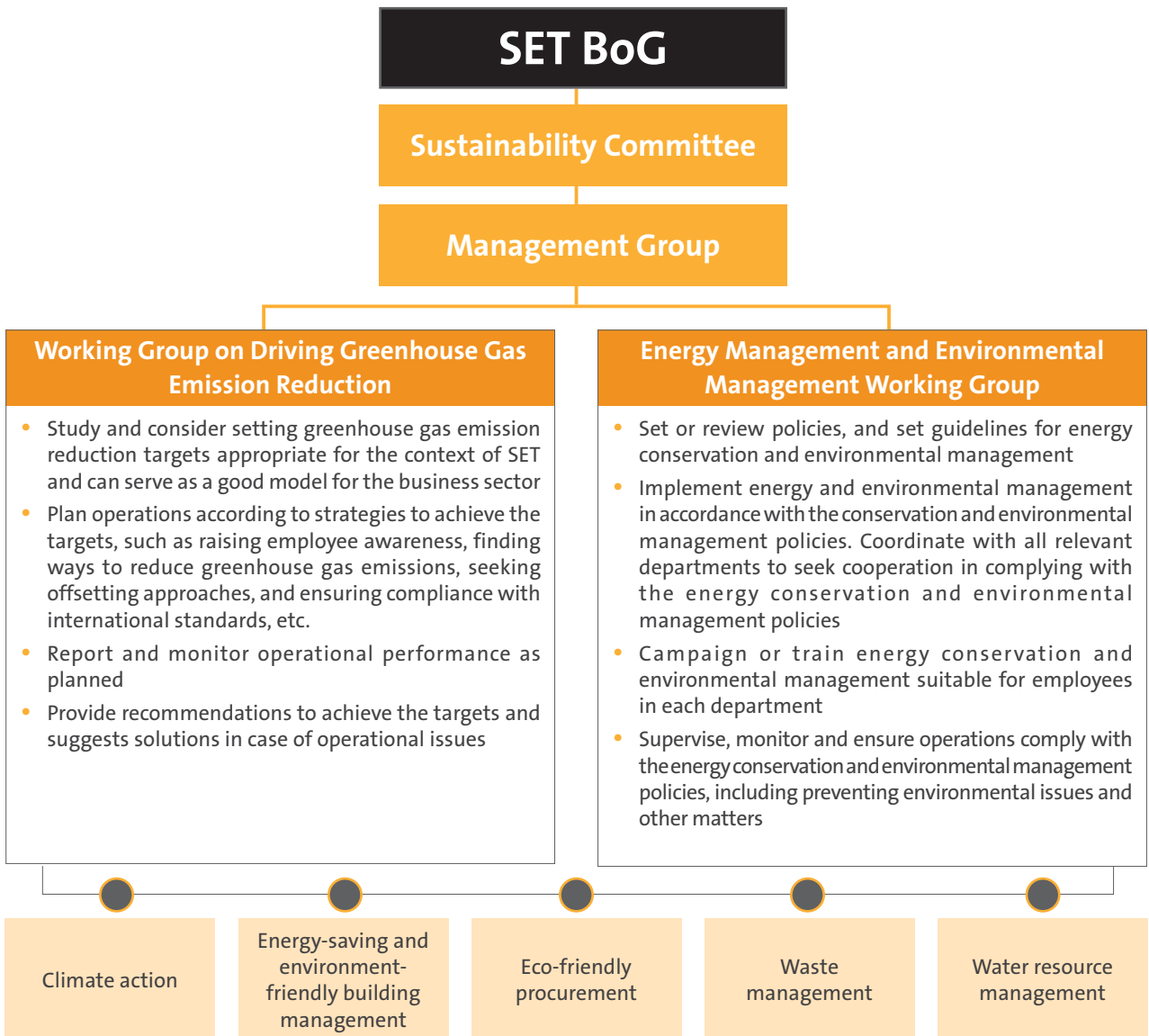
### Environmental Policies and Practices

SET places importance on the role and duty of caring and protecting the environment and has therefore established environmental policies and practices internally to cover the management of environmental issues that are significant to business operations, consisting of climate change tackling, energy-efficient and environment-friendly building management, pollution and waste management, water resource management, and environment-friendly procurement, among others, in compliance with regulations, laws and best practices.



### Environmental Management

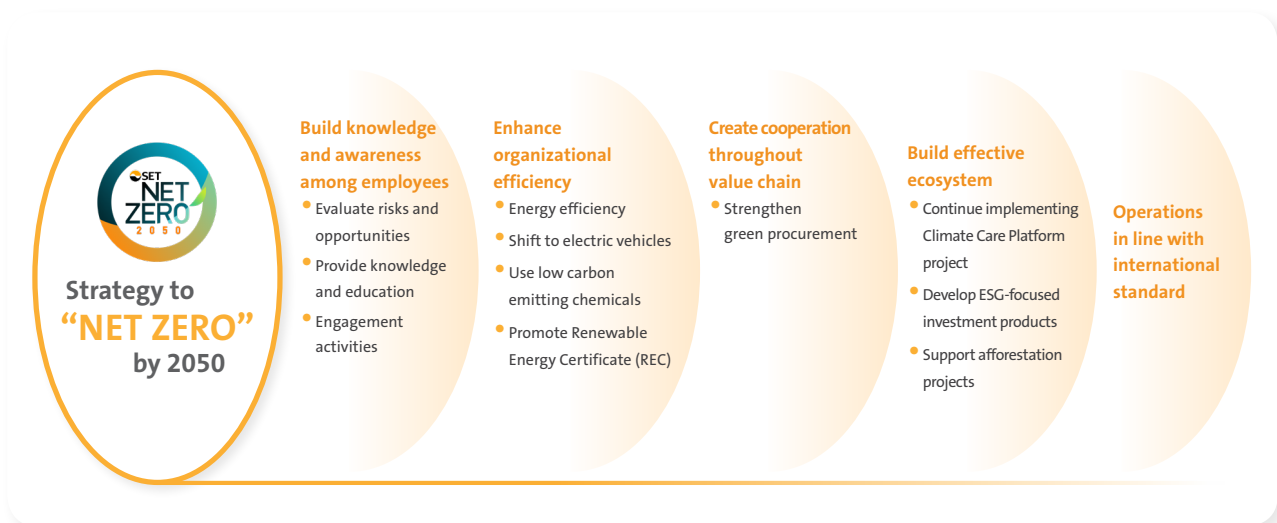
To drive policy and environmental practices effectively, SET has set up a working group to drive the reduction of greenhouse gas (GHG) emissions, and a working group on energy and environmental management, consisting of executives and representatives from relevant departments enterprise-wide. The working groups play important roles in considering management guidelines for all environmental issues that are significant to business operations, inclusive of the goal setting, strategy formulation, operations consideration in line with legal and policy requirements, as well as operating results reporting to the management team and the Sustainability Committee (SC) for acknowledgement and opinions.



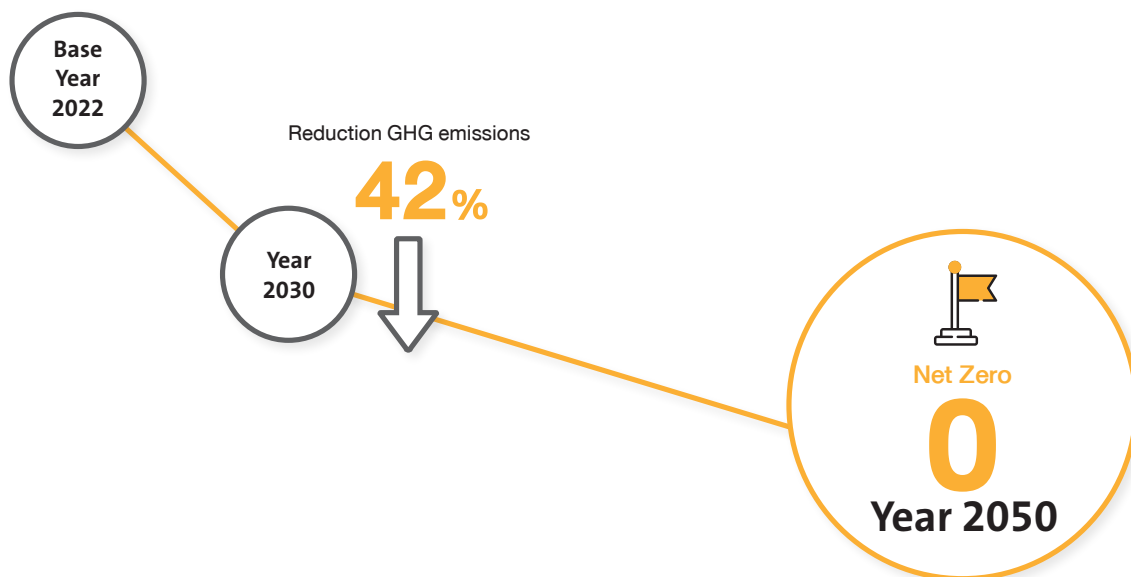
## Environmental Performance

### Climate Action

SET pulls the efforts to cope with and adapt to the climate change crisis, and is committed to reducing GHG. SET has been certified Carbon Neutral since 2017 and continues to implement on a continuous basis. In addition, to raise the level of management to be more intensive and comprehensive, SET has also set a goal to reduce GHG emissions to Net Zero by the year 2050 (base year 2022) in line with the Science-Based Targets initiative (SBTi) Net-Zero standard widely accepted and used internationally. This goal will cover Scope 1: direct GHG emissions from the organization’s own activities, Scope 2: indirect GHG emissions from purchased energy, and Scope 3: indirect GHG emissions from the organization’s value chain. To achieve these goals, SET has formulated an action plan for both internal management and cooperation from stakeholders throughout the value chain, aiming at reducing GHG emissions to drive the organization towards a low carbon business operation. The key operational guidelines are as follows:



### GHG Reduction Goal (Scope 1, 2, 3)





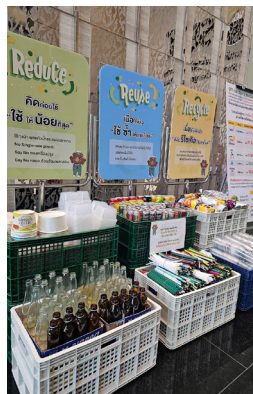
In addition to setting targets to demonstrate a clear commitment, driving the organization’s Net Zero strategy requires collaboration from all employees throughout the organization to have awareness and basic knowledge of both environmental management and GHG reduction in order to achieve the set goals. Therefore, training and engagement building activities have been organized in various forms under “ESG in Action” campaign consisting of:

**Employee engagement activities**

**“Net Zero day”**: Representatives from all departments enterprise wide jointly provided their opinions on corporate environmental management approach covering waste management, energy management, and water management, to support GHG reduction. The results of these activities have enabled all departments to understand the implementation, and to create great ideas that can be used to improve the implementation further.



**“Separation activities”**: Activities were organized for employees to understand how to separate wastes, by having each voluntary employee trial to separate the waste one by one, accompanied by staff of the Building Resource Management unit to explain the effective separation method and the journey destination of the waste management all the way to become “Zero Waste to Landfill”.



**“Save Energy Save Money”** : SET encourages employees to use energy wisely. Employees who submit electricity bills demonstrating energy usage reduction will receive SET Points and can redeem them for rewards.

**Knowledge sharing activities**

**Topic: “How to dispose wastes sustainably”**: Representatives from the unit responsible for waste management shared a simplified version of in-house waste separation process, and provided knowledge about GHG volume calculations that can be reduced by separating wastes correctly. Markedly, there were also employee representatives with realization particularly on this matter who volunteered to share ideas on how to apply them in daily life.

10 พฤษภาคม 2023 | 12:30 - 13:30 น.  
LIVE SET's Employee Knowledge sharing SET ESG Action 2023

**“กิจกรรมแลกเปลี่ยนเรียนรู้”**  
เชิญร่วมรับฟัง-แลกเปลี่ยน-ความรู้และประสบการณ์ ในการจัดการขยะอย่างถูกวิธี เพื่อให้อุปกรณ์ พลังงานทุกภาคได้นำไปปรับใช้จริงมีชมประชาชน ที่งาน ที่งาน และร่วมเป็นส่วนหนึ่งในการส่งต่อโครงการของเราสู่สังคม มาร่วมกันสร้างโลกที่น่าอยู่ และลดผลกระทบต่อสิ่งแวดล้อมจากที่ไม่รู้ตัวกัน

ร่วมเรียนรู้เรื่องเกี่ยวกับ **ถังขยะ 2566** ของ SET... ส่งต่อถึงมือคุณด้วย QR Code

ผู้ร่วมเรียนรู้: ดร.กาญจนา โลหาคำ, ดร.ณัฐกร งามวิจิตร, ดร.สุวิภา วัฒนศิริ, ดร.สุวิภา วัฒนศิริ, ดร.สุวิภา วัฒนศิริ, ดร.สุวิภา วัฒนศิริ

Click เพื่อลงทะเบียนทันที (Scan QR Code) 9 พ.ค. 2023 12:00 น.

**Topic: “Climate crisis: How to survive”** presented by Piphat (Top) Apirakthanakorn, A new generation eco-friendly product designer and advisor on social matters and environment for various leading companies, shared knowledge and cases about the severity of climate change crisis and how to adapt our lifestyle in the workplace to overcome the crisis.



**“Learning support”** SET creates E-learning for employees to enhance knowledge on Sustainability Management and basic GHG management to enhance knowledge and understanding, capable to apply it in the workplace. Moreover, SET also provides scholarships for employees interested in taking courses in sustainability and climate change at leading world-class institutions.

เปิดประตูสู่โอกาสในการพัฒนาตนเอง เสริมความรู้ด้าน ESG เพื่อเป็นส่วนหนึ่งในการขับเคลื่อนการพัฒนาความยั่งยืน ของตลาดทุนไทย SET ESG Action 2023

กับ โครงการ **ทุนอุดหนุนหลักสูตรสาขาด้าน ESG ปี 2566** (ESG SCHOLARSHIP : SET Employee Track) 40 ทุน

**12 หลักสูตร กับสถาบันชั้นนำระดับสากล (English & Online Course)**

คุณสมบัติผู้สมัคร

- เป็นพนักงานสายกลางที่สมัครงาน ESG (ไม่จำกัดอายุ / ศาสนา / ภูมิลำเนา / ประสบการณ์การทำงาน)
- ได้รับความเห็นชอบ และได้รับอนุมัติจากหัวหน้างาน และหัวหน้าสายงาน เพื่อขอสมัครเรียนทุน

สำหรับพนักงานที่สนใจสามารถสมัครตั้งแต่วันที่ 15 มิถุนายน - วันที่ 23/6/66

หมายเหตุ

- การขอสมัครเรียนทุนนี้ไม่ถือว่าเป็นการสมัครงานสายงาน ESG ของ SET
- ผลการพิจารณาใช้ทุนจะส่งมาทางอีเมลถึงผู้สมัคร



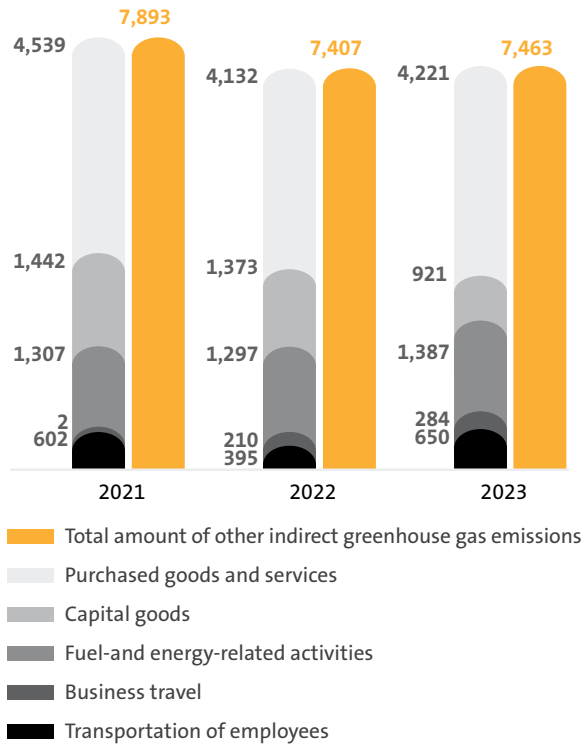
Amount of Greenhouse Gas Emissions: Scope 1&2

Unit: tons of carbon dioxide equivalent per year or tCO<sub>2</sub>e



SET collects GHG emissions data and reviews annually. In 2023, the amount of GHG emissions was higher than the previous year as more employees worked in the office and additional rental space was opened, with the launch of one extra floor of co-working space to facilitate employees. Distinctly, the intention to move forward towards the Net Zero goal announced in 2023 will materialize a certain plan for reducing GHG emissions both internally and externally with partners, as such reducing more amount of GHG emissions in the future.

Amount of Greenhouse Gas Emissions: Scope 3



Energy-efficient and environmentally friendly building management (Green building)

SET has applied standards and guidelines for the energy-efficient and environmentally friendly building development since the beginning of construction until the current use of the buildings. These include world-class international green building standards such as LEED (Leadership in Energy & Environmental Design) by the U.S. Green Building Council (USGBC), the ASEAN Energy Awards assessment criteria, the Thailand Energy Awards by the Ministry of Energy, the Fitwel Certification Standard for wellbeing of buildings’ users by the U.S. Centers for Disease Control and Prevention, and the Green Office standard from the Department of Climate Change and Environment. SET has received awards and certifications for energy management and wellbeing from various standards as follows:



### Energy Conservation Project

#### Energy Management Improvement Project

Buildings' energy use such as lighting, air conditioning, and electrical appliances contributed to most of the electricity consumption. Therefore, a project was initiated to improve the management and reduce electricity usage from building operations. The considered suitable measures include turning off the air conditioning in the lift lobbies and reception areas one hour earlier, reducing the operating time of the facade lighting from four hours to one hour, and encouraging employees to work in co-working space.

Saved electricity consumption:



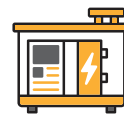
**138**

megawatt-hours (MWh) per year

#### Equipment optimization project

SET has prioritized efficient energy usage from the start of the SET building construction, inclusive of the materials selection, the construction supervision, and the building design, in line with the guidelines for developing energy-saving and eco-friendly buildings, with continuous efficiency improvement ever since. In 2023, additional work was carried out to increase the efficiency of equipment comprising improving the temperature control system for air conditioning units to increase accuracy and allow automatically resetting the temperature to the predetermined default setting, and the use of heat from the condensing unit in the dishwashers. All these have reduced the impact of the heat released into the environment, and helped save energy at the same time.

Saved electricity:



**27**

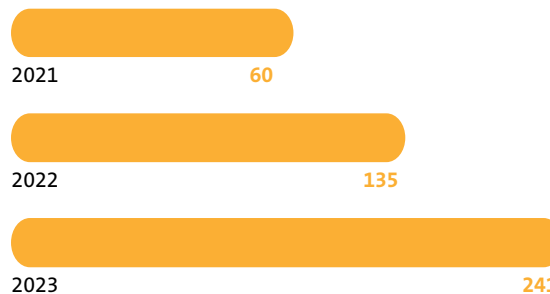
megawatt-hours (MWh) per year

#### Renewable Energy Efficiency Enhancement Project

To help save energy and reduce environmental impact, SET places importance on the use of renewable energy by installing a Solar Rooftop system to produce electricity from solar energy for the entire SET building on Ratchadaphisek road (Capital Market Center: CMC) and the Capital Market Academy (CMA) building at North Park (NP) project. This led to more electricity usage from renewable energy sources in 2023.

Amount of renewable energy usage

Megawatt-hour unit



### Waste management

SET has applied the 3R (Reduce-Reuse-Recycle) principle and has achieved the goal of “Zero Waste to Landfill” since 2020. Moreover, SET has also continuously improved the implementation with guidelines for encouraging employee participation and increasing management efficiency as follows:

#### Efficient waste storage

To increase the amount of recyclable waste and make it efficient, it is necessary to separate waste at source. Specific trash signs have been provided to enable the separation of dry waste from other wastes as much as possible. In 2023, SET could recycle garbage and reuse it in various ways up to 59.51 tons.



#### Effective waste management

With the SET’s goal to reduce landfill to zero to minimize the impact on the environment, all types of garbage are segregated for recycle, and disposed of appropriately and correctly. Practically, SET has cooperated with partner organizations to manage each type of waste effectively at various downstream destinations.

In addition to creating a storage and management system, understanding has been also fostered among employees on proper waste segregation and management methods. Employees have been encouraged to participate in waste separation and resource reduction through a competition between office floors to decrease waste volumes and the ratio of non-recyclable waste. As a result, the amount of office waste decreased by 11 percent, and the proportion of non-recyclable waste decreased by 1.4 percent (from the base month of March 2023).



Based on the efficient waste management implementation, SET has received “LEED Zero Waste Certification” and “TRUE Platinum Certification”, marked the first in ASEAN to receive certifications for both standards.

### Water resource management

SET’s office building is in the area with low risk of water shortages. Mostly, the water is used for business operations and activities in the buildings managed according to eco-friendly building management guidelines, and the wastewater is well-managed legally not causing any impact on the environment. There have been measures to conserve water continuously every year, such as the automatic timing device for plants watering and amount of water used and the selection of water-saving sanitary ware by installing a sensor on the faucet to reduce wasteful tap water flow, among others.

In 2023, a project was implemented to collect rainwater for use in the air conditioning system by installing a rainwater pipe connected to a water storage tank then undergoing a recycling system before use. The results: This project has enabled a reduction of tap water usage by approximately 200 cubic meters.

SET received a plaque of honor for wastewater management “Gold level” for the year 2022 from the Pollution Control Department, Ministry of Natural Resources and Environment. The assessment covered all dimensions of wastewater management, the control of wastewater discharge to reduce environmental impact, and the cost-effective use of natural resources.

### Eco-friendly procurement

SET has formulated a Green Procurement guideline to support SET’s employees, business partners, listed companies, and stakeholders to gain knowledge and realization with guidelines regarding this important matter. Currently, SET recorded over 80 percent of eco-friendly procurement value, with the goal to continuously increase certain value.

SET’s Green Procurement guidelines focus on the procurement of products and services that can help reduce environmental impact by considering the end-to-end process starting from raw materials to the disposal process after the end of its lifespan. The factors used as guidelines for selecting eco-friendly products and services consist of:

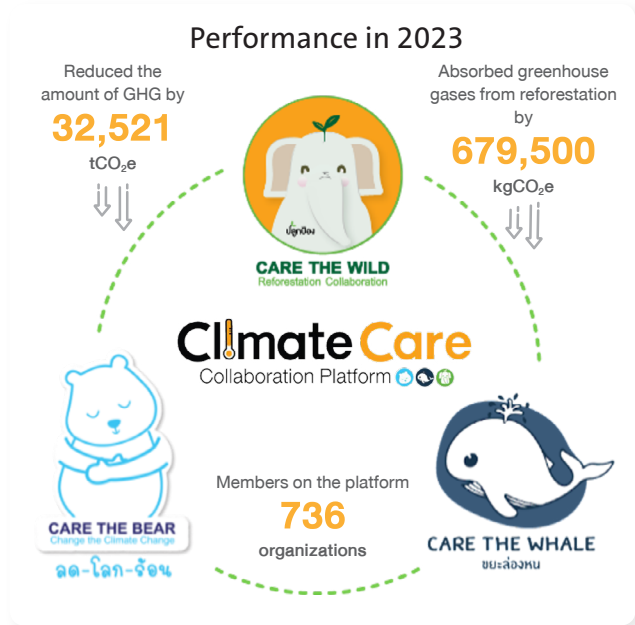


 <b>Efficiently using energy and resource in production processes</b>	 <b>Selecting environmentally friendly raw materials</b>	 <b>Reducing transportation processes</b>
 <b>Properly and efficiently disposing waste</b>	 <b>Conserving water or minimizing impact on water sources</b>	 <b>Prioritizing renewable resources</b>
 <b>Enhancing reusability</b>	 <b>Avoiding toxic chemicals</b>	 <b>Mitigating pollution</b>

In addition, SET also takes into consideration the purchasing of products and services with green labels, or the choice to use services with certified environmental standards, such as global warming reduction label, energy-saving label, ISO certification, etc., which can help ensure of having met environmental qualifications criteria. This implementation is part of the management functions in accordance with the Green Office standard and can help reduce the GHG production, Scope 3, making it possible to achieve the Net Zero goal.

### Collaboration Platform for Climate Action

SET, jointly with listed companies, business sector, government sector, and social sector, have put efforts to reduce the amount of GHG via a collaborative environmental management platform that can measure social results (Climate Care Platform), consisting of reducing GHG from organizing activities or implementing projects in house (Care the Bear), managing waste on an end-to-end basis concretely (Care the Whale), and planting forests to balance the ecosystem and absorb GHG (Care the Wild), in line with SDGs No. 12 Responsible Consumption, No. 13 Climate Action, and No. 17 Partnership. The GHG reduction calculation is in accordance with the standard of the Thailand Greenhouse Gas Management Organization (TGO) using the right tools and answering the needs of every organization: government agencies, social sector, and private sector. The aim is to start working on reducing GHG in the organization to reach the goals and to elevate the organization towards Carbon Neutrality or Net Zero goals.



### Climate Care Forum 2023

SET, jointly with Thailand Greenhouse Gas Management Organization (TGO), a public organization, organized the Climate Care Forum 2023: Time to Reduce “Reduce-for-the-World” forum with the objective to stimulate the reduction of excessive use of resources, and turn to using the resources that are around us wisely, realizing their value for optimum efficiency. At the event, informative presentation on “29 stories of reducing-for-the-world” by the organizations with environmental management leading towards concrete reductions in GHG, offering guidelines for other organizations to apply in their search of sustainability. In addition, there was also a special lecture on “Climate Crisis: Time to Reduce,” pointing out the urgent need to solve climate problems that are increasingly severe. Therefore, it is necessary that all sectors seriously reduce the excessive use of resources.



### Care the Bear project

SET supports listed companies and organizations in adjusting their behavior to reduce GHG emissions from organizing events or activities by using six (6) principles of practice, consisting of: campaigning traveling by public transportation, mass transit electric trains, or carpools; cutting back the use of paper and plastic for various documents and packaging; zero using of foam for packaging or decoration; reducing use of energy from electrical equipment or switching to energy-saving equipment; designing creative work by using recyclable decorative materials; and reducing food waste at events. In addition, the Climate Care Platform should also be used to calculate the amount of GHG reduction from waste separation and waste management in a tangible way.



In 2023, there were 201 organizations participating in this Care the Bear project, enabling the reduction of GHG by 6,653.92 tonCO<sub>2</sub>e, an increase of 39 percent from the previous year. Moreover, Thailand Securities Depository Co., Ltd. (TSD) has also collaborated with Care the Bear project to jointly reduce paper in Corporate Action functions, participated by 124 securities issuers, enabling the reduction of the use of 449,360 sheets of paper, equivalent to a reduction of 11,331.06 kgCO<sub>2</sub>e of GHG. The campaign to promote the reduction of GHG will be on a continuous basis and will also expand to embrace more alliances.



### Care the Whale project

The objective is to promote waste management from the origin, using the principles of circular economy. This project is carried out in collaboration with a network of partners in various areas, using the Climate Care Platform to calculate the amount of GHG reduction from waste separation and waste management.

In 2023, there were 34 organizations participating in the project. Additionally, the participating organizations have also extended the activities to their branches in various regions, resulting in a joint reduction of 25,867.06 tonCO<sub>2</sub>e of GHG, an increase of 88.6 percent from the previous year. In 2023, the project expansion, jointly with partners, to create tangible waste management is as follows:



- Established invisible Waste Station project at Bang Kachao river bend, Year 3, in collaboration with Chak Daeng Temple, Saha Pathanapibul pcl, Principal Capital pcl, and Osotspa pcl, particularly increasing the food waste separation. A total of 65,840 kilograms of waste has been separated, equivalent to a reduction of 155,122.45 kgCO<sub>2</sub>e of GHG.
- Jointly with Osotspa pcl and Care the Whale partners at 22 locations carried out the “Invisible Glass Bottle Waste” project, Year 2, resulting in the amount of recyclable glass bottle waste reaching 29,791.90 kilograms.

### Care the Wild project

The objective is to raise funds for reforestation, afforestation, and promoting forest care through the Reforestation Alliance Network, consisting of the Royal Forest Department, private sector organizations that take part in fund raising for reforestation, and communities taking care of community forests, aiming to create a balanced ecosystem by increasing the number of trees and expand the forest in a tangible way. This is considered the upstream of creating balance in the ecosystem while minimizing the problem of global warming at the early stage.

In 2023, six private sector organizations participated in the fundraising to plant forests in community forest areas, totaling 65 rai, adding 13,000 more trees in 3 community forest areas, absorbing 117,000 kgCO<sub>2</sub>e of GHG, comprising:

- Ban Khok Phluang Community Forest, Chakrat district, Nakhon Ratchasima province, totaling 45 rai, planted by Bangkok Commercial Asset Management pcl (BAM) 10 rai, Supalai pcl 10 rai, TCM Corporation pcl 15 rai, and IRPC pcl 10 rai
- Ban Lang Kao Community Forest, Bo Phloi district, Kanchnaburi province, planted by Assetwise pcl 10 rai
- Ban Nong Pling Community Forest, Lao Khwan district, Kanchnaburi province, planted by Don Muang Tollway pcl 10 rai

Notably, in the next steps, more advanced tracking technology will be used to monitor the results of the reforestation to ensure that the planted trees grow and 100 percent survive, as planned



Ban Khok Phluang Community Forest, Chakrat district, Nakhon Ratchasima province



Ban Lang Kao Community Forest, Bo Phloi district, Kanchnaburi province



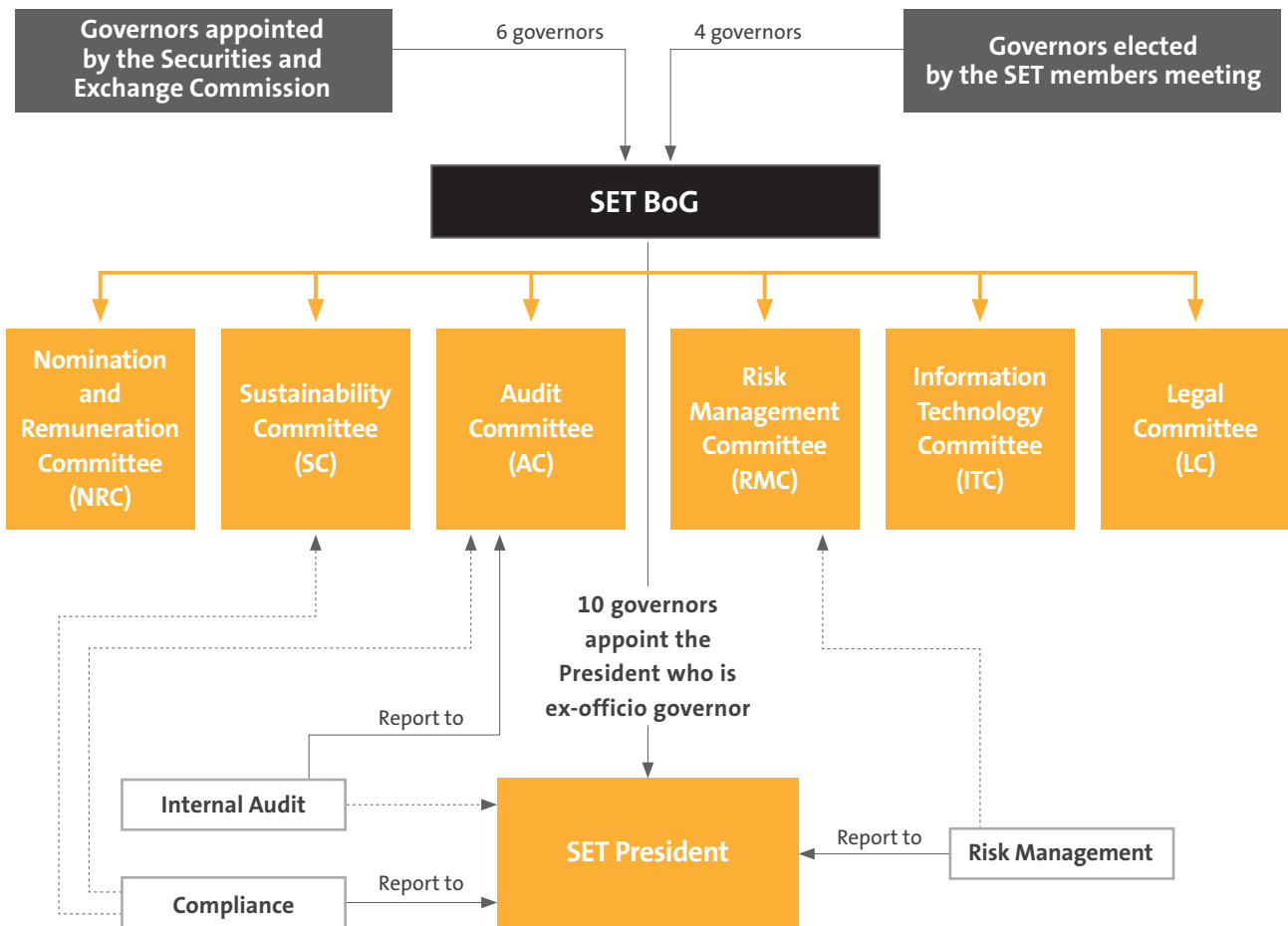
Ban Nong Pling Community Forest, Lao Khwan district, Kanchnaburi province



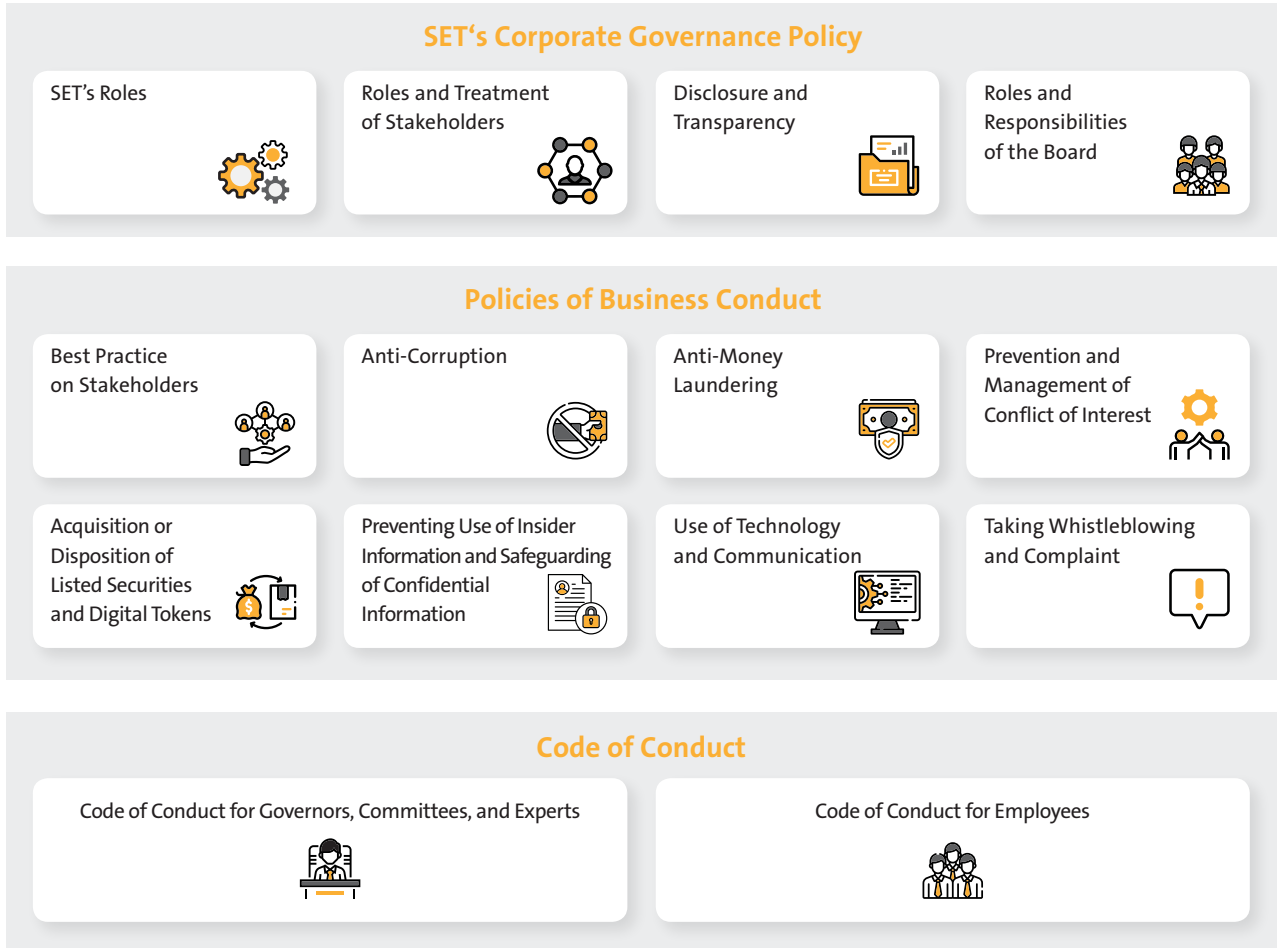
# 8 Corporate Governance Policy

## Corporate Governance Structure and Policy

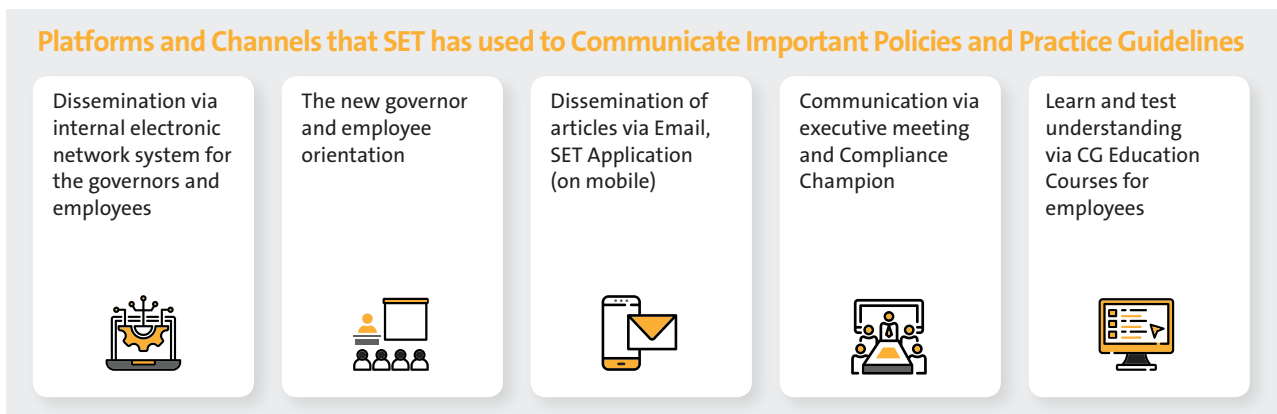
The Board of Governors (BoG) of The Stock Exchange of Thailand (SET) has the authorities and duties to set up regulatory policies, steer operations of the SET group, and perform other duties in compliance with the Securities and Exchange Act, having the SET President as the highest-ranking executive who adopts the policies from the BoG and implements to achieve the goals. In addition, the SET BoG has set up committees to screen important governance-related issues to the governors, and assign other internal functions to govern, oversee and audit the implementation for efficiency and transparency. The Governance Structure is illustrated below:



The BoG has approved the “Corporate Governance Policy and Code of Conduct of the SET group” (CG Policy and Code of Conduct) as practice guidelines for governors, committee members, experts and employees at all levels. Accordingly, such policy comprises of guidelines that are in accordance with the international standards of The Organization for Economic Co-operation and Development (OECD). In addition, the good corporate governance principles for listed companies have been applied in line with the SET’s structure and operating environment. The summary of the composition of SET’s CG policy and Code of Conduct is shown in the picture below:



SET has disseminated the SET group’s CG Policy and Code of Conduct, the Charter of SET BoG, and the Charters of various committees on SET’s website. Furthermore, SET has communicated the CG Policy and Code of Conduct, as well as key measures, policies, and rules & regulations to keep the governors and employees well-informed via SET’s various communication channels, such as:



## CG Education for Employees



1. Corporate Governance (CG) towards Sustainability
2. Best Practice on Stakeholders
3. Acquisition or Disposition of Listed Securities and Digital Tokens
4. Anti-Fraud and Anti-Corruption
5. Prevention and Management of Conflict of Interest
6. Preventing Use of Insider Information and Safeguarding of Confidential Information
7. Use of Technology and Communication
8. Taking Whistleblowing and Complaint
9. Key Laws Employees Need to Know and Comply
10. Personal Data Protection Act: PDPA

Therefore, in 2023, it can be concluded that the governors and all employees (100 percent) were informed of the compliance with SET's CG Policy and Code of Conduct, including the key CG policies.

## Compliance with Corporate Governance Policy

The BoG requires that the SET group's CG Policy and Code of Conduct be reviewed on an annual basis. The Compliance Department (under the Corporate Secretary and Compliance Group that reports directly to the President) is responsible for reviewing the policies and practice guidelines related to good corporate governance, as well as giving advice and monitoring to ensure that various departments comply with laws and regulations issued by regulatory entities that govern and oversee SET and companies in the SET group. The Compliance Department regularly reports the operating results to the Sustainability Committee (SC) and the Audit Committee (AC), having the Internal Audit Department responsible for auditing the operations in compliance with related policies and laws.

In 2023, the SET group inclusively and completely operated in compliance with the key CG policies, as follows:

- Practiced in compliance with the guidelines for the boards of listed companies, as specified by the Securities and Exchange Commission (SEC)
- The governors, executives, and all employees have complied with the policy of corporate governance in the performance of their work. No complaints via whistleblowing channels or from the SET group concerning inappropriate practices or violation of the ethics of the

governors, executives and staff of SET and subsidiaries in various matters, such as the use of insider information or conflict of interest from working for the organization, among others. In addition, SET's Internal Audit Department has also randomly audited compliance with the CG policy according to the Three Lines of Defense principles and found no significant non-compliance with the CG policy.

- No disputes with competitors, nor cases of a violation of customers' personal information
- No violations, breach, or non-compliance with the laws related to the operation of SET or subsidiaries such as the Securities and Exchange Act, Derivatives Act, Anti-Money Laundering Act, Labor and Human Rights laws, and Copyrights or Intellectual Property rights, etc.

## Roles of The Stock Exchange of Thailand

The SET BoG realizes the importance of SET's corporate governance as being a securities trading center, responsible for offering the core business and other related services, while taking a role as key economic mechanism of the country. SET adheres to good corporate governance principle by specifying that the functions responsible for customer service and market supervision must be clearly separated from each other for independence purpose. These will maintain check and balance, prevent the acquisition of confidential information between functions and employees (Chinese Wall measures), and the information classification practices. SET places emphasis on

SET information disclosure to the public and stakeholders by taking into consideration correctness, transparency, timeliness, and such information which will be disclosed through channels that are easy-to access, equal, and reliable.

## Best Practices on Stakeholders

SET conducts, on a yearly basis, a satisfaction survey to obtain feedback on the services provided by the SET group, from the clients such as the securities companies, listed companies, and asset management companies, among others. In 2023, the result of the survey showed an overall satisfaction score of 86 percent (which achieved the set target of not less than 80 percent). SET has continuously focused on enhancing customer service with the synergy of working with capital market participants in three areas: (1) Make fundraising & investment simple, (2) Move industry & ecosystem with standard, and (3) Match partners for synergy by carrying out simultaneously with taking care of each stakeholder group in accordance with relevant laws, policies, and operating standards, without violating the rights of stakeholders. SET believes that the implementation of the policy and code of conduct in dealing with stakeholders will be the foundation that builds confidence and brings maximum efficiency to all the market participants, while promoting the capabilities enhancement in the business and personnel potential, especially excellence in the work that caters to corporate strategy.

In 2024, SET prepares the readiness to drive the organizational development towards “Delivering Market Quality x Growth”, aiming to boost confidence in the capital market and enhance the competitive capabilities of the Thai capital market as well as supporting the drive towards sustainability. SET still adheres to the principle of sustainability as the core driving force in working with the business sector and society to grow together. SET has continuously focused on service development by targeting the score based on customer satisfaction surveys on the services of the SET group at not less than 80 percent.

## Anti-Fraud and Anti-Corruption

SET specifies that each department must carry out risk assessment on fraud and corruption, as well as setting up measures to manage these risks regularly every year in order to manage risks at an acceptable level. The Risk Management Department is responsible for monitoring and updating risk status for the management team, the Risk Management Committee (RMC), and the BoG on a regular basis, while the Internal Audit Department is in charge of examining the



outcome and the effectiveness of the related internal control measures.

The Compliance Department is responsible for giving practical advice to employees, ensuring compliance with the anti-fraud and anti-corruption measures. In the case of having received whistleblowing complaints of the actions which could be fraud and corruption, the Internal Audit Department will be responsible for conducting a fair and transparent investigation process for all related parties, while preparing a summary report to the SET President and the Audit Committee (AC) on a regular basis. Moreover, SET is committed to practicing the “No Gift Policy” which has been continuously conducted aiming to build good standard of the SET group’s operations altogether with integrity and transparency.

In 2023, executives and employees participated in activities showing the organization’s intention not to support fraud and corruption, such as participating in the Anti-Corruption Day 2023 on September 6, 2023, and the International Anti-Corruption Day (Thailand) on December 9, 2023, among other activities.

Moreover, SET also continues to drive and build cooperation with stakeholders in conducting business with honesty, transparency, and jointly prevent all forms of fraud and corruption, especially in dealing with business partners or those interested in becoming business partners with the SET group. The operation process can be summarized as follows:

- Treating all business partners with equality by considering and selecting companies that will be business partners with the SET group through a transparent and fair process. In the process, the procurement unit will screen and examine together with the working group appointed by the President before submitting to the authorized person. After the approval, a written agreement or contract will be made with fair conditions and equality for business partners, inclusive of monitoring and evaluating the performance of business partners regularly to improve business undertakings between both parties in a sustainable manner.

- Communicating the essence of anti-fraud and anti-corruption practices to business partners or those who wish to become business partners through a variety of channels, such as specifying a statement showing the intention to fight against fraud and corruption in the tender announcement, purchasing order, supply requirements, etc.

## Money Laundering Prevention

SET has formulated policies for companies in the SET group to be in compliance with laws relating to the prevention and suppression of money laundering, the financing of terrorism and the proliferation of weapons of mass destruction. Moreover, SET has also arranged for employees involved in performing duties in the units that have operational transactions related to compliance with the Anti-Money Laundering Act to take a training course on money laundering laws for employees responsible for reporting. All these employees have attended the training course and passed the test (100 percent).

In 2023, SET and companies in the SET group strictly complied with relevant laws, and SET did not find the use of the SET group as a means or tool to camouflage the source of illegal property.

## Prevention and Management of Conflict of Interest

SET has set up the policy to prevent and manage the conflict of interest for governors and employees. In the event that any person has an interest in the matter to be considered, that person must leave the meeting room and refrain from participating in any decision-making on such matters. In addition, SET has specified guidelines for the prevention and management of conflicts of interest in various matters, such as:

- Prohibiting employees from being a board member of or an advisor to listed companies and/or member companies
- If an employee wants to hold a position in a company or legal entity, it is subject to the President's approval, and in the case of the President, an approval from the Chairperson of the BoG is required.
- In case of an employee or a related person of such employee wants to be a business partner of the SET group, that employee must not take part in the procurement considerations of such product or service.

## Acquisition or Disposal of Listed Securities and Digital Tokens, and Conflict of Interest Reporting

The BoG has set the regulations regarding the acquisition or disposal of listed securities and digital tokens by governors and employees, including the reporting of the governors' interests in order to prevent the use of insider information and prevent issues of conflicts of interest. Such regulations stipulate important guidelines, such as:

- Practices and prohibitions on the acquisition or disposal of listed securities and digital tokens by governors and employees
- Criteria for governors in reporting their conflicts of interest, such as the holding of listed securities and digital tokens, the holding of shares in other companies, and the holding positions as directors, executives, or consultants in listed companies or any other companies, etc. Such reports will be kept at the Corporate Secretary Department.

In 2023, all SET's governors hold directorship positions in not more than five listed companies, which is in line with the principles of good corporate governance for listed companies, and the Board of Director Charter.

## Preventing the Use of Insider Information and the Safeguarding of Confidential Information

SET has formulated the policies on the prevention of the use of insider information and the safeguarding of confidential information for the governors and employees, such as not using information received from performing duties to seek benefits for oneself or others, not revealing confidential information of the organization even after the status termination of employment or work at the organization, etc. Moreover, SET has also specified additional guidelines for employees, such as the measures to prevent internal information leakage among departments and employees (Chinese Wall measures), the confidential information classification practices, etc.

In 2023, no violations or failure to comply with the policies and regulations were found regarding the use of insider information and confidentiality among governors and employees.

## IT Security Protection

The BoG has formulated the IT Security Policy to ensure that SET’s business operations are in line with the principles of IT-related security and risk management. Such policy and the management guidelines are reviewed annually to ensure appropriate and updated information to cope with the changing situation. Notably, the policies and practices related to IT that SET has formulated are in accordance with international standards such as ISO27001 - Information Security Management, ISO20000 - IT Service Management, and ISO27701 - Privacy Information Management, etc., as well as in line with the criteria of relevant regulatory agencies.

The SET group has allocated both human and financial resources to committedly oversee, prevent, and monitor the IT security, such as setting up various IT Security units under the Information Technology Division, appointing an internal working group to deal with threats in IT security (Computer Security Incident Response Team: CSIRT working group), appointing Chief Information Security Officer (CISO), for the benefit of various operations related to IT security and cyber threats, including the preparation of standard manual for operations and report of any unusual IT-related incidents, etc.

In addition, SET also regularly communicates to all employees via Intranet, Cybersecurity Awareness course, and surprise test on cybersecurity threats, aiming to motivate employees to realize the importance of the compliance with IT security measures for both in the office and work-from-home environment. Moreover, SET has also emphasized that employees use IT and communication system and process carefully so as to prevent any negative impact on the organization or stakeholders. In 2023, there was no case of leakage of key information of SET and subsidiaries.

## Whistleblowing or Complaints

SET provides channels for whistleblowing and complaints concerning inappropriate actions, violating the law or code of conduct, incorrect financial reports, or a defective internal control system, to the SET group, and has disclosed those channels via the SET website, as follows:

<b>For stakeholders</b>	Chairperson of the Audit Committee (AC) ChairmanOfTheAuditCommittee@set.or.th	or by postal mail: The Stock Exchange of Thailand, 93 Ratchadaphisek road, Dindaeng, Bangkok 10400
	Internal Audit Department whistleblow@set.or.th	
	SET Contact Center www.set.or.th/contactcenter or +66 2009 9999 (during business days and hours)	SET Contact Center will further submit the whistleblowing information and complaints to SET’s Internal Audit Department.
<b>For employees</b>	Report whistleblowing or file complaints to Internal Audit Department, Human Resources Management Department, Compliance Department, or supervisors whom employees trust, at all levels.	

The whistleblowing information and complaints submitted to SET will be examined, processed and screened to assess possible impact. The matters will be presented to the AC to consider taking the appropriate actions in line with the complaints handling process.

In 2023, there were neither whistleblowing nor complaints about inappropriate practices or unethical actions carried out by the governors, executives and employees of the SET group.



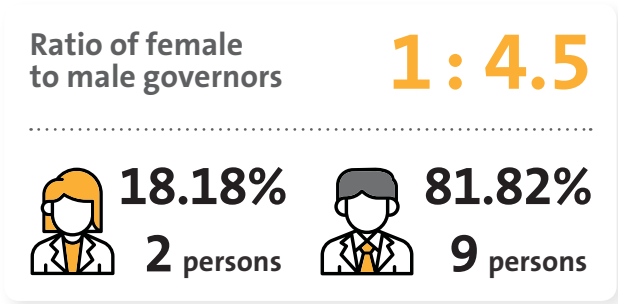
# 9 Information on the Board of Governors and Executives

## Information on the Board of Governors

### Structure

The structure and term of the Board of Governors (BoG) are in accordance with the Securities and Exchange Act. The essence of the information is as follows:

- 1) The BoG consists of six governors appointed by the Securities and Exchange Commission (SEC), and four governors elected by the members' meeting. All 10 governors shall appoint the SET President who is considered as an ex-officio governor. The BoG shall elect one governor who is not the SET President to be the Chairperson of the BOG, as well as electing another governor to be the Vice Chairperson of the BoG.
- 2) The term of governor is three years and may be re-appointed or re-elected, but shall not hold office for more than two consecutive terms. The tenure of the SET President shall hold office for a term of not exceeding four years and may be re-appointed.



### The Secretary to the Board of Governors

The BoG has appointed Rongrak Phanapavudhikul as the Secretary to the BoG. He currently holds the position of Senior Executive Vice President - Head of Legal Affairs Division and Head of Corporate Secretary and Compliance Group.

### Board Skill Metrix

To nominate the governors, Skill Metrix has been taken into consideration to be beneficial to supervise operations of SET and associated companies. The BoG's Skill Metrix including age range, and gender of governors can be summarized as follows:



## Name and Position of the Board of Governors

Name of the BoG		Position in Committees in Charge of Good Corporate Governance					
Name-Surname	Position	AC	NRC	SC	RMC	ITC	LC
1. Dr. Prasarn Trairatvorakul	Chairperson						
2. Pichet Sithi-Amnuai	Vice Chairperson				●	○	
3. Dr. Anuchit Anuchitanukul	Governor				○	●	
4. Adjunct Professor Kitipong Urapeepatanapong	Governor		○	○			●
5. Adjunct Professor Dr. Kittipong Kittayarak	Governor	○		●			○
6. Dr. Kulpatra Sirodom	Governor	○	●		○		
7. Paiboon Nalinthrangkurn	Governor		○		○	○	
8. Sopawadee Lertmanaschai	Governor	●	○	○			
9. Supachoke Supabundit	Governor	○			○	○	
10. Thiti Tantikulanan	Governor	○	○		○		
11. Dr. Pakorn Peetathawatchai	President			○	○	○	○

Note: ● stands for Chairperson ○ stands for committee members

The names of qualified experts or external experts have not been included in the above list of RMC, ITC, and LC.

## Roles, Duties and Responsibilities of “the Board of Governors” and “President”

The SET BoG shall have the power and duty to formulate policies and governs the operation of the SET group, and perform any other function in accordance with the Securities and Exchange Act and laws relating to the operation of the SET group, as well as the duties and responsibilities specified in the BoG Charter. The clear separation of roles and duties between the BoG and the governors and the President can be summarized as follows:



SET Board of Governors Charter

The Board of Governors	<ul style="list-style-type: none"> <li>To set strategic directions, policies and goals of the organization, as well as govern and oversee the management so as to implement according to the policies, regulations as well as in compliance with , and comply with related laws</li> <li>To approve the strategic plan, annual budget and manpower plan of the SET employees</li> <li>To govern and oversee to ensure that the accounting system, financial reporting, internal control, internal audit, corporate governance tasks, and risk management systems are effective and reliable</li> <li>To assign and delegate authority to the management at appropriate level with good internal control system</li> </ul>
The President	<ul style="list-style-type: none"> <li>To be responsible for managing SET’s businesses according to the policies, strategic goals, laws and regulations as specified by the BoG</li> <li>To update the progress of the operations according to the strategic plans, and SET’s performance, including the key operating results of subsidiaries and joint ventures, to the BoG on a quarterly basis</li> </ul>

In addition, according to the SET’s authority manual which has been set up for the purpose of delegation of responsibility and authority to make decisions based on the assigned duties, the power to implement remains the BOG’s authority to approve, such as the approval of the adopt or change of accounting policies and principles, the approval of the procurement of goods and services in the amount of more than THB 20 million, the bad debt write-off in the amount of more than THB 100,000, etc.

# Board of Governors



**Dr. Prasarn Trairatvorakul**  
Chairperson



**Pichet Sithi-Amnuai**  
Vice Chairperson



**Dr. Anuchit Anuchitanukul**  
Governor



**Adjunct Professor Kitipong  
Urapeepatanapong**  
Governor



**Adjunct Professor  
Dr. Kittipong Kittayarak**  
Governor

Data as of December 31, 2023



**Dr. Kulpatra Sirodom**  
Governor



**Paiboon Nalinthrangkurn**  
Governor



**Sopawadee Lertmanaschai**  
Governor



**Supachoke Supabundit**  
Governor



**Thiti Tantikulanan**  
Governor



**Dr. Pakorn Peetathawatchai**  
President

## Board of Governors

### Dr. Prasarn Trairatvorakul Chairperson

Age 71 years

Assume the position of Chairperson on February 5, 2021

#### Education

- Doctor of Business Administration, Harvard University, Massachusetts, USA
- Master in Business Administration, Harvard University, Massachusetts, USA
- Master of Engineering in Industrial Engineering and Management, Asian Institute of Technology
- Bachelor of Engineering, First class Honors in Electrical Engineering, Chulalongkorn University
- Honorary Doctor of Economics, Chulalongkorn University
- Honorary Doctor of Philosophy, National Institute of Development Administration
- Honorary Doctor of Economics, The University of the Thai Chamber of Commerce
- Honorary Doctor of Economics, Khon Kaen University
- Honorary Doctor of Business Administration, Rajamangala University of Technology Suvarnabhumi

#### Executive Program

- Certificates:
  1. The Role of the Chairman Program
  2. Director Certification Program
  3. Ethical Leadership Program
  4. Board Nomination and Compensation Program
  5. IT Governance and Cyber Resilience Program
- Thai Institute of Directors Association
- Diploma, the Joint State-Private Sector Course, the National Defense College
- Certificate, the Executive Program of Energy Literacy for a Sustainable Future, Thailand Energy Academy

#### Other Current Positions

##### Position in Listed Companies

- Chairman, Central Retail Corporation Public Company Limited
- Chairman, SCG Packaging Public Company Limited
- Chairman, Pruksa Holding Public Company Limited
- Independent Director, the Siam Cement Public Company Limited

##### Position in Private Limited Companies or Other Businesses

- Chairman, Capital Market Development Fund
- Chairperson, Thailand Futures Exchange Public Company Limited
- Chairperson and Chairperson of the subcommittee, the SET Foundation
- Director, Crown Property Bureau Equity Company Limited
- Director, Siam Sindhorn Company Limited
- Senior Advisor, Central Group
- Chairman of the Board of Governance, Equitable Education Fund
- Chairman of the Board of Directors, Thailand Development Research Institute
- Executive Director, Thai Red Cross Society
- Advisor, Crown Property Bureau
- Member, Property Management Committee, Chulalongkorn University
- Member, Asset Management Committee of Vajiravudh College

#### Past Experiences

- Governor, Bank of Thailand
- Secretary-General, Securities and Exchange Commission
- President, Kasikornbank Public Company Limited
- Chairman, National Economic Reform Committee of Thailand
- Chairman, Public Procurement Committee of Thailand
- Member, Education Reform Committee of Thailand
- Member, State Enterprises Supervisory Board of Thailand
- Chairman of the Board, Mahidol Wittayanusorn School

### Pichet Sithi-Amnuai Vice Chairperson

Age 58 Years

Assume the position of Vice Chairperson on February 5, 2021

#### Education

- Master of Education (Early Childhood Education) Chulalongkorn University
- Master of Business Administration, University of Texas at Austin, USA
- Bachelor of Engineering (Industrial Engineering), Chulalongkorn University

#### Executive Program

- Certificates:
  1. Director Leadership Certification Program
  2. Director Certification Program
  3. Audit Committee Program
  4. Role of the Compensation Committee
  5. Corporate Governance for Capital Market Intermediaries
  6. Monitoring Fraud Risk Management
  7. Monitoring the Internal Audit Function
  8. Monitoring the Quality of Financial Reporting
  9. Successful Formulation & Execution the Strategy
  10. Anti-Corruption for Executive Program
  11. What the Board Should Do in a Turnaround Situation
- Thai Institute of Directors Association
- Certificate, TLCA Leadership Development Program
- Certificate, TLCA Executive Development Program
- The Executive Program in Energy Literacy for a Sustainable Future, Thailand Energy Academy
- Business Revolution and Innovation Network, The Federation of Thai Industries
- Certificate, Capital Market Academy Leadership Program, Capital Market Academy

#### Other Current Positions

##### Position in Listed Companies

- Director, Harn Engineering Solutions Public Company Limited

##### Position in Private Limited Companies or Other Businesses

- Vice Chairman, Federation of Thai Capital Market Organizations
- Director, Thailand Futures Exchange Public Company Limited
- Director, CMDF Digital Infrastructure Company Limited
- Director and Chairman, Association of Thai Securities Companies
- President, Bualuang Securities Public Company Limited
- Director and Chairman of Risk Management Committee, TSFC Securities Public Company Limited
- Director, SS Family Holding Company Limited
- Director, HO HO Kitchen Company Limited
- Director, ASCO Business Promotion Company Limited

#### Past Experiences

- Independent Director and Chairman of the Audit Committee, Mermaid Maritime Public Company Limited
- Managing Director, Play & Music Company Limited
- First Vice President of Corporate Finance Department, Jardine Fleming Thanakom Securities Company Limited
- Assistant General Manager, International Business Division, MMC Sittipol Company Limited



## Dr. Anuchit Anuchitanukul Governor

Age 52 Years

Assume the position of governor on February 5, 2021

### Education

- Doctor of Philosophy in Computer Science, Stanford University, USA
- Master of Science in Computer Science, Stanford University, USA
- Master of Business Administration, Chulalongkorn University
- Bachelor of Engineering (1<sup>st</sup> Class Hons), Chulalongkorn University

### Executive Program

- Strategy and Innovation for Businesses in Asia (SIBA 2012), CMMU-MIT
- Top Executive Program in Commerce and Trade, University of the Thai Chamber of Commerce
- Certificate, Director Certification Program, Thai Institute of Directors Association
- Certificates
  1. Thailand Insurance Super Leadership Program
  2. Thailand Insurance Leadership Program Office of Insurance Commission
- Executive Education (Program for Senior Management 4), Fiscal Policy Research Institute (FPRI) Kellogg-SchulichMaxwell
- Certificate, TLCA Executive Development Program
- Certificate, Economics & Investment Analysis, Faculty of Economics, Chulalongkorn University
- Certificate, Capital Market Academy Leadership Program, Capital Market Academy

### Other Current Positions

#### Position in Listed Companies

- Independent Director and Member of the Audit Committee, I.C.C. International Public Company Limited
- Director, WHA Industrial Development Public Company Limited
- Director and Member of the Risk Management Committee, WHA Corporation Public Company Limited
- Advisor to Chief Executive Office, Kiattakin Phatra Bank Public Company Limited

#### Position in Private Limited Companies or Other Businesses

- Chairperson, SET Venture Holding Company Limited
- Chairperson of the Information Technology Committee, Chairperson of the Securities Investor Protection Fund Committee and Member of the Risk Management Committee, The Stock Exchange of Thailand
- Director, The SET Foundation
- Chairman and Member of the Audit Committee, Arkitura Company Limited
- Director, Aksorn Education Company Limited
- Director and Member of the Audit Committee, Capital Market Development Fund Committee
- Expert Member, Commission Policy on Private Participation in State Affairs, State Enterprise Policy Office
- Advisor to the Digital Economic and Social Council of Thailand
- Electronic Transactions Committee/Computer Science Qualified Committee/Subcommittee on Standards and Governance/Strategic and Promotion Subcommittee
- State Enterprise Development Assessment Sub-committee for Digital Transformation and Knowledge and Innovation Management, State Enterprise Policy Office
- Director, Bee Systems Company Limited
- Director, Fourgles (Thailand) Company Limited
- Director, KKP Dime Company Limited
- Working Group, Eastern Special Development Zone (EEC) Policy Committee

### Past Experiences

- Director, Committee For The Protection Of Credit Information
- Advisor and Member in Committee for the Digitalization of the Revenue Department, The Revenue Department
- Director and Member of the Risk Management Committee, Bangchak Corporation Public Company Limited
- Subcommittee on Digital Strategy of Capital Markets
- Advisor, National e-Payment Committee, Ministry of Finance
- Directors of the Big Data Steering and Management Committee, Ministry of Finance
- Director, Krungthai Computer Services Company Limited
- Director, Krungthai Panich Insurance Company Limited
- Director, National ITMX Company Limited
- Director, Daol Securities (Thailand) Public Company Limited
- Senior Executive Vice President & Managing Director, Krungthai Bank Public Company Limited
- Director of Business Development and Technology, Freewill Solutions

## Adjunct Professor Kitipong Urapeepatanapong Governor

Age 68 Years

Assume the position of governor on August 5, 2022

### Education

- Honorary Doctorate Degree, Faculty of Law, Hatyai University
- Master of Laws, The University of British Columbia
- Master of Laws, Chulalongkorn University
- LL.B., Chulalongkorn University
- Admitted as Thai Barrister-at-law

### Executive Program

- Top Executive Program in Commerce and Trade (TEPCoT), Class 1, Commerce Academy, University of the Thai Chamber of Commerce
- Certificates
  1. Director Certification Program
  2. DCP Refresher Course
  3. Role of Chairman Program
  4. IT Governance and Cyber Resilience Program
  5. ESG in the Boardroom: A Practical Guide for Board
  6. Director Leadership Certification Program
  7. Board Nomination and Compensation Program Thai Institute of Directors Association
- Certificate Executive Program, J.L. Kellogg School of Management, Northwestern University, USA
- Certificate, Corporate Governance, Yale University, School of Management
- Certificate, Capital Market Academy Leadership Program, Capital Market Academy
- The Cullinan Course : The Making of the Digital Board Batch 2, Thailand Management Association
- Certificate of Completion on Company Directors, Australian Institute of Company Directors, Australia
- Certificate, Family Business Program, Harvard Business School
- The Program for Junior Executives on Justice Administration, Class 9, Judicial Training Institute
- Advanced Certificate Course in Politics and Governance in Democratic Systems for Executives, Class 5, King Prajadhipok's Institute
- Diploma, National Defence course for the joint State-Private Sectors, Class 18, Thai National Defence College (NDC)
- The Executive Program in Energy Literacy for a Sustainable Future, Thailand Energy Academy
- Intermediate Certificate Course in Good Governance for Medical Executives, King Prajadhipok's Institute
- Notary public, Lawyers Council of Thailand

### Other Current Positions

#### Position in Listed Companies

- Independent Director and Member of Governance and Nomination Committee, SCG Packaging Public Company Limited
- Independent Director and Member of Risk Management Committee, Pruksa Holding Public Company Limited

#### Position in Private Limited Companies or Other Businesses

- Member of the Committee on Legal Reform for Ease of Doing Business and Chairman of the Subcommittee, Group 1, Subcommittee on Legal Reform for Ease of Doing Business
- Member of the Committee on Legal Reform for Ease of Doing Business
- Member of The Board of Investment
- Member of the Working Committee for review and reform of legislation that may obstruct business operations in the Federation of Thai Capital Market Organizations (FETCO)
- Member of the Steering Committee, RANH (Ramathibodi Nursing Home) Social Enterprise



### Position in Private Limited Companies or Other Businesses (continued)

- Chairperson of The Legal Committee, Member of the Nomination and Remuneration Committee and Member of the Sustainability Committee, The Stock Exchange of Thailand
- Independent director, Chairman of Sustainability Development Committee, Member of Nomination and Remuneration Committee, CJ More Company Limited
- Committee Member, Committee on Economic and Investment Stimulus Measures to Attract High Potential Foreigners to Thailand
- Member of Advisory board of School of Law, University of the Thai Chamber of Commerce (UTCC)
- Independent Director, Member of the Audit Committee and Member of the Risk Management Committee, ThaiNamthip Corporation Company Limited
- Honorary Chairman, Thai Institute of Directors Association (IOD)
- Honorary Member of Hatyai University Council
- Independent Director and Member of the Corporate Governance and Nomination Committee, SCG Chemicals Public Company Limited
- Chairman and Chairman of the Corporate Governance and Sustainability Committee, The Thai Credit Bank Public Company Limited
- Chairman, VNB Holding Company Limited
- Advisor, Baker & McKenzie Company Limited
- Chairman and Independent Director, Chotiwat Manufacturing Public Company Limited
- Member of the Sub-Committee, Office of Social Enterprise Promotion
- Member of the Law Sub-Committee and Advisor to the Board of Investment, The Board of Investment of Thailand
- Member of the Economics Situation Administration Committee, Center for COVID-19 Situation Administration (CCSA)
- Member, Audit Committee, Bangkok University
- Member of the Professional Expert of Steering Committee, Office of the National Higher Education, Science, Research and Innovation Policy Council
- Director, Thailand Institute of Justice (Public Organization)
- Honorary Member of the National Reform Commission (Legal and member of the Critical Issues Committee)
- Member of the Professional Expert Committee, National Commission for Justice Administration Development
- Chairman, Cheevamit Social Enterprise Company Limited
- Vice President, National Reform Committee on Legal
- Chairman, Tax and Regulatory Commission, Thai Chamber of Commerce
- Director, Siam Piwat Retail Holding Company Limited
- Executive Director, Siam Piwat Company Limited
- Director, Business Strategic Holding Company Limited

### Past Experiences

- Chairman, Baker & McKenzie Company Limited
- Independent Director of Krungthai Bank Public Company Limited
- Member of the National Reform Commission
- Director, Rachakarn Asset Management Company Limited

## Adjunct Professor Dr. Kittipong Kittayarak Governor

Age 65 Years

Assume the position of governor on August 5, 2022

### Education

- Doctor of the Science of Laws (J.S.D.), Stanford University, USA (Fulbright Scholarship)
- Master of Laws (LL.M.), Harvard University, USA (Fulbright Scholarship)
- Barrister-at-Law, Institute of Legal Education, Thai Bar Association
- Master of Laws (LL.M.), Cornell University, USA (Royal Thai Government Scholarship)
- Bachelor of Laws (Honors), Chulalongkorn University

### Executive Program

- Certificates
  1. Director Accreditation Program
  2. Advanced Audit Committee Program
 Thai Institute of Directors Association

### Other Current Positions

#### Position in Listed Companies

- Director, Chairman of the Corporate Governance and Social Responsibility Committee and Member of the Compliance Committee, Krungthai Bank Public Company Limited
- Independent Director, Nomination, Remuneration and Corporate Governance Committee, Dusit Thani Public Company Limited
- Independent Director, CP ALL Public Company Limited
- Independent Director, Member of Audit Committee, Member of Corporate Governance and Sustainable Development Committee, Charoen Pokphand Foods Public Company Limited
- Independent Director, Member of the Nomination and Remuneration Committee, and Chairman of the Corporate Governance Committee, True Corporation Public Company Limited

#### Position in Private Limited Companies or Other Businesses

- Chairperson of the Sustainability Committee, Member of the Audit Committee and Member of the Legal Committee, The Stock Exchange of Thailand
- Chancellor, King Mongkut's Institute of Technology Ladkrabang
- Chairman, The Council of Bangkok University
- Vice Chairman and Member of Executive Committee, Friends in need (of "PA") Volunteers Foundation, The Thai Red Cross Society Executive Committee,
- Member of Executive Committee, Bajrakitiyabha Fund for Legal Education
- Director, Siriraj Piyamaharajkarun Hospital
- Director, Ramathibodi Foundation Under the Royal Patronage of His Majesty the King, Her Royal Highness Princess Maha Chakri Sirindhorn
- Deputy Chairman, The Legal Committee, Thai Red Cross Organ Donation Center
- Member of the Board of Committee, Thai Bar under the Royal Patronage

### Past Experiences

- Independent Director and Chairman of the Audit Committee, PTT Public Company Limited
- Executive Director, Thailand Institute of Justice (Public Organization)
- Vice Chairman, Mahidol University Council
- Committee, Mahidol University Council
- Permanent Secretary, Ministry of Justice

## Dr. Kulpatra Sirodom Governor

Age 67 Years

Assume the position of governor on February 5, 2021

### Education

- Doctor of Philosophy in Finance, University of Pittsburgh, USA
- Master of Business Administration in Finance, West Virginia University, USA
- Bachelor of Business Administration in Finance, Thammasat University

### Executive Program

- Certificates
  1. Director Certification Program
  2. Audit Committee Program
  3. Director Leadership Certification Program
  4. ESG in the Boardroom: A Practical Guide for Board  
Thai Institute of Directors Association
- Certificate, Global Association of Risk Professionals
- Certificate, Capital Market Academy Leadership Program, Capital Market Academy

### Other Current Positions

#### Position in Listed Companies

- Independent Director, Chairperson of the Audit Committee and Member of the Corporate Governance Committee, Thai Group Holdings Public Company Limited
- Independent Director and Chairperson of the Audit Committee, Thai President Foods Public Company Limited
- Independent Director and Chairperson of the Audit Committee, The Erawan Group Public Company Limited
- Independent Director, Chairperson of the Audit Committee and Member of the Corporate Governance Committee, Thai Wacoal Public Company Limited
- Independent Director, Member of the Audit Committee and Member of the Risk Oversight Committee, SCB X Public Company Limited

#### Position in Private Limited Companies or Other Businesses

- Chairperson of the Nomination and Remuneration Committee, Member of the Audit Committee, and Member of the Risk Management Committee, The Stock Exchange of Thailand
- Chairperson, The Fund Performance Evaluating Committee, Capital Market Development Fund
- Advisor, Social Enterprise Thailand Association
- Director and Chairperson of the Audit Committee, Thai Listed Companies Association
- Director and Chairperson of Nomination and Remuneration Committee, Thai Institute of Directors (IOD)
- Independent Director and Chairperson of the Audit Committee, Mae Fah Luang Foundation
- Director and Member of the subcommittee, The SET Foundation
- Director, The Siam Commercial Foundation
- Director, Professor Sangvian Indaravijaya Foundation

### Past Experiences

- Independent Director and Member of the Audit Committee, TISCO Bank Public Company Limited
- Member of the Appeals Committee, The Stock Exchange of Thailand
- Independent Director, Thailand Securities Depository Company Limited
- Independent Director and Chairperson of the Risk Management Committee, Thailand Clearing House Company Limited
- Director, Member of the Audit Committee and Member of the Corporate Social Responsibility Committee, The Siam Commercial Bank Public Company Limited
- Independent Director, Total Industrial Services Company Limited
- Expert Member of The Board of Director, Member of the Risk Management Committee and Member of the Investment Risk Management Sub-Committee, Social Security Fund
- Advisor, Federation of Accounting Professions Under The Royal Patronage of His Majesty The King
- Member, Revolving Evaluation Sub-Committee, Comptroller General's Department
- Member, Risk Management Sub-Committee, Government Pension Fund
- Director, H.R.H. Prince Pijitjirapa Tevakul Foundation
- Dean, Faculty of Commerce and Accountancy, Thammasat University

## Paiboon Nalinthangkurn Governor

Age 57 Years

Assume the position of governor on August 5, 2019

### Education

- Master of Business Administration in Finance, Indiana University at Bloomington, USA
- Bachelor of Arts in Computer and Information Sciences, University of California at Santa Cruz, USA

### Executive Program

- Certificates
  1. Director Certification Program
  2. Director Accreditation Program
  3. Corporate Governance for Capital Market Intermediaries  
Thai Institute of Directors Association
- Certificate, Chartered Financial Analyst, CFA Institute, USA
- Certificate, Capital Market Academy Leadership Program, Capital Market Academy

### Other Current Positions

#### Position in Listed Companies

- Senior Executive Vice President, TISCO Financial Group Public Company Limited

#### Position in Private Limited Companies or Other Businesses

- Chief Executive Officer, TISCO Securities Company Limited
- Director, Capital Market Development Fund
- Director and Member of the subcommittee, The SET Foundation
- Member of the Corporate and Sustainability Committee, Member of the Risk Management Committee and Member of the Information Technology Committee, The Stock Exchange of Thailand
- Chairman of the Research Committee, Member of the Investment Committee and Member of the Nomination and Remuneration Committee, Capital Market Development Fund
- Honorary Advisor to the Senate Committee on the Economy
- Chairman, Investment Analysts Association

### Past Experiences

- Chairman, Federation of Thai Capital Market Organizations
- Director, Thai Capital Market Development Committee, Ministry of Finance
- Honorary Advisor, National Reform Steering Assembly Committee on the Economy
- Chairman, the Sub-committee on Capital Market Reforms, the National Reform Council
- Member, the National Reform Council
- Member, Joint Public and Private Sector Consultative Committee

## Sopawadee Lertmanaschai

### Governor

Age 70 Years

Assume the position of governor on August 5, 2019

#### Education

- Master of Science (Accounting), Thammasat University
- Bachelor of Law, Thammasat University
- Bachelor of Science (Accounting), Thammasat University

#### Executive Program

- The Wharton Advanced Management Program, University of Pennsylvania, USA
- Certificates
  1. Director Certification Program
  2. Director Accreditation Program
  3. Audit Committee Program
  4. Corporate Governance for Capital Market Intermediaries
  5. Director Certification Program Update
  6. Successful Formulation and Execution of Strategy
  7. ESG in the Boardroom: A Practical Guide for Board
- Thai Institute of Directors Association
- King Prajadhipok's Institute, Intermediate Certificate Course in Good Governance for Executives
- Certificate, Capital Market Academy Leadership Program, Capital Market Academy

#### Other Current Positions

##### Position in Listed Companies

- Independent Director and Chairperson of Audit Committee, Central Plaza Hotel Public Company Limited
- Independent Director and Chairperson of Audit Committee, Maybank Securities (Thailand) Public Company Limited
- Independent Director and Chairperson of Audit Committee, JSP Pharmaceutical Manufacturing (Thailand) Public Company Limited

##### Position in Private Limited Companies or Other Businesses

- Director, The SET Foundation
- Director and Secretary, Professor Sangvian Indaravijaya Foundation
- Director, Chotiwat Manufacturing Public Company Limited
- Chairperson and Independent Director, KTBST REIT Management Company Limited
- Advisor to Chairman of the Board of Directors and Member of the Investment Committee, Dhipaya Insurance Public Company Limited
- Chairperson and Director of Audit Committee, Cheese Digital Network Company Limited

#### Past Experiences

- Independent Director and Member of The Audit Committee, Intouch Holdings Public Company Limited
- Independent Director, Dohome Public Company Limited
- Director and Chairperson of Audit Committee, Metropolitan Electricity Authority
- Director and Executive Directors, Government Pharmaceutical Organization
- Commissioner, The Securities and Exchange Commission, Thailand
- Secretary General, Government Pension Fund
- Director, IRPC Public Company Limited
- Director, Nok Airlines Public Company Limited

## Supachoke Supabundit

### Governor

Age 47 Years

Assume the position of governor on August 5, 2022

#### Education

- Master of Business Administration (Finance and Strategy) Sasin Graduate Institute of Business Administration of Chulalongkorn University
- Bachelor of Arts (Economics) Boston University, USA

#### Executive Program

- Certificate, Director Accreditation Program (170/2020), Thai Institute of Directors Association
- Certificates:
  1. Thailand Insurance Super Leadership Program (1/2020), Office of Insurance Commission (OIC)
  2. Thailand Insurance Leadership Program (5/2016), Office of Insurance Commission (OIC)
- Certificate, Executive Development Program (EDP 10/2012), Thai Listed Companies Association (TLCA)
- Certificate, Capital Market Academy Leadership Program, Capital Market Academy

#### Other Current Positions

##### Position in Listed Companies

- Member of the Executive Committee, Kiatnakin Phatra Bank Public Company Limited

##### Position in Private Limited Companies or Other Businesses

- Director, KKP Capital Public Company Limited
- Director and President, Kiatnakin Phatra Securities Public Company Limited
- Director, Kiatnakin Phatra Asset Management Company Limited
- Director, KKP Dime Securities Company Limited
- Director, ASCO Business Promotion Company Limited
- Director, Association of Securities Companies
- Director, Phuket Suite Pavilion Company Limited
- Director, Paholyothin Suite Company Limited
- Director, Sub Supabundit Company Limited
- Director, Varuni Holdings Pte. Ltd. (Singapore)

#### Past Experiences

- President, KKP Capital Public Company Limited
- Managing Director Investment Banking & Capital Markets Group, Kiatnakin Phatra Securities Public Company Limited

## Thiti Tantikulanan

### Governor

Age 54 Years

Assume the position of governor on August 5, 2019

#### Education

- Bachelor's degree (Business Administration), University of Washington, USA

#### Executive Program

- Certificate, Corporate Governance for Capital Market Intermediaries, Thai Institute of Directors Association
- Certificate, Thailand Insurance Leadership Program, OIC Advanced Insurance Institute
- Certificate, Capital Market Academy Leadership Program, Capital Market Academy

#### Other Current Positions

##### Position in Listed Companies

- Capital Markets Business Division Head, Kasikornbank Public Company Limited

##### Position in Private Limited Companies or Other Businesses

- Executive Chairman, Kasikorn Securities Public Company Limited
- Member of The Audit Committee, Member of The Nomination and Remuneration Committee, and Member of The Risk Management Committee, The Stock Exchange of Thailand
- Director, The SET Foundation
- Director, Association of Thai Securities Companies
- Director, ASCO Business Promotion Company Limited

#### Past Experiences

- Member of the Information Technology Committee and Member of the Legal Committee, The Stock Exchange of Thailand
- Director, TRIS Corporation Limited
- Director and Member of The Audit Committee, The Thai Bond Market Association
- President, ACI Thailand
- Capital Markets Business Head, Kasikornbank Public Company Limited
- Vice President and Head of Trading, HSBC, Bangkok
- Vice President and Head of Trading, JP Morgan, Bangkok
- Vice President and Head of FX Trading, Citibank, Bangkok
- Trader, Standard Chartered Bank, Bangkok

## Dr. Pakorn Peetathawatchai

### President

Age 59 Years

Assume the position of President on June 1, 2018

#### Education

- Doctoral of Business Administration in Finance and Economics, Boston University, USA
- Master of Business Administration, Finance Major, University of Wisconsin, USA
- Bachelor of Engineering, Electronics, King Mongkut's Institute of Technology, Ladkrabang

#### Executive Program

- Certificates:
  1. Directors Accreditation Program (DAP) 47/2005
  2. Director Certification Program (DCP) 188/2014
  3. Corporate Governance for Capital Market Intermediaries (CGI) 12/2016

Thai Institute of Directors Association

- Columbia Senior Executive Program, Columbia University, USA
- Certificate, The Executive Program of Energy Literacy for a Sustainable Future, Thailand Energy
- Certificate, Capital Market Academy Leadership Program, Capital Market Academy

#### Other Current Positions

##### Position in Listed Companies

-

##### Position in Private Limited Companies or Other Businesses

- Member, Capital Market Development Committee
- Member and Secretariat, Federation of Thailand Capital Market
- Director, Capital Market Development Fund
- Chairperson, Thailand Clearing House Company Limited
- Chairperson, Thailand Securities Depository Company Limited
- Chairperson, Thai NVDR Company Limited
- Vice Chairperson, Thailand Futures Exchange Public Company Limited
- Vice Chairperson, SET Venture Holding Company Limited
- Director and Secretariat, The SET Foundation

#### Past Experiences

- Chairperson, Thai Digital Assets Exchange Company Limited
- Chairperson, Settrade.com Company Limited
- Chairperson, FinNet Innovation Network Company Limited
- Chairperson, LiVE Fin Corp Company Limited
- Vice Chairman of the Emerging Markets Working Group and Director of World of Federation of Exchanges
- Senior Executive Vice President, Head of Corporate Strategy Division and Head of Finance & Investment Division, The Stock Exchange of Thailand
- Senior Executive Vice President, Chief Marketing Officer, The Stock Exchange of Thailand
- Senior Executive Vice President, Corporate Finance, Mitr Phol Sugar Corporation Limited
- Executive Vice President, Group Head, Treasury Group, Siam Commercial Bank Public Company Limited
- Director and Chairman of the Investment Committee, Siam Commercial New York Life Insurance Public Company Limited

# Information on Committees

## Committees in Charge of Good Corporate Governance

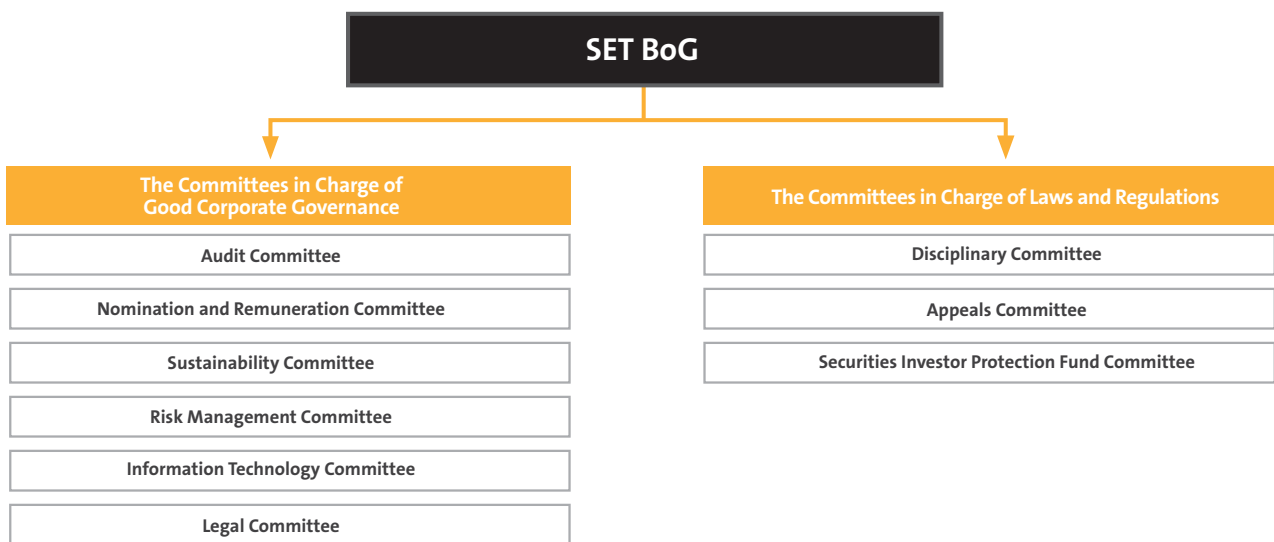
The Board of Governors (BoG) has appointed various committees to oversee good corporate governance and support the SET BoG’s duties namely the Audit Committee (AC), the Nomination and Remuneration Committee (NRC), the Sustainability Committee (SC), the Risk Management Committee (RMC), the Information Technology Committee (ITC), and the Legal Committee (LC). Each committee has clearly specified the scope of duties and responsibilities as appeared in the Charter of each committee, already disseminated via the SET website.



Committees in Charge of Good Corporate Governance Charter

## Committees in Charge of Laws and Regulations

The committees in charge of laws and regulations have been appointed by the BoG to support the operations in accordance with the relevant laws, consisting of three committees: the Disciplinary Committee, the Appeals Committee, and the Securities Investor Protection Fund Committee.



## List of the SET Committees for the Year 2023

Data as of December 2023

### 1. Audit Committee (AC)

**Overseeing unit** : Internal Audit Department

**Term of office** : In accordance with the office term of the SET governors

Name	Position
1. Sopawadee Lertmanaschai	Chairperson
2. Adjunct Professor Dr. Kittipong Kittayarak	Member
3. Dr. Kulpatra Sirodom	Member
4. Supachoke Supabundit	Member
5. Thiti Tantikulanan	Member

**Duties of the AC are as follows:**

1. Financial report
  - 1) To undertake the review of the financial report of the SET group
  - 2) To consider and review the accounting policies
  - 3) To review key or irregular transactions that could impact the financial statements
2. External Audit
  - 1) To provide advice on the appointment, termination of employment, determination of remuneration and assessment of the performance of work of the external auditors of the SET group
  - 2) To undertake the review of the audit scope and auditing plans of the external auditors of the SET group
3. Internal audit
  - 1) To consider and review the performance of work by the internal audit function
  - 2) To consider the internal audit plan
  - 3) To consider the budget and resources of internal audit function
  - 4) To consider and approve the appointment, transfer, termination of employment, Payment of remuneration, and assessment of performance of work of the head of internal audit function's performance
4. Internal control and risk management
 

To consider and assess the adequacy and appropriateness of internal control system and risk management of the SET group
5. Compliance
  - 1) To ensure compliance with the laws and regulations set by regulatory authorities of the SET group and with the standards and internal regulations stipulated by the SET group
  - 2) To consider transactions on assets acquisition and disposition of significant value (Material Transaction or MT), and related party transactions (RPT), or transactions which may cause conflict of interest
6. Whistleblowing and fraud
  - 1) To undertake the review of and take actions concerning whistleblowing cases and investigate any controversial or suspicious actions considered against the laws or ethics, infringement of rights, incorrect financial reporting, defective internal control system and fraud
  - 2) To undertake the review of the process for safeguarding and detecting fraud
7. Other duties
  - 1) To undertake the review of the six-month financial report and annual financial report of the SET Foundation prior to presenting such to the Board of the SET Foundation
  - 2) To provide advice pertaining to the appointment, termination of employment, determination of remuneration, assessment of performance of work and undertake the review of the audit scope and auditing plan of the external auditors of the SET Foundation
  - 3) To perform any other tasks assigned by the SET BoG



## 2. Nomination and Remuneration Committee (NRC)

**Overseeing unit** : Human Resources Management Department

**Term of office** : In accordance with the office term of the SET governors

Name	Position
1. Dr. Kulpatra Sirodom	Chairperson
2. Adjunct Professor Kitipong Urapeepatanapon	Member
3. Paiboon Nalinthrangkurn	Member
4. Sopawadee Lertmanaschai	Member
5. Thiti Tantikulanan	Member

### Duties of the NRC are as follows:

#### 1. Nomination

- 1) To consider and screen the list of candidates for members of the committee of the SET prior to proposing for approval from the SET BoG for further appointment including to consider and screen the list of directors and members of the committees of Subsidiaries prior to seeking for approval from the Board of Directors of Subsidiaries for further appointment
- 2) To consider and screen the list of Experts of SET and Subsidiaries prior to proposing for approval from the SET BoG or the Board of Directors of Subsidiaries (as the case maybe) for further appointment
- 3) To consider and recruit persons to hold the office of senior executive vice president and equivalent position to the SET head of division, and top executives of Subsidiaries in order to propose for approval from the SET BoG or the Board of Directors of Subsidiaries (as the case maybe) for further appointment
- 4) To consider succession plan for significant positions of SET prior to presenting such to the SET BoG for consideration and review on an annual basis
- 5) To perform other tasks as assigned by the SET BoG

#### 2. Remuneration

- 1) To consider and review policies, criteria and payment of Remuneration to the SET BoG, committees, experts, and Board of Directors of Subsidiaries appointed by the SET BoG prior to proposing for further approval from the SET BoG or the Board of Directors of Subsidiaries (as the case maybe)
- 2) To consider and review policies, criteria, and SET's overall employee remuneration structure, prior to proposing for further approval from the SET BoG
- 3) To consider and review the budget for annual salary adjustment and annual bonus of SET's employees prior to proposing for further approval from the SET BoG
- 4) To consider and review criteria pertaining to payment of Remuneration including criteria for adjustment of salary and annual remuneration rate of executives who were nominated by the committee prior to proposing for further approval from the SET BoG
- 5) To perform any other duties as assigned by the SET BoG

### 3. Sustainability Committee (SC)

**Overseeing unit** : Sustainable Business Development Department

**Term of office** : In accordance with the office term of the SET governors

Name	Position
1. Adjunct Professor Dr. Kittipong Kittayarak	Chairperson
2. Adjunct Professor Kitipong Urapeepatanapong	Member
3. Sopawadee Lertmanaschai	Member
4. The SET President	Member

**Duties of the SC are as follows:**

#### 1. Corporate governance and sustainability of the SET group

##### 1.1 Corporate governance

- 1) To consider and provide suggestions to the SET BoG on the formulation of the corporate governance framework in accordance with SET's operational structure, comparable with international guidelines or principles
- 2) To assess the appropriateness and adequacy of the SET group Corporate Governance Policy and Code of Conduct, including updating these in accordance with internationally recognized corporate governance practices or principles, before presenting to the SET BoG for consideration
- 3) To review the SET's Corporate Governance report which is disclosed in the Annual Report
- 4) To provide recommendations on the preparation of the SET group's corporate governance development plan, in accordance with the Corporate Governance Policy
- 5) To provide advice, recommendations and suggestions that will be beneficial to the SET BoG and management in enhancing the SET group's corporate governance
- 6) To provide recommendations on the appropriateness of the Charter of the SET BoG, before presenting to the SET BoG for consideration
- 7) To consider and provide recommendations concerning the performance assessment process of the SET BoG, including preparing a performance assessment summary to be presented to the SET BoG

##### 1.2 Sustainability

- 1) To consider and provide suggestions on the SET group's Sustainability development policy and guidelines standardize these matters in accordance with international guidelines or principles, as such enabling the SET group to operate with efficiency, responding to stakeholders' needs, with social and environmental responsibility for sustainable growth of the SET group
- 2) To provide recommendations on the SET group's sustainability development plan in accordance with the set policy framework
- 3) To provide consultations, recommendations and suggestions that will be beneficial to the SET BoG and management in enhancing the SET group's sustainability development

## 2. Corporate governance and sustainability for related stakeholders in the capital market

2.1 To provide recommendations to stakeholders on the formulation of the corporate governance and sustainability development policy and guideline framework to ensure that stakeholders are knowledgeable and understand in such a way as to be able to develop a good corporate governance framework and system including best practices, together with the operating of business with social and environmental responsibility; and promote responsible investments

2.2 To provide advice, recommendations, and suggestions that will be beneficial to the SET BoG and management in enhancing corporate governance and sustainability in the capital market

3. Others : To perform any other duties as assigned by the SET BoG that are within the committee's scope of work

## 4. Risk Management Committee (RMC)

**Overseeing unit** : Risk Management Department

**Term of office** : 1. The committee member who is a SET governor or the SET President shall have an office term pursuant to the office term of the SET governor or the SET President, as the case may be.  
2. The committee member who is a third party and is not a SET governor, shall have an office term ending on December 31, 2023.

Name	Position
1. Pichet Sithi-Amnuai	Chairperson
2. Dr. Amporn Sangmanee	Member
3. Dr. Anuchit Anuchitanukul	Member
4. Dr. Kulpatra Sirodom	Member
5. Paiboon Nalinthrangkurn	Member
6. Somkiat Sirichatchai	Member
7. Supachoke Supabundit	Member
8. Thiti Tantikulanan	Member
9. The SET President	Member

### Duties of the RMC are as follows:

1. To consider and provide opinions on the Risk Management Policy and Framework of the SET group including Information Technology Security Policy to present to the SET BoG for consideration and approval
2. To consider and provide opinions on setting Risk Appetite and Risk Tolerance to present to the SET BoG for Consideration and approval
3. To acknowledge, consider, and provide opinions on the result of risk assessment, risk management guidelines & measures, and operational plan to manage risks to be at an acceptable level, where such risks covering information technology risks (IT risks), cybersecurity risks, operational risks, financial and investment risks, Environmental, Social and Governance risks (ESG risks), and emerging risks
4. To monitor the operational plans to continuously manage risks

5. To provide recommendations on enterprise risk management as well as continuously encourage and support the improvement and development of the SET group's internal risk management system
6. To regularly report the corporate's key risk status and the risk management implementation to the SET BoG for acknowledgment
7. To provide opinions and recommendations on engaging the services provided by external third parties to ensure that independent advice on risk management is given to the Risk Management Department
8. To preliminarily consider and review the appointment of risk management experts in case of the absence of relevant committee before proposing to the NRC's meeting for consideration
9. To perform other tasks as assigned by the SET BoG within the relevant scope of work

## 5. Information Technology Committee (ITC)

**Overseeing unit** : Information Technology Division

**Term of office** : 1. The member committee who is a SET governor or the SET President shall have an office term pursuant to the office term of SET governors or the SET President, as the case may be.  
2. The member committee who is a third party and is not a SET governor shall have an office term of three years ending December 31, 2023.

Name	Position
1. Dr. Anuchit Anuchitanukul	Chairperson
2. Chakhorn Tonghoon	Member
3. Paiboon Nalinthrangkurn	Member
4. Pannaporn Sapsomboon	Member
5. Pichet Sithi-Amnuai	Member
6. Supachoke Supabundit	Member
7. The SET President	Member

### Duties of the ITC are as follows:

1. To consider and provide suggestions to the SET BoG on establishing and reviewing information technology governance framework regularly, including defining the processes related to information technology governance, such as the screening, the monitoring, and the reporting of important information technology plans, etc.
2. To provide advice and recommendations on information technology development strategy and policy of the SET including new information technology strategic projects of the SET group in order to support operation as being center of capital market, promote operation and give opinions which can benefit the development of information technology operations of the SET group so as to meet the acceptable standard in the industry and to support innovation development and proper use of technology to raise the standard of Thai capital market to be comparable and able to compete with leading stock exchanges within the region

## 3. To consider and approve the following procurement:

- 1) Procurement pertaining to information technology project worth exceeding THB 20 million but not more than THB 50 million. As for the transaction which exceeds THB 50 million, the ITC shall review prior to proposing to the SET BoG for further approval
- 2) Procurement pertaining to information technology maintenance worth exceeding THB 20 million (no limit ceiling) is subject to approved budget.

In this regard, the committee shall report the approval of procurement under item (1) and (2) to the SET BoG for further acknowledgement.

## 4. To perform any other duties as assigned by the SET BoG

## 6. Legal Committee (LC)

**Overseeing unit** : Appeal and Litigation Department

- Term of office** :
1. The committee member who is a SET governor and the SET President shall have an office term pursuant to the office term of the SET governor or the SET President, as the case may be.
  2. The committee member who is a third party and is not a SET governor shall have an office term ending December 31, 2023.

Name	Position
1. Adjunct Professor Kitipong Urapeepatanapong	Chairperson
2. Adjunct Professor Dr. Kittipong Kittayarak	Member
3. Professor Dr. Kumchai Jongjakapun	Member
4. Associate Professor Pises Sethsathira	Member
5. Somkiet Kuwawattananont	Member
6. Surasak Vajasit	Member
7. The SET President	Member

### Duties of the LC are as follows:

1. To provide advice, opinions and recommendations to the SET BoG and SET on matters relating to legal issues pursuant to the laws on the securities and the exchange, derivatives, and any other laws, rules and regulations of SET
2. To consider matters relating to important information which is beneficial to the future operation of SET (forward looking) and provide advice on matters relating to the operation of the SET based on a proactive approach or a precaution approach for the interest of SET, opinion or recommendations on various matters which will be beneficial to the operation of SET, and perform any other duties as assigned by the SET BoG

## 7. Disciplinary Committee

**Overseeing unit** : Regulations & Disciplinary Enforcement Department

**Term of office** : In accordance with the SET regulations on Disciplinary Proceedings and Disciplinary Action B.E. 2543

Name	Position
1. Associate Professor Tithiphan Chuerboonchai	Chairperson
2. Chao Arunyawat	Member
3. Adjunct Professor Dr. Kittipong Kittayarak	Member
4. Yingyong Nilasena	Member
5. Paveena Sriphothong	Member

### Duties of the Disciplinary Committee are as follows:

- To examine any alleged wrongdoing and punish any individual or juristic person who violates or associates with others in violating SET's rules and regulations, and to report the punishment to the SET BoG, except in the following cases where the Disciplinary Committee is required to consider and provide viewpoints before escalating the cases to the SET BoG for consideration of the wrongdoings and punishments:
  - Securities delisting
  - Temporary trading suspension of a member company
  - Membership revocation
  - Other cases as specified by the SET BoG
- To examine and give explicit instructions according to SET's rules and regulations, including taking any other actions necessary for the disciplinary process

## 8. Appeals Committee

**Overseeing unit** : Appeal and Litigation Department

**Term of office** : In accordance with the SET regulations on Consideration and Decision on Appeal B.E. 2543

Name	Position
1. Kaisri Nuengsigkapan	Chairperson
2. Chatrapee Tantixalerm	Member
3. Chavalit Chindavanig	Member
4. Somkiet Kuwawattananont	Member
5. Yaowaluk Aramthaveethong	Member

Note: Term of office of the 1<sup>st</sup>, 3<sup>rd</sup>, and 4<sup>th</sup> committee members started from December 2, 2021 to December 1, 2024 while that of the 2<sup>nd</sup> and 5<sup>th</sup> started from March 23, 2022 to March 22, 2025



**Duties of the Appeals Committee are as follows:**

1. To review any appeal made against any punishment order issued by the SET BoG, the Disciplinary Committee, and the SET President, and to determine the innocence or guilt of appellants
2. To review any request for suspension of execution of punishment orders (if any) and may specify conditions or collaterals as necessary
3. To present recommendations to the SET BoG regarding punishments, punishment reduction, punishment omissions or confirmation of the appealed punishment orders, or any other matters raised by appellants
4. To order the termination of any withdraw appeal prior to or during consideration by the Appeals Committee

**9. Securities Investor Protection Fund Committee**

**Overseeing unit** : Member Supervision Department

**Term of office** : In accordance with the membership agreement of the Securities Investor Protection Fund

Name	Position
1. Dr. Anuchit Anuchitanukul	Chairperson
2. Pichet Sithi-Amnuai	Member
3. Supin Suravichai	Member
4. Yingyong Nilasena	Member
5. Aphisak Kiewkarnkha	Member
6. Paveena Sriphothong	Member and Secretary

**Duties of the Securities Investor Protection Fund Committee are as follows:**

1. To determine the investment policy of the fund which may be in securities or other assets, with other alternatives to gain profits, as appropriate
2. To consider all relevant facts and evidences, and present the viewpoints to the SET BoG in order to protect the investors who have submitted requests for protection from the Securities Investor Protection Fund
3. To boost investor confidence in buying or selling securities traded on SET
4. To carry out any other tasks assigned by the SET BoG

## Information on Executives

SET senior executives consists of the SET President, eight Senior Executive Vice Presidents and 22 Executive Vice Presidents, totaling 31 persons, with the duty to manage and drive the strategies as assigned by the Board of Governors (BoG) so as to achieve the set goals.

In addition, SET places importance on gender equality as seen by the executive structure that reflects equal opportunities of females to become leaders in the organization. SET's top executives consist of 17 males and 14 females, with the ratio of male to female executives at 1 : 0.8.

Ratio of female to male executives **1 : 0.8**



### Remuneration of President and Senior Executives

The Nomination and Remuneration Committee (NRC) takes responsibility for the remuneration policy and criteria consideration for committee members, the SET President, and high-ranking executives in order to be presented to the BoG for approval.

The criteria to assess the performance of the president and top executives are based on the assessment of two aspects:

- 1. Corporate KPI:** according to the essence as the President has presented to the BoG for approval each year
- 2. Competency:** The BOG shall assess the President in various aspects, consisting of Leadership, Strategy, Workforce, Operation and Stakeholders.

The Secretary of the NRC shall gather and summarize the performance assessment of the SET President in order to propose to the NRC and the BoG for consideration. The BoG shall keep the President informed of the assessment and the BoG's expectation viewpoints. Significantly, the performance assessment of the SET President for the year 2023 exceeded the set target.

As of December 31, 2023, the SET Management Team (President, Senior Executive Vice Presidents, and Executive Vice Presidents) received remuneration covering salaries, bonuses, provident fund contributions, human resource development, retirement benefits of employees, health care expenditures and other welfares from SET for the year 2023 worth a total of THB 321.10 million.

# Executives



01

**Dr. Pakorn Peetathawatchai**  
President



02

**Manpong Senarong**

Senior Executive Vice President - Head of Issuer & Listing Division

03

**Prapan Charoenprawatt**

Executive Vice President  
President - Market for Alternative  
Investment

President - LiVE Exchange and  
Managing Director - Live Fin Corp Co., Ltd.

04

**Rungtip Charoenvisuthiwong**

Executive Vice President  
Head of Issuer Group 2

05

**Amnouy Jiramahapoka**

Executive Vice President  
Head of Issuer Group 1



06

**Dr. Rinjai Chakornpipat**

Senior Executive Vice President - Head of Market Division and Managing Director - Thailand Futures Exchange Public Company Limited

07

**Piyaporn Krongchan**

Executive Vice President  
Head of Digital Marketing & Investor Channel Group and Head of Product & Investor Marketing Group

08

**Dr. Chakkaphan Tirasirichai**

Executive Vice President  
Head of Product Development Group

09

**Triwit Wangvorawudhi**

Executive Vice President  
Head of Customer Relations Group  
Head of Business Management - IT Solutions Group  
Managing Director - Digital Access Platform Co., Ltd. and Co-Managing Director - Settrade.com Co., Ltd.



10

**Rongrak Phanapavudhikul**

Senior Executive Vice President  
Head of Legal Affairs Division and Head of Corporate Secretary & Compliance Group



11

**Paveena Sripthong**

Senior Executive Vice President - Head of Market Supervision Division

12

**Duangrat Samudavanija**

Executive Vice President  
Head of Listing & Disclosure Group

13

**Rosyupa Migasena**

Executive Vice President  
Head of Member & Market Surveillance Group



**14**

**Thirapun Sanpakit**

Senior Executive Vice President - Head of Information Technology Division

**15**

**Nat Luengnaruemitchai**

Executive Vice President  
Head of IT Solutions Business Group  
and Co-Managing Director - Settrade.com  
Co., Ltd.

**16**

**Pattana Wongnirund**

Executive Vice President  
Head of IT Development Group

**17**

**Putthipong Skonthawat**

Executive Vice President  
Head of IT Operations Group



**18**

**Dr. Soraphol Tulayasathien**

Senior Executive Vice President  
Head of Corporate Strategy Division and Head of Sustainable Market Development Division

**19**

**Pannavadee Ladavalaya  
Na Ayudhya**

Executive Vice President  
Head of Capital Market  
Education Group

**20**

**Ratvalee Anantanont**

Executive Vice President  
Head of Sustainable Development Group

**21**

**Chatchai Thisadoldilok**

Executive Vice President  
Head of Research  
Department





**22**  
**Kitti Sutthiatthasil**  
 Executive Vice President  
 Strategic Initiatives &  
 Industry Utility Division



**23**  
**Aphisak Kiewkarnkha**  
 Senior Executive Vice President - Head of Finance & Administration Division

**24**  
**Kirati Kosicharoen**  
 Executive Vice President  
 Head of Corporate Services Group

**25**  
**Wijitar Pumichartpong**  
 Executive Vice President  
 Head of Accounting & Finance Group



**26**  
**Pataravasee Suvarnsorn**  
 Senior Executive Vice President - Head of Operation Management Division  
 and Managing Director - Thailand Clearing House Co., Ltd.

**27**  
**Yupawan Sirichainarumitr**  
 Executive Vice President  
 Head of Market Operations Group  
 and Co-Managing Director - Thailand Securities  
 Depository Co., Ltd.

**28**  
**Paythai Petcharat**  
 Executive Vice President  
 Head of Capital Market Support Group  
 and Managing Director - Finnet Innovation  
 Network Co., Ltd.



**29**  
**Noppakao Sucharitakul**  
 Executive Vice President  
 Head of Corporate  
 Communications &  
 Social Development Group



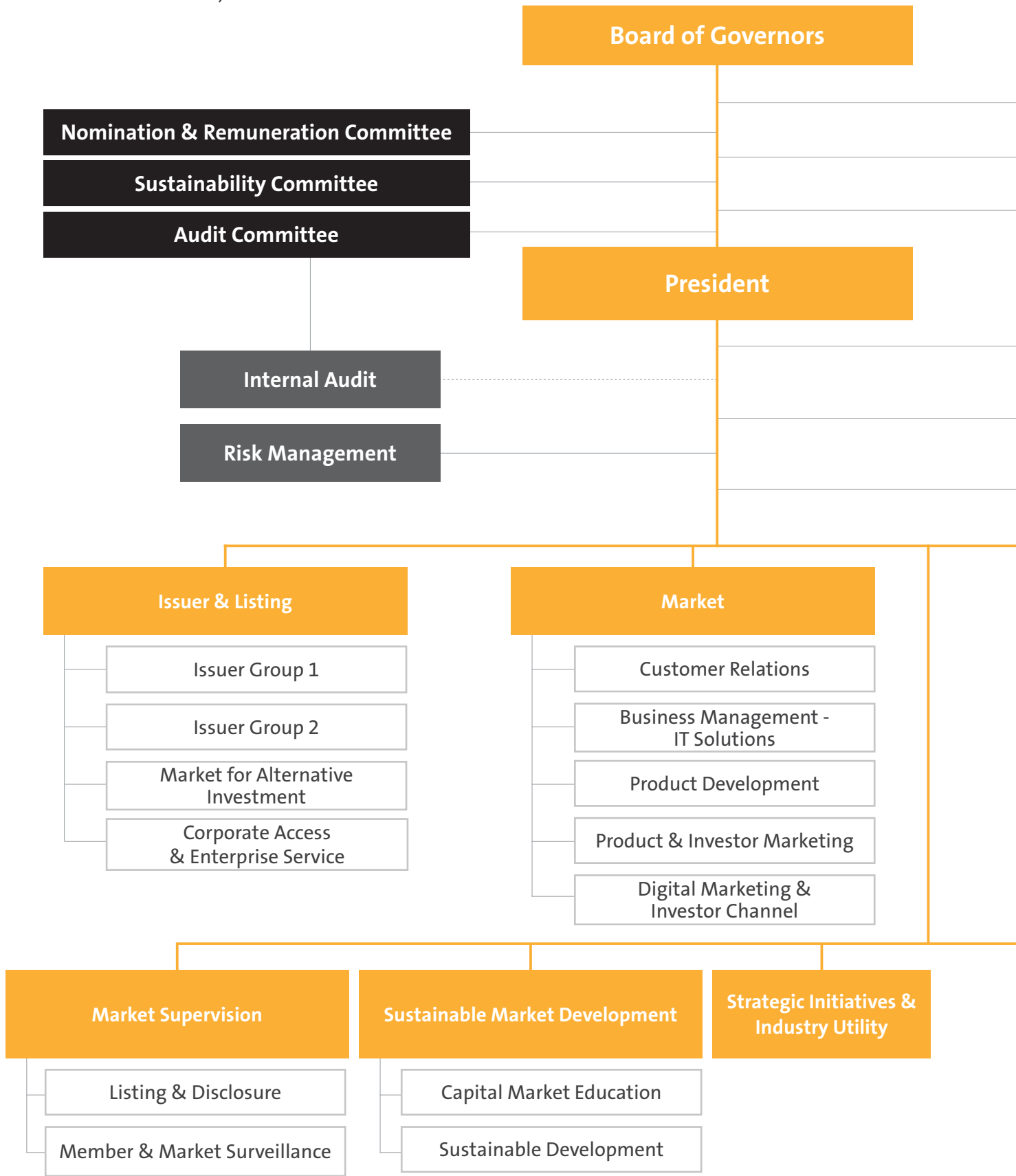
**30**  
**Jittiya Thammasorn**  
 Executive Vice President  
 Head of Human Resources & Corporate Development Division

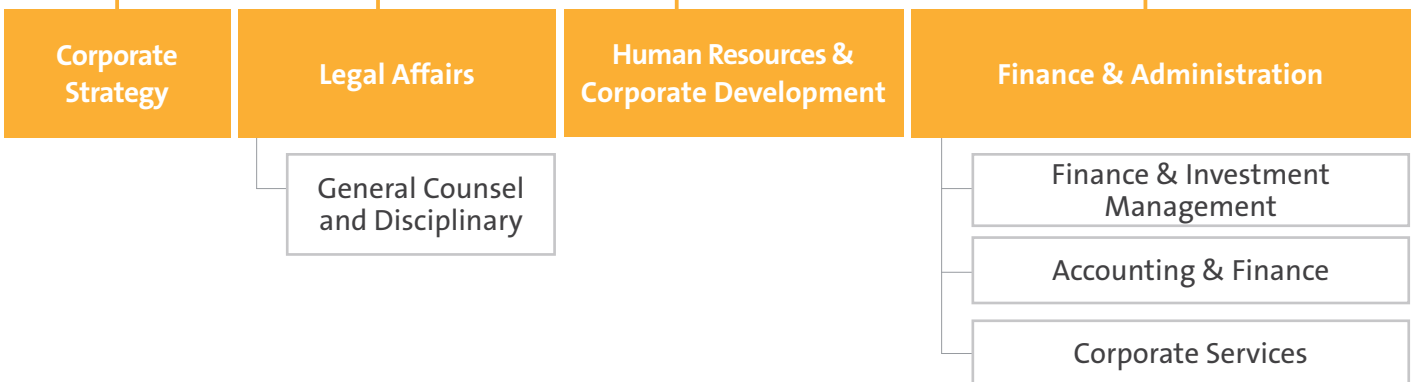
**31**  
**Pairat Thanachaisang**  
 Executive Vice President  
 Head of HR Strategy & Corporate Development Department



# Organization Structure

Data as of December 31, 2024





## Other Significant Information

### Secretary to the Board of Governors

The Board of Governors (BoG) has appointed Rongrak Phanapavudhikul as the Secretary to the BoG. Rongrak is Senior Executive Vice President - Head of Legal Affairs Division and Head of Corporate Secretary and Compliance Group.

### Vice President of Internal Audit Department

As of end-2023, Yossavadee Debhasdin Na Ayudhya was Vice President - Head of the Internal Audit Department as considered and approved the appointment by the Audit Committee (AC).

### Auditor's Remuneration

In 2023, SET hired EY Office Limited to provide auditing services. The remuneration details are as follows:

- Audit Fee: In 2022, the total fee for the auditing of SET and subsidiaries paid to the auditor amounted to THB 5.38 million.
- Other fees: No

# 10 Report on Key Performance Regarding Corporate Governance

## The Board of Governors' Performance of Duties

### Good Corporate Governance of the SET Group

#### 1. Formulation or Review of Policy on Corporate Governance (CG) and the Charters of the Board of Governors (BoG) and Committees in charge of good corporate governance in 2023

- The BoG has approved the formulation of two new policies to enhance corporate governance. They are (1) Data Governance Policy and (2) IT Governance Framework.
- The BoG has approved the review of policies, Charters of the BoG and the committees in accordance with an annual review cycle of 2023 to reflect the current practices of the SET group and to be in line with CG standard namely: (1) Policy on CG and Code of Conduct (2) Policy on risk management, (3) Policy on IT security, (4) Charter of the BoG, and (5) Charters of the committees in charge of good corporate governance.

#### 2. Formulation and Review of the Vision, Mission, Goal, and Corporate Strategy

The SET BoG has approved the vision, missions, goals and long-term corporate strategy as the management has assessed the environment and tendency of structural change of possible risks in the long run. SET has therefore placed importance on agility, preparedness to cope with the changes in terms of customer behavior, innovative technologies and the needs of market participants, as well as the environmental, social and governance (ESG) changes that will have impact on the SET group's operations.

- In 2023, the BoG considered and approved the three-year strategic framework (2024-2026) under the theme "Delivering Market Quality x Growth". This concept is in line with the vision "To Make the Capital Market 'Work' for Everyone", as well as the missions approved by the BoG.

- The BoG approved both the short-term and long-term goals or corporate KPIs, budget, manpower and the 2024 corporate KPIs, while governing and overseeing the operations according to the set plan efficiently and effectively. The management has regularly reported the status of the corporate KPIs, the progress of the strategic plan's implementation, and SET's performance to the BoG on a quarterly basis.

#### 3. Succession Plan for Top Executives

The SET BoG recognizes the importance of being well-prepared in terms of readiness of personnel to succeed the top executive positions to mitigate risks or impacts from the lack of continuity in important personnel management and be able to proactively plan the search and selection of potential personnel within or outside organization in advance.

- SET has implemented and reviewed succession plan on annual basis. The process of nomination and grooming of successors has been jointly carried out with an expert advisor by taking into consideration the candidate's knowledge, experiences, capabilities, attitudes, and integrity.
- In 2023, the BoG acknowledged the implementation of 2023 succession plan which had been considered, screened and advised by the Nomination and Remuneration Committee (NRC). The focus is on grooming successors through SET Leadership Program. In 2024, there will be continuous development according to the plan by On the job learning / Rotation or short-term Exchange Program with partner organizations to gain multi-task knowledge.

#### 4. Information Disclosure and Transparency

The BoG governs and oversees SET and subsidiaries to disclose information to the public and stakeholders in an accurate, timely and transparent manner. The information disseminated via the SET website in both Thai and English includes

- Corporate information (for example, organizational and business group structure, list of the BoG and senior executives, good governance policies, press releases, etc.), regulations related to the capital market participants (for example, listed companies, member companies, clearing house members, depository members, etc.), products and services of SET and subsidiaries, and information on securities trading and futures contracts.
- The financial reports of SET and subsidiaries, consisting of annual financial statements and Management Discussion and Analysis (MD&A), are usually disseminated on the website within 60 days from account closing date (The same as the criteria for the dissemination of financial statements of listed companies). The 2023 annual financial statements were published on March 7, 2024, together with the report of the BoG’s responsibilities for the financial reports, as well as the auditor’s report as appeared in the annual report, to ensure that the financial reports reflect actual operating results and financial position according to generally accepted accounting principles.

In addition, these financial statements must be reviewed by the Audit Committee before submitting to the BoG for approval and then presenting to the meeting of the SET members.

- The SET’s Annual Report is usually disseminated on the website within 120 days from the end of the calendar year. (The same as the regulation for the dissemination of annual reports of listed companies) by submitting the annual report to SET’s members for acknowledgment at the annual general meeting of member companies on April 24, 2024.
- SET provides channels for inquiries, information requests, and advice on how to use services of the SET group via SET Contact Center. Inquiries can be made via various channels, such as phone calls, Facebook chat, and postal mail. SET handled the matters as appropriate and responded the results to the inquirers accordingly.

In 2023, SET hired EY Office Limited to provide audit services for SET and subsidiaries with audit fee amounted to THB 5.38 million. The auditor did not provide any other service to SET.

### 5. The Independence of the BoG

Good Governance Practice Standard	Performance Result
The Chairperson is an independent non-executive director and has no relationship with management.	
The Chairperson is not a member of any of the committees to ensure the committees’ independence in performing duties and to be in accordance with the Principles of Good Corporate Governance.	
Governors have independence and impartiality in carrying out their duties, and they have signed certificate of independence whenever they are appointed or re-appointed.	
Governors shall completely report the acquisition or disposition of listed securities and other interests in compliance with the applicable regulations	
Governor held positions as directors in not more than five listed companies in compliance with the Principles of Good Corporate Governance for listed companies	

### 6. Oversight of Subsidiaries and Joint Ventures

The SET group consists of SET and subsidiaries which are categorized into two main groups of businesses functions: Core Exchange Function, and New Business & Infrastructure Development Function. In addition, there are also joint ventures and other companies that SET holds stake in order to support the organization’s policy-related operations. Details of business structure and shareholding have been disclosed via the SET website.

SET has set the oversight policy for subsidiaries and joint ventures in the CG and Code of Conduct policy, covering various key issues, such as policy-based oversight of critical operations, oversight guidelines by cascading the key operational management policies through the SET representatives assigned to serve as the board of directors of the affiliates. In 2023, the BoG acknowledged the report on the operations of the subsidiaries and JV firms on a quarterly basis.

## Meetings of the Board of Governors and the Committees in Charge of Good Corporate Governance

Meetings are scheduled on a monthly basis in advance for the entire year. There are also additional quarterly meetings, of which the BoG will be informed of the meeting schedule in advance for effective time allotment. The meeting process can be summarized as follows:

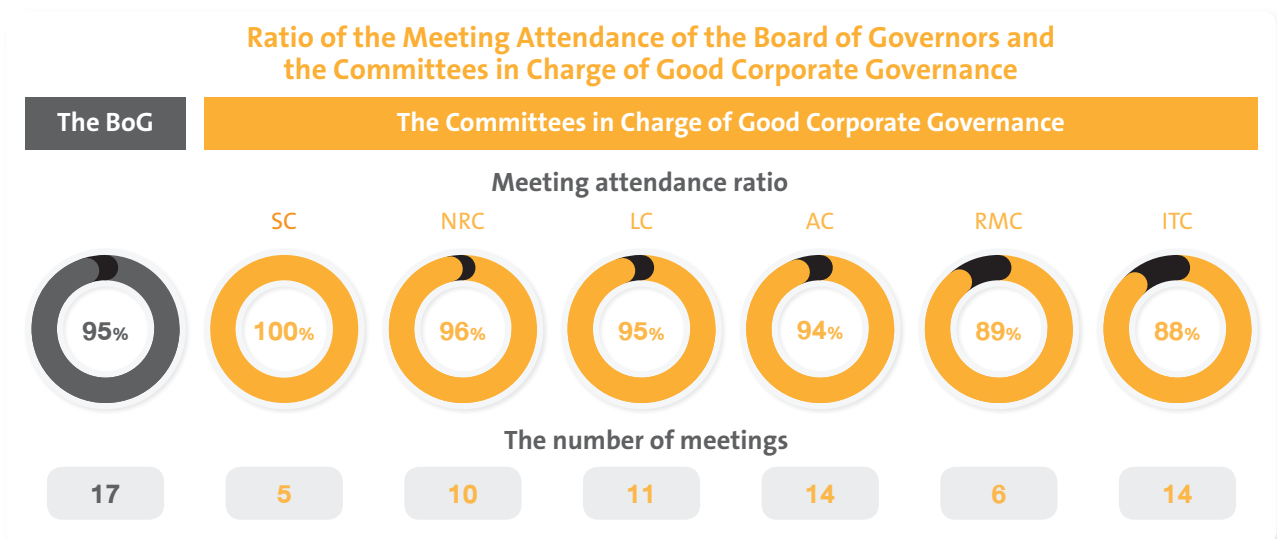
- The Chairperson and the President shall consider and approve the agenda of the meeting before proposing to the BoG.
- Meeting invitation letter and documents will be distributed at least seven days prior to each meeting to allow sufficient time for the BoG to study the information. The exception is for urgent matters, of which the meeting documents can be delivered less than seven days in advance.
- In the case that any governor and / or committee member has conflict of interest in the matter to be considered, such person must inform the meeting of such conflict of interest and is not allowed to participate in the consideration of such matter, and this matter must be recorded in the meeting minute accordingly.



**94.65%**  
Average attendance rate of individual BoG member

- The Chairperson of the BoG encourages non-executive directors to hold meetings among themselves when necessary to discuss various issues without participation of the management.

In 2023, a total of 17 BoG meetings (three of which were special meetings due to emergency issues) were held, and there were two meetings without participation of the management. After each of these meetings, the issues from the meetings were communicated to the President. Details of the BoG meeting attendance are illustrated below.





## The Board of Governor Meeting Attendance in 2023

BoG Meeting	Meeting Attendance		Total Attendance
	Physical Meeting at the SET office	e-Meeting	
Name of the SET BoG as of December 31, 2023			
1. Dr. Prasarn Trairatvorakul	14	3	17/17
2. Pichet Sithi-Amnuai	14	3	17/17
3. Dr. Anuchit Anuchitanukul	9	7	16/17
4. Adjunct Professor Kitipong Urapeepatanapong	10	3	13/17
5. Adjunct Professor Dr. Kittipong Kittayarak	7	10	17/17
6. Dr. Kulpatra Sirodom	12	5	17/17
7. Paiboon Nalinthrangkurn	9	7	16/17
8. Sopawadee Lertmanaschai	10	7	17/17
9. Supachoke Supabundit	8	6	14/17
10. Thiti Tantikulanan	10	6	16/17
11. Dr. Pakorn Peetathawatchai	14	3	17/17

## Meetings of Committees in Charge of Good Corporate Governance in 2023

Committee	AC	NRC	SC	RMC	ITC	LC
Number of Meeting in 2023	13 times	10 times	5 times	6 times	14 times	11 times
Name of committee member as of December 31, 2023						
Board Committee						
1. Pichet Sithi-Amnuai				6/6	13/14	
2. Dr. Anuchit Anuchitanukul				5/6	14/14	
3. Adjunct Professor Kitipong Urapeepatanapong		9/10	5/5			11/11
4. Adjunct Profess Adjunct Professor Dr. Kittipong Kittayarak	13/13		5/5			9/11
5. Dr. Kulpatra Sirodom	13/13	10/10		6/6		
6. Paiboon Nalinthrangkurn		9/10		6/6	10/14	
7. Sopawadee Lertmanaschai	13/13	10/10	5/5			
8. Supachoke Supabundit	10/13			4/6	12/14	
9. Thiti Tantikulanan	12/13	10/10		5/6		
10. Dr. Pakorn Peetathawatchai			5/5	6/6	12/14	10/11

Committee	AC	NRC	SC	RMC	ITC	LC
Number of Meeting in 2023	13 times	10 times	5 times	6 times	14 times	11 times
Name of committee member as of December 31, 2023						
External Expert / Advisor						
1. Dr. Amporn Sangmanee				5/6		
2. Chakhorn Tonghoon					13/14	
3. Professor Dr. Kumchai Jongjakapun						11/11
4. Pannaporn Sapsomboon					12/14	
5. Associate Professor Pises Sethsathira						10/11
6. Somkiat Sirichatchai				5/6		
7. Somkiet Kuwawattananont						11/11
8. Surasak Vajasit						11/11

Note: AC stands for the Audit Committee  
NRC stands for the Nomination and Remuneration Committee  
SC stands for the Sustainability Committee  
RMC stands for the Risk Management Committee  
ITC stands for the Information Technology Committee  
LC stands for the Legal Committee

## Remuneration for Governors

The NRC is the committee that considers criteria for the remuneration and benefits of the governors based on roles, duties and responsibilities, and presents to the BoG meeting prior to presenting to the SET members' meeting, which is in compliance with the Securities and Exchange Act, for an approval. Details of the remuneration of each governor in 2023 were as follows:

Monthly Fee (THB)	Board	AC	NRC	SC	RMC	ITC	LC
Chairperson	135,000	75,000	52,500	52,500	52,500	52,500	52,500
Governors / Committee Members	90,000	50,000	35,000	35,000	35,000	35,000	35,000

Name of the BoG	Total Remuneration of Governor in 2023 (THB) (Excluding the President)						
	Board	AC	NRC	SC	RMC <sup>1</sup>	ITC <sup>1</sup>	LC
1. Dr. Prasarn Trairatvorakul	6,060,000 <sup>2</sup>						
2. Pichet Sithi-Amnuai	1,080,000				630,000	420,000	
3. Dr. Anuchit Anuchitanukul	1,080,000				420,000	630,000	
4. Adjunct Professor Kitipong Urapeepatanapong <sup>3</sup>	1,080,000		420,000	420,000			630,000
5. Adjunct Professor Dr. Kittipong Kittayarak <sup>3</sup>	1,080,000	600,000		630,000			420,000
6. Dr. Kulpatra Sirodom	1,080,000	600,000	630,000		420,000		
7. Paiboon Nalinthrangkurn	1,080,000		420,000		420,000	420,000	
8. Sopawadee Lertmanaschai	1,080,000	900,000	420,000	420,000			
9. Supachoke Supabundit <sup>3</sup>	1,080,000	600,000			420,000	420,000	
10. Thiti Tantikulanan	1,080,000	600,000	420,000	420,000			

Note: 1 Excluding the remuneration of some committee members who are qualified experts / external experts.  
2 Including the monthly special remuneration of the Chairperson approved by the members' meeting at the rate of THB 370,000 per month to comply with the additional duties assigned by the BoG  
3 Appointed as a member of AC, SC, and ITC on August 22, 2022

## Performance Assessment of the Board of Governors and Committees in Charge of Good Corporate Governance

The BoG and the committees in charge of good corporate governance conduct the assessment of performance of duties regularly every year to review their performance of duties and increase working efficiency in line with the principles of good corporate governance. The SC has been assigned the task to consider and provide advice on the assessment process, and prepare the summary of assessment results for presentation to the BoG, except for the performance of the Chairperson. As for the assessment of the BoG Chairperson, the Chairperson of the SC shall report directly to the BoG Chairperson.

In 2023, the BoG was informed of the assessment results of the BoG and all the committees in charge of good corporate governance, namely the AC, the NRC, the SC, the RMC, the ITC, and the LC. The assessment of performance of duties of the BoG and the committees in charge of good corporate governance consists of the format, assessment topics, and assessment results of the BoG and committees in charge of good corporate governance, as follows:

Type of Assessment	Example of Assessment Topic
1. Assessment of the BoG <u>as a whole</u>	<ul style="list-style-type: none"> <li>• Strategy formulation and business planning</li> <li>• Good corporate governance and social responsibility</li> <li>• Risk management and internal control</li> <li>• Overseeing to prevent possible conflict of interest</li> <li>• Performing duties and responsibilities</li> <li>• Personnel preparation and succession planning</li> <li>• Board meetings</li> </ul>
2. <u>Individual</u> assessments	<ul style="list-style-type: none"> <li>• Performing duties and responsibilities</li> </ul>
2.1 Self-assessment	<ul style="list-style-type: none"> <li>• Board meetings</li> </ul>
2.2 Cross evaluation	<ul style="list-style-type: none"> <li>• Independence</li> <li>• Readiness and self-enhancement</li> </ul>
3. Assessment of Chairperson's performance	Duty performance of the Chairperson
4. Assessment of the committees as a whole	Scope of duties and responsibilities as specified in the Charter of each committee which has been disseminated via the website

In addition, each governor has undergone the assessment of skills, knowledge, and expertise by oneself, separately from the self-assessment in performing duties, to be included in SET's Experts Pool.

Performance assessment of the BoG and committees in charge of good corporate governance in 2023 are illustrated below.

### The BoG



### Committees in Charge of Good Corporate Governance



The recommendations from the governors based on the previous year's assessment results were implemented by the management to develop and improve for more efficiency in performing their duties. In 2023, a series of seminars (courses) was organized to enhance knowledge or provide information on the issues of interest to the governors for further studies, such as the course on the topic of Environmental, Social and Corporate Governance (ESG) and digital assets, etc.

## Knowledge Enhancement for the Board of Governors

SET prioritizes the continuous and ongoing development of the BoG, providing the governors with knowledge training and visits of related business both local and international markets to enhance knowledge and maintain far-sighted vision.

For all governors who have been appointed or elected for these new positions, SET regularly provides an overview of the operation, activities plans, and overview of operations of the subsidiaries, including important information that the BoG should know which will be beneficial to the performance of duties as governors, in addition to the orientation for new governors. The various topics are such as basic information of the stock market and companies in the SET group, the duties of the BoG under the Securities and Exchange Act, the policy on corporate governance, the code of conduct for governors, the duties according to the BoG Charter, information regarding strategic plans, budgets, and organizational indicators, both short-term and long-term, etc., presented by senior executives and the Secretary to the BoG.

In 2023, governors attended training and seminars to enhance their understanding of their roles and responsibilities, and continuously promote skills in performing duties as a governor, both in courses organized by the Thai Institute of Directors Association (IOD) and other courses such as

- ESG in the Boardroom: A Practical Guide for Board (ESG)
- “AI: Recent and Future Evolution” By Prof. Benjamin Van Roy
- The 1<sup>st</sup> SET International Conference on Family Business
- SET Sustainability Forum 1/2023: Comprehending Key Changes for Leaders in a Disrupted World

All governors joined an overseas field trip to learn about digital assets and ESG as those who are members of ITC also participated in a study trip on market surveillance, high frequency trading (HFT), marketplace technology roadmap, and the application of artificial intelligence (AI) in the capital market in the United States, sponsored by Nasdaq Stock Exchange. The LC members also visited Japan to learn about the enforcement of laws related to securities trading offenses by the financial system security regulator in Japan. This study trip provided knowledge in both the work process and technology aspects, which are useful to develop and improve SET’s operations in various aspects in order to be in line with international standards and be more efficient.

### Summary of Training Course at IOD as at End-2023

Name of Governor / Course	DAP	DCP	DLCF	RCP	ACP	AACP	RCC	ESG	CGI	BNCP	Other courses
1. Dr. Prasarn Trairatvorakul		●		●						●	ELP, ITG
2. Pichet Sithi-Amnuai		●	●	●	●		●		●		AACP, MIA, MIR, MFM, SFE
3. Dr. Anuchit Anuchitanukul		●									
4. Adjunct Professor Kitipong Urapeepatanapong		●	●	●				●*		●*	DCP Re, ITG, TT
5. Adjunct Professor Dr. Kittipong Kittayarak	●					●					
6. Dr. Kulpatra Sirodom		●	●	●	●			●*		●*	
7. Paiboon Nalinthrangkurn	●	●							●		
8. Sopawadee Lertmanaschai	●	●			●			●*	●	●*	DCPU, SFE
9. Supachoke Supabundit	●										
10. Thiti Tantikulanan		●*							●	●*	
11. Dr. Pakorn Peetathawatchai	●	●							●		

\* Courses taken by governors in 2023

AACP: Advanced Audit Committee Program  
 AACP: Anti-Corruption for Executive Program  
 CGI: Corporate Governance for Capital Market Intermediaries  
 DCP: Director Certification Program  
 DCPU: Director Certification Program Update  
 ELP: Ethical Leadership Program  
 MFM: Monitoring Fraud Risk Management  
 MIR: Monitoring the System of Internal Control and Risk Management  
 RCC: Role of the Compensation Committee  
 TT: Train the trainer  
 SFE: Successful Formulation and Execution of Strategy

ACP: Audit Committee Program  
 BNCP: Board Nomination and Compensation Program  
 DAP: Director Accreditation Program  
 DCP Re: DCP Refresher Course  
 DLCF: Director Leadership Certification Program  
 ESG: ESG in the Boardroom: A Practical Guide for Board (ESG)  
 MIA: Monitoring the Internal Audit Function  
 MFR: Monitoring the Quality of Financial Reporting  
 RCP: The Role of Chairman Program  
 ITG: IT Governance and Cyber Resilience Program

# Audit Committee Report

The Stock Exchange of Thailand (SET)'s Audit Committee (AC) consists of five independent non-executive directors with knowledge, expertise and experience in various fields including capital markets, accounting, finance, management, and legal affairs. It is chaired by Sopawadee Lertmanaschai, with Adjunct Professor Dr. Kittipong Kittayarak, Dr. Kulpatra Sirodom, Supachoke Supabundit, and Thiti Tantikulanan as committee members. Both Sopawadee Lertmanaschai and Dr. Kulpatra Sirodom graduated with degrees in Accounting and Finance and have related experience in these two fields.

In 2023, the committee held 13 meetings, one of which was a joint meeting with the Risk Management Committee (RMC). There were three joint meetings with the external auditor to discuss the audit plan and to review the audit results. One of these meetings was held without the presence of the management in order to discuss and be informed of the independent views of the external auditor (The attendance record of the committee members is available in "Report on Key Performance Regarding Corporate Governance" section of the Annual Report).

AC performed its duties and expressed its views independently under the scope of the authority, duty and responsibilities assigned by the Board of Governors (BoG), as specified on page XX. In addition, the committee also reported its performance to the BoG on a quarterly basis. A summary of key operations and activities in 2023 is as follows:

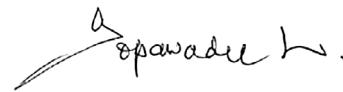
- Reports of financial statements:** AC reviews the quarterly financial reports together with the management, and the annual financial reports together with the management and the external auditor, based on the accuracy of the financial reports, the appropriateness of the accounting policy, the adequacy of the information disclosure, and the internal controls related to the preparation of the financial statements.
- Risk management:** AC oversees to ensure that key risk management systems are in place. On a quarterly basis, AC meets with the management who is in charge of risk management in order to keep them well-informed of the roles, responsibilities, coordination, and cooperation to enable the internal audit operations to be in line with the key risks and to create utmost benefit to the organization. In addition, AC has also held one joint meeting with the RMC to acknowledge the achievements and the lessons learned from the recently new projects (Post-implementation report), and the overview of the implementation of SET's Data Governance project.
- Internal control system:** AC regularly reviews the adequacy, efficiency and effectiveness of SET's internal control system based on the audit results presented by the Internal Audit Department, monitors the progress of the internal control system upgrades, and the external auditor's opinions. AC also invites executives of key departments to provide information and discuss feedback of the operations. Furthermore, AC has also reviewed the adequacy of the annual assessment of the internal control system in accordance with the standard of the Committee of Sponsoring Organizations of the Treadway Commission (COSO).
- Overseeing internal audit operation:** AC approves the annual internal audit plan and budget, and considers the adequacy and suitability of the resources and the independence of the Internal Audit Department, while providing recommendations to improve the efficiency of audit practices. In addition, AC also supports the consulting service role of the Internal Audit Department to add long-term value for the SET group. AC has held one meeting with the high-ranking executives, without the presence of the internal audit team, to listen to and discuss the Internal Audit Department's operations.

AC encourages the development of internal audit work by increasingly using new technology, and continuously supporting the knowledge and capability development of internal auditors, especially digital technology skills. In 2023, the internal audit officers attended various training courses and took professional examinations to gain additional certifications, namely Certified Information Systems Auditor (CISA), and ISMS ISO27001:2022 Lead Auditor.

- **Whistleblowing and fraud reports:** SET provides channels for employees and stakeholders to report the inappropriate activities within the SET group. This includes unlawful and unethical conducts, violations of rights, inaccurate financial reporting, or faulty internal control, in order to conduct the fact-finding process. SET has provided the reporting channels for such whistleblowing on SET's website under the "Whistleblowing Policy" section.
- **Compliance with related laws, rules and regulations:** AC, on a regular basis, meets with the legal and regulatory management team to review and ensure that SET's operations are in compliance with the relevant laws, rules and regulations. In 2023, there were no practices that were significantly non-compliant with the relevant laws and regulations.
- **Related party transactions:** AC reviews the related party transactions on a quarterly basis. In 2023, there were no related party transactions with individuals or businesses other than SET's subsidiaries

- **Appointment of external auditor 2024:** AC provides opinions regarding an external auditor nomination of which key considerations include the auditor performance, independence of the auditor in carrying out the duties and other non-audit services. AC, considering the audit expertise, experience and independence, nominates EY Office Limited as the auditor of SET and its subsidiaries for its 2024 financial statements with the proposed audit fee of THB 5.254 million. The nomination and the proposed audit fee will be presented to the SET BoG for consideration and to the SET member companies for approval.

In summary, AC has fulfilled its duties completely in accordance with the Audit Committee Charter, and is of the opinion that SET has prepared financial statements according to Generally Accepted Accounting Principles, and the financial statements are accurate in essence as well as having adequate information disclosure. In addition, AC also views that SET's internal control system and risk management are sufficient and appropriate for the business operations.



**(Sopawadee Lertmanaschai)**

**Chairperson  
Audit Committee  
January 16, 2024**



## Nomination and Remuneration Committee Report

The current Nomination and Remuneration Committee (NRC) was appointed by the Board of Governors (BoG) of The Stock Exchange of Thailand (SET), effective from August 22, 2022. NRC consists of five SET governors, namely Dr. Kulpatra Sirodom as Chairperson, with Adjunct Professor Kitipong Urapeepatanapong, Paiboon Nalinthrangkurn, Sopawadee Lertmanaschai, and Thiti Tantikulanan as committee members.

In 2023, the committee held a total of 10 meetings (The attendance record of the committee members is available in “Report on Key Performance Regarding Corporate Governance” section of the Annual Report) to carry out duties within the scope of responsibilities specified in the committee’s Charter. The essence can be summarized as follows:

### Nomination

- 1) Considered and reviewed the extension and reduction of the list of persons in the database (Experts Pool) for use in the nomination and appointment of the SET group’s governors, committee members, and experts in various fields
- 2) Considered the list of Board of Directors of SET’s subsidiaries and associated companies for the year 2023
- 3) Considered the procedure and schedule for recruiting the SET President when the term terminates
- 4) Considered the Succession Plan for SET’s key positions
- 5) Considered the guidelines for the nomination and appointment of governors, and the timeline for the recruitment of new governors to replace those whose terms end
- 6) Considered the guidelines and the timeline for the application and nomination of the new SET President
- 7) Considered the draft of SET’s regulations on the selection and nomination of the list of persons to be appointed by the SEC as SET governors
- 8) Considered the change of Managing Directors of SET’s subsidiaries
- 9) Considered and appointed the Capital Market Development Fund (CMDf) Performance Evaluation ‘s committee members for the year 2023

- 10) Considered and summarized the performance assessment results of the governors who are due to complete their term of office and are still able to be appointed to hold the position for another term, and the approval to the nomination of governors
- 11) Considered and appointed a Co-Managing Director (Co-MD) of Thailand Securities Depository Co., Ltd. (TSD)
- 12) Considered and appointed/renewed the term of committee members of SET and subsidiaries for the year 2024-2026
- 13) Acknowledged the position taking up as a committee member of the Securities Investor Protection Fund (SIPF) to fill a vacant position
- 14) Acknowledged the hiring of an Executive Vice President (EVP), Human Resources and Corporate Development Division
- 15) Acknowledged the hiring of the advisor of SET’s management team
- 16) Acknowledged the hiring of an Executive Vice President (EVP), Head of the Accounting and Finance Group
- 17) Acknowledged the plan for job rotation at the group level of the Information Technology (IT) division
- 18) Acknowledged the guidelines for job rotation of SET employees
- 19) Acknowledged the information concerning personnel demographics of the Operations Management Division and retirement

### Remuneration

- 1) Considered the remuneration of employees for the year 2022
- 2) Considered the remuneration of the SET President for the year 2022
- 3) Acknowledged the overview of the remuneration allocation for executives and employees for the year 2022
- 4) Considered the guidelines for performance assessment of the SET President for the year 2023
- 5) Acknowledged the remuneration fee guidelines of the SET executives who have been assigned on behalf of the organization to take up positions at external business units.

## Others

- 1) Considered the performance of duties of NRC at the end of the fourth quarter of 2022
- 2) Considered and summarized the NRC performance report to be disseminated in the annual report
- 3) Acknowledged and summarized the results of the NRC's self-assessment of duties for the year 2022
- 4) Considered the performance of duties of NRC as of the end of the first quarter of 2023
- 5) Considered the performance of duties of NRC as of the end of the second quarter of 2023
- 6) Considered the performance of duties of NRC as of the end of the third quarter of 2023
- 7) Considered the NRC's self-assessment of duties form for the year 2023
- 8) Considered and reviewed the current 2023 NRC Charter, with no need to be revised as already in line with the current operations

In summary, the committee has performed the duties appropriately in accordance with the duties, experiences, and responsibilities assigned to each committee member, in compliance with the good corporate governance principles set by SET as operational guidelines.



**(Dr. Kulpatra Sirodom)**

**Chairperson**

**Nomination and Remuneration Committee**

**January 18, 2024**

## Sustainability Committee Report

The Sustainability Committee (SC) consists of four members, three of whom are not involved in The Stock Exchange of Thailand (SET) management affairs and the other is governor-cum-SET president. In 2023, a total of five meetings were convened (The attendance record of the Committee's members is available in "Report on Key Performance Regarding Corporate Governance" section of the Annual Report). SC has completed its duties in accordance with the scope of responsibilities as indicated in the SC Charter. SC has delivered reports to the SET BoG on a quarterly basis.

A summary highlighting SC's undertakings for 2023 is as follows:

### 1. Development of the SET group's corporate governance and sustainability: SC has considered and provided opinions to the BoG on various matters, as follows:

- 1.1 Set the Data Governance policy by specifying the governance structure and management covering inclusively from the appointment of the data governance working group, defining the roles and duties of agencies involved, creating awareness among employees and those involved in overseeing or utilizing data, including assessing, monitoring, and controlling data risks throughout the data lifecycle.
- 1.2 Improved the corporate governance policy and code of conduct of the SET group related to the acquisition or disposal of securities by governors and employees of the SET group to cover "Digital Token".
- 1.3 Formulated the sustainability development (SD) plan of the SET group in developing a management plan and setting a goal to reduce greenhouse gas (GHG) emissions to Net Zero in 2050, as well as expressing intent to set the Science-Based Targets initiative (SBTi), and promoting knowledge and understanding of sustainability to employees at all levels.
- 1.4 Monitored the practice results and promoted the corporate governance and sustainability, such as building knowledge and understanding of corporate governance compliance, employee code of conduct, setting guidelines for meetings with outside agencies, testing understanding of ethics and important criteria as well as rules & regulations for the SET group's operations via electronic media channels internally.

1.5 Considered and reviewed the appropriateness of the Charter of the SET BoG, and the Charter of the SC, as well as providing opinions on the performance assessment results of the SET BoG and the SC.

1.6 Set up guidelines for preparing the contents for sustainability report, corporate governance report of the SET group, and report on SC operations, prior to disclosing in the SET Annual Report 2023.

### 2. Sustainability development for listed companies and capital market stakeholders

Considered and provided opinions and suggestions on SET's operating guidelines to promote and drive sustainable business development and investment among listed companies, intermediary institutions and general investors, including promoting knowledge on financial planning, savings, investment, personnel development in the capital market. In addition, the suggestions covered promoting social enterprises (SE) to be able to operate their businesses with growth and sustainability by fully leveraging the potential of the capital market combine with solid listed companies, which will be beneficial to all groups of stakeholders. The details can be summarized as follows:

#### 2.1 Sustainability development (SD) for listed companies, intermediary institutions, and institutional investors

SC has offered the policy and recommendations for the formulation of the annual plan and for monitoring operational adherence to the four main plans, as follows:

- 1) **Sustainable Business:** Promote and drive SD for listed companies, starting from creating awareness among the directors and executives on the importance of driving sustainability, and develop practitioners through various projects so that they can understand and put into practice to gain results and enable to efficiently disclose ESG information, such as the Sustainable Development Journey project, a project to develop the quality of sustainability information for listed companies, greenhouse gas management project, human right due diligence project, etc.

- 2) **Sustainable Investment:** Promote sustainable investment, and the development of related products/services, such as the SET ESG Rating project, the sustainability assessment at international level (Global ESG Ratings), as well as the uplifting of ESG implementation for intermediary institutions, the development of ESG knowledge for personnel working in securities companies, fund management companies, institutional investors, and capital market participants, to promote sustainable investment to go mainstream.
- 3) **ESG Infrastructure Development:** Develop the ESG Data Platform continuously to enable the ESG data recording and storage system of listed companies to be efficient and easy to use, while having sufficient data and information to meet the needs of data users.
- 4) **Education & Promotion:** A knowledge center on ESG for all stakeholder groups, equipped with a platform to cultivate and disseminate knowledge on sustainability among listed companies, SMEs, investors, and the general public. This also includes creating and developing ESG personnel via the SET ESG Experts Pool project, and collaborating with universities to create ESG courses for students and the general public, as a powerful source in developing quality personnel to enter the capital market.

**2.2 Sustainability development (SD) for organizations and capital market-related stakeholders**

SC has issued a policy and recommendations concerning the development of organizations and capital market stakeholders such as promoting financial planning, savings, investment, knowledge enhancement for professionals, as well as for social enterprise (SE), etc. These can be summarized as follows:

- 1) Providing financial knowledge via financial management tools, enabling the new generation to learn and adjust their spending habits accordingly, by embracing the vulnerable groups, and low-income groups, inclusive of retirement

financial management program for senior citizens in the aging society. In addition, SET also aims to develop personnel in the capital market on financial literacy and skills, as well as responsible investment to support SD in the capital market.

- 2) Supporting business potential and skills among SEs via coaching techniques and entrepreneurial learning programs, online learning media in the form of Instant Knowledge, and the curriculum on “Social Entrepreneurship” for various universities to integrate in the practical lessons for the benefit of students and general public.
- 3) Promoting the policy of environmental management on continuous basis to lower the greenhouse gas emissions of listed companies and other companies via three projects, namely Care the Bear, Care the Whale, and Care the Wild. The Climate Care performance data of listed companies has been connected with the Low Emission Support Scheme (LESS) project of Thailand Greenhouse Gas Management Organization (TGO) to facilitate members in submitting their greenhouse gas reduction performance results to the TGO’s LESS project.

In conclusion, SC is of the opinion that SET has carried out its efforts to further develop corporate governance and sustainability for the SET group, listed companies, and stakeholders appropriately and efficiently, and in line with the goals to promote and develop the Thai capital market in a sustainable manner. Furthermore, the information has been made public in the performance report in accordance with the corporate governance principles transparently and appropriately, and in line with international standards.



**(Adjunct Professor Dr. Kittipong Kittayarak)**  
**Chairperson**  
**Sustainability Committee**  
**March 4, 2024**

## Risk Management Committee Report

The current Risk Management Committee (RMC) has been appointed by The Stock Exchange of Thailand (SET)'s Board of Governors (BoG). RMC consists of nine committee members: six Board members, two non-executive experts, and the SET President, as follows:

1. Pichet Sithi-Amnuai (Chairperson)
2. Dr. Anuchit Anuchitanukul
3. Dr. Kulpatra Sirodom
4. Paiboon Nalinthrangkurn
5. Supachoke Supabundit
6. Thiti Tantikulanan
7. Dr. Amporn Sangmanee (Expert)
8. Somkiat Sirichatchai (Expert)
9. Dr. Pakorn Peetathawatchai

RMC oversees and considers the risk management process to ensure that such process complies with the policy, framework, and process of the risk management of the organization. In addition, RMC also regularly reports key risk status of the SET group to the BoG according to the scope of responsibilities specified in the RMC Charter.

In 2023, RMC held six meetings including one joint meeting with the Audit Committee (AC) and one joint meeting with the Information Technology Committee (ITC) (The attendance record of the committee members is available in "Report on Key Performance Regarding Corporate Governance" section of the Annual Report). A summary of key activities and performance in 2023 is as follows:

- **Risk management of businesses / new projects:** RMC considered and provided opinions and additional

suggestions on risk management guidelines to support issuers and market makers of Fractional Depository Receipts (DRx). In addition, RMC held a joint meeting with the ITC to acknowledge the progress report of the launch of New Trading System project.

- **Risk management of SET's subsidiaries:** RMC has continuously and regularly considered and provided suggestions on the risk management of SET's subsidiaries to ensure that the risk management of the subsidiaries are carried out in alignment with the SET group. In 2023, this consisted of the risk management guideline for Digital Gateway service under SET's Digital Access Platform Company Limited (DAP).
- **Risk management of key operations:** RMC considered and provided suggestions on the risk management of various key operations, such as
  - 1) The risk profile of the SET group for 2023;
  - 2) The review of the policies related to the SET group's risk management;
  - 3) The insurance policy of the SET group for 2023;
  - 4) The overview of investment risk management; and
  - 5) Business Continuity Plan (BCP) and Disaster Recovery Plan (DRP) Test for 2023, among others.
- **Risk status monitoring:** RMC has regularly monitored the status of key risks of the SET group, to ensure continuous and efficient risk monitoring and supervision. In addition, RMC also reports the performance of RMC to the BoG on a quarterly basis.

- Risk management and internal audit:** RMC has communicated, exchanged information and coordinated with related parties regarding risk management and internal audit. In 2023, RMC held one joint meeting with the AC to be informed of the report on the Post-implementation of the Fractional Depositary Receipts (DRx), and the Data Governance project of the SET group. All these will be used as guidelines to develop and enhance SET's operations, as well as setting practical guidelines in line with other financial institutions and regulators.

In summary, RMC viewed that in 2023 SET has continuously implemented the enterprise risk management activities to cover all the key aspects and monitoring process of the SET group, in line with the changing situations. In addition to RMC's regular meetings, RMC has also conducted a joint meeting with the AC, and a joint meeting with the ITC, all of which have enabled SET's risk management operations to be efficient and appropriate, while being able to control and minimize risks at acceptable level.



**(Pichet Sithi-Amnuai)**

**Chairperson  
Risk Management Committee  
January 30, 2024**



## Information Technology Committee Report

The current Information Technology Committee (ITC) was appointed by the Board of Governors (BoG) of The Stock Exchange of Thailand (SET) on December 30, 2020, consisting of four SET governors, Chairperson of the Information Technology Club (IT Club) under the Association of Thai Securities Companies (ASCO), one IT expert, and the SET President. The list of seven ITC members is as follows:

1. Dr. Anuchit Anuchitanukul (Chairperson)
2. Paiboon Nalinthangkurn
3. Pichet Sithi-Amnuai
4. Supachoke Supabundit
5. Chakhorn Tonghoon (Chairperson of IT Club, ASCO)
6. Pannaporn Sapsomboon (Expert)
7. Dr. Pakorn Peetathawatchai

In 2023, ITC held a total of 14 meetings (The attendance record of the committee members is available in “Report on Key Performance Regarding Corporate Governance” section of the Annual Report). ITC has performed the duties and expressed opinions within the scope of authority, duties and responsibilities assigned by the SET BoG, regarding consultation on the strategy and policy of IT development, as well as taking into consideration all groups of stakeholders in all aspects. In addition, the operation results have been reported to the SET BoG for acknowledgement every quarter. The essence of the duties and operations can be summarized as follows:

### Implementation of Strategic Projects and Improvement of Key Systems to Support Business Operations

- Considered and provided advice and suggestion for IT projects in the SET group to comply with industry-accepted standards, so as to up level the Thai capital market to be on a par with and competitive to leading stock exchanges in the region, consisting of the New Trading System, the Network Hardware Refresh project: Switch Campus DC2, and the VMware Enterprise License Agreement (ELA) - Renewal project.
- Delivered policies and provided recommendations for the implementation of the New Trading System by following up the progress of member companies and system development companies, providing opinions on project risk management, preparing a backup plan in force majeure events, and communicating the system rollout plan to industry participants and investors. All these preparations were geared up for the launch of SET and Thailand Futures Exchange (TFEX) new trading systems on May 8, 2023 as planned.
- Considered and provided opinions on the determination and review of the IT governance framework of the SET group to cover the essence according to the Securities and Exchange Commission (SEC)’s announcement, including specifying the process related to IT supervision.
- Considered and provided opinions on the 2024 Information Technology Strategic Plan of the SET group, inclusive of the Operational Guidelines for 2024-2026 consisting of the Clearing System Assessment plan, the IT Resource Partnership, and the Data Solution Partnership.

## Cybersecurity

- Considered and provided recommendations for the review of IT security policies in compliance with the announcements of the SEC and Bank of Thailand (BOT) on a regular basis, and in accordance with international standards that SET has been certified (ISO27001, ISO20000 and ISO27701).
- Delivered policies and provided recommendations on how to manage various cyber threats and the guidelines for raising the level of IT security in the trading order delivery system which is connected to SET's network and work system (SETNET3 Cyber Resilience), by considering the preparation of preliminary supervision guidelines, as well as the use of tools/technology to reduce network risk and to increase the stability of SET's services.
- Followed up the progress of the SET group's cybersecurity management operations continuously. In addition, ITC also provided support and advice in promoting knowledge and understanding on this matter both within the organization and the capital market sector as a whole, such as advice on the results of Phishing Awareness within the organization and the presentation of information to the meetings of securities companies as a guideline for promoting the companies' awareness, conducting the Conformance Assessment with member companies that have access to the stock exchange's network, upgrading the risk reduction measures for employees who have high rights to access the production system, etc.

## Consideration and Approval of Procurement to Support Business Operations

- Considered and approved the technology procurement qualifications within the SET group to suit business goals and maximize benefits enterprisewide, such as the procurement of Switch equipment in the Network Hardware Refresh project, and the procurement of VMware Enterprise License Agreement (ELA) - Renewal, among others.

In summary, ITC has performed the duties according to the ITC Charter, based on the experiences and the changing situations suitable for business operations. Moreover, ITC has also considered the operational guidelines and monitored the progress of major projects, and providing suggestions on technology aspects with benefits to the industry as a whole, in compliance with the principles of SET's good corporate governance.



**(Dr. Anuchit Anuchitanukul)**

**Chairperson**

**Information Technology Committee**

**January 25, 2024**

## Legal Committee Report

The Stock Exchange of Thailand (SET)'s current seven-member Legal Committee (LC) has been appointed by the SET Board of Governors (BoG), consisting of two SET governors, four experts in law and/or capital market, and the SET President. The list of the seven members is as follows:

1. Adjunct Professor Kitipong Uraepeatanapong (Chairperson)
2. Adjunct Professor Dr. Kittipong Kittayarak
3. Professor Dr. Kumchai Jongjakapun (Expert)
4. Associate Professor Pises Sethsathira (Expert)
5. Somkiet Kuwawattananont (Expert)
6. Surasak Vajasit (Expert)
7. Dr. Pakorn Peetathawatchai

In 2023, LC held a total of 11 meetings (The attendance record of the committee members is available in "Report on Key Performance Regarding Corporate Governance" section of the Annual Report). Certain key performing duties of LC in 2023 are as follows:

1. Provided advice, opinions, and recommendations to the SET BoG and SET regarding legal issues associated with securities and exchange law, derivatives law and other laws, as well as rules and regulations of SET
2. Provided opinions, and recommendations regarding SET's operating guidelines in compliance with SET's regulations, such as actions on listed companies subject to possible delisting

3. Provided advice and suggestions on the implementation of projects to promote legal knowledge related to capital market, such as a project to organize seminars on securities laws for judges, a project to prepare books on securities law, etc.
4. Provided advice on matters that purport to protect and maintain the benefits of SET, including providing opinions or suggestions that will be beneficial to SET's operations

LC has fulfilled all of the duties as specified in the Charter, and has provided recommendations on various matters which are for the benefits of SET's operations.



**(Adjunct Professor Kitipong Uraepeatanapong)**

**Chairperson  
Legal Committee  
January 30, 2024**

# 11 Significant information

## Financial Highlights

### SET Group Financial Highlights

(In Million Baht)

	2023	2022	2021
<b>Consolidated statements of revenues and expenses</b>			
Total revenues	7,085	7,751	7,915
Operating revenues	6,850	7,554	7,735
Other income <sup>1</sup>	235	197	180
Operating expenses	5,226	5,134	5,036
Revenues over expenses from operation	1,859	2,617	2,879
Investment income (loss), net	206	(365)	369
Contribution to the Capital Market Development Fund	500	539	583
Revenues over expenses, net	1,280	1,406	1,597
<b>Consolidated statements of cashflows</b>			
Net cash provided by operating activities	1,176	1,037	3,297
Net cash used in investing activities	(3,948)	(4,410)	(2,320)
Net cash used in financing activities	(12)	(16)	(16)
<b>Consolidated statements of financial position</b>			
Total current assets <sup>2</sup>	33,065	32,690	35,220
Total assets	56,744	56,306	56,881
Total current liabilities <sup>2</sup>	20,921	21,193	23,498
Total liabilities	25,226	25,442	27,512
Fund balances	31,518	30,864	29,369
Assets / payables of margin deposits and benefits <sup>2</sup>	18,317	18,458	19,776
<b>Key financial ratios</b>			
Total revenue growth (%)	(8.59)	(2.07)	17.94
Operating revenue growth (%)	(9.32)	(2.34)	18.13
Operating expenses to operating revenues (%)	76.29	67.96	65.11
Net profit margin <sup>3</sup> (%)	18.07	18.14	20.18
Return on fund balance (%)	4.06	4.56	5.44
Current ratio (Times)	1.58	1.54	1.50
Debt to fund ratio (Times)	0.80	0.82	0.94

<sup>1</sup> Other income mainly consist of educational activities income, revenues from fees and management funds etc.

<sup>2</sup> Other current assets and other current liabilities included margin deposits and benefits at the same amount (as the guarantee for derivative contracts of the clearing house)

<sup>3</sup> Net profit margin calculated by revenues over expenses, net / total revenues

# Sustainability Performance

## SET's Sustainability Performance

Material Topics	Indicators	Unit	Performance					
			2023		2022 <sup>9</sup>		2021	
<b>Good Corporate Governance</b>								
<b>Good Corporate Governance</b>	Male governors	Persons	9	82%	9	82%	8	73%
	Female governors	Persons	2	18%	2	18%	3	27%
	Total number of governors	Persons	11	100%	11	100%	11	100%
	Average governor age	Years	61		60		59	
	Average board meeting attendance	%	94.65		95.96		100	
	Number of cases or complaints related to corruption in SET's operations	Case (s)	0		0		0	
	Number of cases or complaints on violations of regulations on the acquisition or disposition of securities by governors, executives, and employees	Case (s)	0		0		0	
	Number of cases or complaints related to insider trading by governors, executives, and employees	Case (s)	0		0		0	
<b>Risk Management</b>								
<b>Risk Management</b>	Number of cyberattacks or system malfunctions	Case (s)	0		0		0	
<b>Employee</b>								
<b>Employee</b>	Male permanent employees	Persons	269	33%	254	32%	246	32%
	Female permanent employees	Persons	556	67%	533	68%	517	68%
	Total number of permanent employees	Persons	825	100%	787	100%	763	100%
	Average employee engagement score	%	76		- <sup>3</sup>		78	
	Employee voluntary turnover rate	%	3.3		3.4		3.7	
	Employee development expenses	THB million	36.4		29.8		38.0	
	Average training hours of permanent employees	hours	68		58		69	
	Total number of permanent employees joining employee provident fund	%	100		100		100	

Material Topics	Indicators	Unit	Performance		
			2023	2022 <sup>9</sup>	2021
<b>Employee (Continued)</b>	Number of cases or incidents of work-related injuries or fatalities of employees	Case (s)	0	0	0
	Average sick leave rate of employees	working days/person	1.14	2.70	1.72
	Number of and rate of fatal work injuries	Persons	0	0	0
		Persons / 1 million hours worked	0	0	0
	Lost-Time Injury Frequency Rate (LTIFR)	Incidents	0	0	0
		Persons	0	0	0
		Persons / 1 million hours worked	0	0	0

**Sustainable capital market**

<b>Sustainable capital market</b>	Number of listed companies in the SET ESG Ratings list <sup>1</sup>	Companies	193	166	144
	Market capitalization of listed companies in the SET ESG Ratings list to total market capitalization <sup>1</sup>	%	72	73	66
	Number of SET's listed companies in the Dow Jones Sustainability Indices (DJSI)	Companies	28	26	24
	Average Corporate Governance Report (CGR) score of listed companies	Scores	81	85	84
	Number of listed companies in the SETESG Index <sup>2</sup>	Scores	114	98	77
	Market capitalization of listed companies in the SETESG Index to total market capitalization <sup>2</sup>	%	73	62	60
	Cumulative number of views accessing sustainable investing knowledge media	Views	382,168	19,667	3,280
	Cumulative number of professionals accessing sustainable investment knowledge	Persons	4,716	2,728	1,968



Material Topics	Indicators	Unit	Performance		
			2023	2022 <sup>9</sup>	2021
<b>Social Inclusion</b>					
<b>Social Inclusion</b>	Number of visits to the Capital Market Education Center <sup>4</sup>	Million visits	3.75	2.01	1.72
	Number of individuals learning about financial planning through the Happy Money Project with financial mentors	Million people	3.08	3.06	3.00
	Number of social enterprises benefitting from the SET Social Impact Platform	Organizations	104	100	114
	Number of partners of the SET Social Impact Platform	Organizations	347	430	300
	Number of views accessing the SET Social Impact website	Views	353,590	433,310	260,000
	Charitable Contributions	THB million	23	61	112 <sup>5</sup>
	Accumulated value of shares donated via Pan Hoon Aom Boon and Pan Pol Aom Suk projects	THB million	11.70	11.60	11.46
<b>Climate Action</b>					
<b>Environmental Management<sup>6</sup></b>	<b>Greenhouse gas emissions (GHG emissions)<sup>7</sup></b>				
	Total GHG emissions - scope 1	tons CO <sub>2</sub> e per year	261	189	161
	Total GHG emissions - scope 2		6,784	6,536	6,035
	Total GHG emissions - scope 3		7,463	7,407	7,893
	Total GHG emissions		14,508	14,132	14,089
	<b>Energy consumption in the organization</b>				
	Electricity purchased from third-party	Megawatt-hours	13,798	13,250	12,072
	Electricity consumption from solar energy		241	135 <sup>8</sup>	60
	Total electricity consumption		14,039	13,385 <sup>8</sup>	12,132
	Fuel consumption of stationary combustion	Liters	8,616	7,781	7,237
	Fuel consumption of mobile combustion		76,173	73,421	63,046
	Total fuel consumption		84,789	81,202	70,283
	<b>Water withdrawal by source</b>				
	Third-party water	Cubic meters	68,928	62,675	54,326 <sup>8</sup>

Material Topics	Indicators	Unit	Performance		
			2023	2022 <sup>9</sup>	2021
<b>Environmental Management<sup>6</sup> (Continued)</b>	<b>Water discharge to low water stress area by source</b>				
	Total water discharge to surface water	Cubic meters	20,492	18,795	16,191
	<b>Waste</b>				
	Total non-hazardous waste	Tons	73.11	63.64 <sup>8</sup>	45.21 <sup>8</sup>
	Total hazardous waste		13.96	7.81	3.68
	Total waste		87.07	71.45 <sup>8</sup>	48.89 <sup>8</sup>
	Proportion of green procurement	%	87	86	84
<b>Collaboration Platform for Climate Action</b>	Care the Bear project – GHG reduction	kgCO <sub>2</sub> e per year	6,653,920	4,773,412	1,988,360
	Care the Whale project– GHG reduction		25,867,060	13,712,368	9,760,868
	Total reduction of greenhouse gas emissions from the Climate Care Collaboration Platform		32,520,980	18,485,780	11,749,228
	Total adsorption of greenhouse gas emissions from Care the Wild project		679,500	312,300	243,000

Note:

- <sup>1</sup> Change the name from Thailand Sustainable Investment (THSI) to SET ESG Ratings and update the list of sustainable stocks for the years 2021 and 2022, between the announcement of results until the announcement of the next round. Market capitalization of listed companies in the SET ESG Ratings list to total market capitalization is calculated from the market capitalization of SET and mai.
- <sup>2</sup> Change the name from THSI index to SETESG index and revise the number of companies and the proportion of securities value of the SETESG Index. The data is as of December of each reporting year.
- <sup>3</sup> The survey will be conducted every two year
- <sup>4</sup> Based on the number of on-site visitors and views (online channels) in the Maruey Library and INVESTORY
- <sup>5</sup> Donation to healthcare related agencies for assistance and alleviation of social impact from the COVID-19 pandemic in a tune of THB 103 million
- <sup>6</sup> Greenhouse gas emissions data has been verified by external verifiers
- <sup>7</sup> Revised data to match with verified data in every reporting year and disclose additional Scope 3 greenhouse gas emissions data.
- <sup>8</sup> Reviews and revised data
- <sup>9</sup> In 2022, there were more users and visitors to SET’s buildings due to the government’s relaxation of the COVID-19 restrictions. As a result, the amount of greenhouse gas emissions, energy consumption, water consumption and waste volume increased significantly compared to the previous year when COVID-19 pandemic influenced on the number of users and visitors to SET’s building, and fuel consumption was less than business as usual operation.

Symbol (-) is to show that there is no data record for the year or project has yet to operate

## 12 Financial Report

### Report of the Board of Governors Relating to Responsibility for Financial Reporting

The Board of Governors is responsible for the consolidated financial statements of The Stock Exchange of Thailand (SET) and its subsidiaries, and the separate financial statements of The Stock Exchange of Thailand, including the financial information presented in this annual report. The financial statements for the year ended December 31, 2023 have been prepared in accordance with Thai Financial Reporting Standards. In preparing the financial statements, appropriate accounting policies have been adopted and regularly adhered to, using careful discretion and reasonable estimates. Important information has also been adequately disclosed in the notes to financial statements, so as to reflect the financial status, performance and cash flows in an accurate and transparent manner, providing benefits to the public.

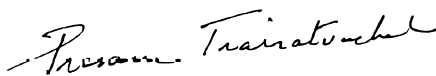
The Board of Governors has provided and maintained the risk management system, internal control system, internal audit system and effective corporate governance to ensure that accounting records are accurate, complete and adequate to secure its assets and prevent risks, while preventing fraud or irregular operations in essence as well.

To accomplish this task, the Board of Governors has appointed an Audit Committee, consisting of independent non-executive

directors, to be responsible for the quality of financial reports, the review of internal control system, internal audit system and risk management system. The opinions of the Audit Committee are included in the Audit Committee Report section of this annual report.

The consolidated financial statements of The Stock Exchange of Thailand (SET) and its subsidiaries, and the separate financial statements of The Stock Exchange of Thailand have been examined by an external auditor, EY Office Limited. In conducting the audit, SET has provided supporting information and documents so that the auditor could examine and express opinions in accordance with Thai Standards on Auditing. The auditor's opinion is presented in the auditor's report as part of this annual report.

The Board of Governors is of the opinion that the SET's overall internal control system is adequate and appropriate, and can create confidence that the consolidated financial statements of The Stock Exchange of Thailand (SET) and its subsidiaries, and the separate financial statements of The Stock Exchange of Thailand for the year ended December 31, 2023 are reliable and in compliance with Thai Financial Reporting Standards and related regulations.



**(Dr. Prasarn Trairatvorakul)**

Chairman



**(Dr. Pakorn Peetathawatchai)**

President

# Independent Auditor's Report

To the members of The Stock Exchange of Thailand and The Stock Exchange of Thailand

## Opinion

I have audited the accompanying consolidated financial statements of The Stock Exchange of Thailand and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2023, and the related consolidated statements of comprehensive revenues and expenses, changes in fund balances and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of The Stock Exchange of Thailand (SET) for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Stock Exchange of Thailand and its subsidiaries and of The Stock Exchange of Thailand as at 31 December 2023, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

## Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Group in accordance with the *Code of Ethics for Professional Accountants including Independence Standards* issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics of Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

## Emphasis of Matter

I draw attention to Note 33 to the consolidated financial statements, which describes the recording of income tax with respect to the remittance of contribution to CMDF. My opinion is not modified in respect of this matter.

## Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

I have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matters and how audit procedures respond for each matter are described below.

## Revenue Recognition - Trading Fees

As disclosed in Note 26 to the consolidated financial statements, the principal source of revenue of SET is trading fees, presenting it as "Operating revenues", under statement of comprehensive revenues and expenses. The revenue is subject to terms and conditions used in setting variable fees based on trading volume, and SET uses information technology to gather trading volume data and to calculate trading fees. I therefore focused on the audit of the accuracy and completeness of the trading volume data used in the revenue calculation and processing of information technology systems to ensure the measurement and occurrence of trading fees.

The key audit procedures were as follows:

- Gained an understanding of operations and internal control procedures related to the recognition of revenue from trading fees.
- Assessed effectiveness and tested, on a sampling basis, the internal controls relevant to recognition of trading fees revenue, including IT general controls, application controls and other related internal controls.
- Applied a sampling method to select agreements and test the revenue calculation to ensure that the trading fee revenue recognised was correct, consistent with the conditions of the relevant agreement and in accordance with Thai Financial Reporting Standards.
- Performed analytical procedures on the relationship of the accounting transactions to the trading fees and performing analytical procedures on disaggregated data to detect possible irregularities in transactions throughout the reporting period.
- Perform substantive analytical procedures on the trading fees.
- Reviewed credit notes that SET issued during and after the reporting period.

### Other Information

Management is responsible for the other information. The other information comprise the information included in annual report of the Group, but does not include the financial statements and my auditor's report thereon. The annual report of the Group is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance of correction of the misstatement.

### Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

### Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

I am responsible for the audit resulting in this independent auditor's report.



**Sumana Punpongsanon**

**Certified Public Accountant (Thailand) No. 5872**

**EY Office Limited  
Bangkok: 21 February 2024**



# Financial Statements and Notes to Financial Statements

## The Stock Exchange of Thailand and its subsidiaries

### Statements of financial position

As at 31 December 2023

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	7	2,828,303	5,620,910	2,215,003	4,437,428
Cash at banks for financial benefits payable		94,439	84,202	-	-
Assets for margin deposits and benefits	17	18,316,567	18,457,840	-	-
Other current financial assets	8	10,967,524	7,680,044	8,306,912	5,890,573
Trade and other receivables	9	634,658	649,459	581,019	483,674
Derivative assets		104,679	111,774	104,679	111,774
Other current assets	10	118,876	85,325	109,131	79,546
<b>Total current assets</b>		<b>33,065,046</b>	<b>32,689,554</b>	<b>11,316,744</b>	<b>11,002,995</b>
<b>Non-current assets</b>					
Other non-current financial assets	11	7,544,906	7,630,170	5,631,474	5,155,902
Investments in subsidiaries	12	-	-	2,332,700	2,282,700
Investments in associates and joint venture	13	1,035,179	1,029,327	789,964	789,984
Assets for clearing system protection and benefits	18	2,280,081	2,279,066	152,137	150,740
Securities Investor Protection Fund	25	866,993	850,440	866,993	850,440
Derivatives Investor Protection Fund	25	116,765	114,722	-	-
Long-term loans to subsidiaries	6	-	-	6,140,679	6,140,679
Reserve Fund for clearing and settlement	19	5,771,226	5,709,780	-	-
Property, plant and equipment	14	3,902,373	4,066,652	3,902,126	4,066,364
Right-of-use assets	15	22,421	24,658	22,421	24,658
Intangible assets	16	1,189,607	1,115,682	1,186,123	1,110,882
Deferred tax assets	33	188,670	183,497	173,378	176,081
Other non-current assets	20	760,443	612,919	722,385	581,318
<b>Total non-current assets</b>		<b>23,678,664</b>	<b>23,616,913</b>	<b>21,920,380</b>	<b>21,329,748</b>
<b>Total assets</b>		<b>56,743,710</b>	<b>56,306,467</b>	<b>33,237,124</b>	<b>32,332,743</b>

The accompanying notes are an integral part of the financial statements.

## The Stock Exchange of Thailand and its subsidiaries

### Statements of financial position (Continued)

#### As at 31 December 2023

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
<b>Liabilities and fund balances</b>					
<b>Current liabilities</b>					
Margin deposits and benefits payable	17	18,317,031	18,458,480	-	-
Trade and other payables	21	2,202,745	2,211,697	1,945,533	1,924,144
Current portion of lease liabilities	15	11,445	10,963	11,445	10,963
Fees received in advance		86,484	171,625	62,690	142,813
Income tax payable		108,602	137,443	-	-
Short-term loans from subsidiaries	6	-	-	2,172,000	1,931,485
Other current liabilities	22	195,027	202,499	111,221	116,720
<b>Total current liabilities</b>		<b>20,921,334</b>	<b>21,192,707</b>	<b>4,302,889</b>	<b>4,126,125</b>
<b>Non-current liabilities</b>					
Lease liabilities, net of current portion	15	11,938	14,340	11,938	14,340
Assets for clearing system protection and benefits payable	18	2,128,175	2,128,313	-	-
Contributions and benefits to Securities Investor Protection Fund	25	348,520	341,358	348,520	341,358
Contributions and benefits to Derivatives Investor Protection Fund	25	57,214	56,095	-	-
Deferred tax liabilities	33	-	1,582	-	-
Provision for long-term employee benefits	23	794,633	740,155	794,633	740,155
Provision for tax liabilities	33	952,000	952,000	952,000	952,000
Other non-current liabilities		12,268	15,438	12,268	15,438
<b>Total non-current liabilities</b>		<b>4,304,748</b>	<b>4,249,281</b>	<b>2,119,359</b>	<b>2,063,291</b>
<b>Total liabilities</b>		<b>25,226,082</b>	<b>25,441,988</b>	<b>6,422,248</b>	<b>6,189,416</b>
<b>Fund balances</b>					
Funds	24	31,517,627	30,864,478	26,814,876	26,143,327
Non-controlling interests		1	1	-	-
<b>Total fund balances</b>		<b>31,517,628</b>	<b>30,864,479</b>	<b>26,814,876</b>	<b>26,143,327</b>
<b>Total liabilities and fund balances</b>		<b>56,743,710</b>	<b>56,306,467</b>	<b>33,237,124</b>	<b>32,332,743</b>

The accompanying notes are an integral part of the financial statements.

## The Stock Exchange of Thailand and its subsidiaries

### Statement of comprehensive revenues and expenses

#### For the year ended 31 December 2023

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
<b>Revenues and expenses:</b>					
<b>Revenues</b>					
Operating revenues	26	6,850,248	7,554,326	2,866,247	3,456,128
Other income	28	234,663	196,566	2,003,641	1,977,441
<b>Total revenues</b>		<b>7,084,911</b>	<b>7,750,892</b>	<b>4,869,888</b>	<b>5,433,569</b>
<b>Expenses</b>					
Employee expenses	29	2,270,575	2,161,851	2,270,575	2,161,851
Directors' remuneration		32,631	32,763	29,096	28,997
Direct service expenses		624,198	607,749	-	-
Building and office expenses		198,790	211,869	198,401	210,504
Technology expenses		378,521	337,029	377,626	336,208
Marketing expenses		198,832	167,237	171,204	156,613
Educational activity expenses		52,631	48,429	51,631	48,429
SEC Fees	30	524,494	746,053	518,381	740,094
Depreciation and amortisation	14, 15, 16	600,554	536,141	599,198	534,986
Other expenses	31	345,204	284,687	333,207	277,310
<b>Total expenses</b>		<b>5,226,430</b>	<b>5,133,808</b>	<b>4,549,319</b>	<b>4,494,992</b>
<b>Operating revenues over expenses</b>		<b>1,858,481</b>	<b>2,617,084</b>	<b>320,569</b>	<b>938,577</b>
<b>Non-operating revenues (expenses)</b>					
Investment revenue (loss), net	27	205,526	(364,846)	844,132	218,352
Income (expenses) derived from Securities Investor Protection Fund, net	24, 25.2	9,391	(4,316)	9,391	(4,316)
Income (expenses) derived from Derivatives Investor Protection Fund, net	24, 25.2	924	569	-	-
Share of profit of investments in associates and joint venture, net of tax	13	24,786	33,137	-	-
<b>Revenues over expenses before contribution to the Capital Market Development Fund</b>		<b>2,099,108</b>	<b>2,281,628</b>	<b>1,174,092</b>	<b>1,152,613</b>
Contribution to the Capital Market Development Fund	32	(499,517)	(538,903)	(499,517)	(538,903)
<b>Revenues over expenses before income tax</b>		<b>1,599,591</b>	<b>1,742,725</b>	<b>674,575</b>	<b>613,710</b>
Income tax revenues (expenses)	33	(319,700)	(336,462)	(2,703)	11,200
<b>Revenues over expenses for the year</b>		<b>1,279,891</b>	<b>1,406,263</b>	<b>671,872</b>	<b>624,910</b>

The accompanying notes are an integral part of the financial statements.

**The Stock Exchange of Thailand and its subsidiaries**  
**Statement of comprehensive revenues and expenses (Continued)**  
**For the year ended 31 December 2023**

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
<b>Other comprehensive revenues (expenses)</b>					
<i>Other comprehensive revenues (expenses) to be reclassified to revenues or expenses in subsequent periods</i>					
Gain (loss) on change in value of debt instruments at fair value through other comprehensive revenues (expenses), net of tax		(31,808)	12,283	(323)	-
Other comprehensive revenues (expenses) to be reclassified to revenues or expenses in subsequent period, net of tax		(31,808)	12,283	(323)	-
<i>Other comprehensive revenues (expenses) not to be reclassified to revenues or expenses in subsequent periods</i>					
Loss on changes in value of equity investments designated at fair value through other comprehensive revenues (expenses), net of tax		(594,934)	-	-	-
Actuarial gain, net of tax	24, 25.2	-	77,028	-	77,028
Other comprehensive revenues (expenses) not to be reclassified to revenues or expenses in subsequent periods, net of tax		(594,934)	77,028	-	77,028
<b>Other comprehensive revenues (expenses) for the year</b>		<b>(626,742)</b>	<b>89,311</b>	<b>(323)</b>	<b>77,028</b>
<b>Total comprehensive revenues over expenses for the year</b>		<b>653,149</b>	<b>1,495,574</b>	<b>671,549</b>	<b>701,938</b>
<b>Revenues over expenses attributable to:</b>					
Owners of the parent		1,279,891	1,406,263	671,872	624,910
Non-controlling interests of the subsidiaries		-	-	-	-
		<u>1,279,891</u>	<u>1,406,263</u>		
<b>Total comprehensive revenues over expenses for the year attributable to:</b>					
Owners of the parent		653,149	1,495,574	671,549	701,938
Non-controlling interests of the subsidiaries		-	-	-	-
		<u>653,149</u>	<u>1,495,574</u>		

The accompanying notes are an integral part of the financial statements.

## The Stock Exchange of Thailand and its subsidiaries

### Statement of changes in fund balances

#### For the year ended 31 December 2023

(Unit: Thousand Baht)

	Consolidated financial statements				
	Fund balances	Other components of fund balances	Total of fund balances	Non-controlling interests	Total fund balances
<b>Balance as at 1 January 2022</b>	29,368,904	-	29,368,904	1	29,368,905
Other comprehensive revenues (expenses) for the year (Note 24)	77,028	12,283	89,311	-	89,311
Revenues over expenses (Note 24)	1,406,263	-	1,406,263	-	1,406,263
<b>Balance as at 31 December 2022</b>	<u>30,852,195</u>	<u>12,283</u>	<u>30,864,478</u>	<u>1</u>	<u>30,864,479</u>
<b>Balance as at 1 January 2023</b>	30,852,195	12,283	30,864,478	1	30,864,479
Other comprehensive revenues (expenses) for the year (Note 24)	-	(626,742)	(626,742)	-	(626,742)
Revenues over expenses (Note 24)	1,279,891	-	1,279,891	-	1,279,891
<b>Balance as at 31 December 2023</b>	<u>32,132,086</u>	<u>(614,459)</u>	<u>31,517,627</u>	<u>1</u>	<u>31,517,628</u>

(Unit: Thousand Baht)

	Separate financial statements		
	Fund balances	Other components of fund balances	Total fund balances
<b>Balance as at 1 January 2022</b>	25,441,389	-	25,441,389
Other comprehensive revenues (expenses) for the year (Note 24)	77,028	-	77,028
Revenues over expenses (Note 24)	624,910	-	624,910
<b>Balance as at 31 December 2022</b>	<u>26,143,327</u>	<u>-</u>	<u>26,143,327</u>
<b>Balance as at 1 January 2023</b>	26,143,327	-	26,143,327
Other comprehensive revenues (expenses) for the year (Note 24)	(323)	-	(323)
Revenues over expenses (Note 24)	671,872	-	671,872
<b>Balance as at 31 December 2023</b>	<u>26,814,876</u>	<u>-</u>	<u>26,814,876</u>

The accompanying notes are an integral part of the financial statements.

## The Stock Exchange of Thailand and its subsidiaries

### Cash flow statement

#### For the year ended 31 December 2023

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
<b>Cash flows from operating activities</b>					
Revenues over expenses before income tax		1,599,591	1,742,725	674,575	613,710
Adjustments to reconcile revenues over expenses before tax to net cash provided by (paid from) operating activities:					
Depreciation and amortisation	14, 15, 16	600,554	536,141	599,198	534,986
Investment loss (revenue), net		(371,689)	189,621	(950,399)	(283,581)
Expense (income) from Securities Investor Protection Fund, net	24, 25.2	(9,391)	4,316	(9,391)	4,316
Income derived from Derivatives Investor Protection Fund, net	24, 25.2	(924)	(569)	-	-
Employee benefits obligation expenses	23	66,530	69,655	66,530	69,655
Loss from disposal and write-off of assets		476	378	476	378
Expected credit loss (reversal)		(1,712)	(2,985)	(4,166)	3,412
Impairment loss of investment in joint venture		20	63	20	63
Share of profit from investments in associates and joint venture, net of tax	13	(24,786)	(33,137)	-	-
Finance cost	15	1,250	1,376	1,250	1,376
Revenue over expense from operating activities before changes in operating assets and liabilities		1,859,919	2,507,584	378,093	944,315
Operating assets (increase) decrease					
Assets for margin deposits and benefits		141,449	1,325,796	-	-
Trade and other receivables		36,993	34,991	298	27,588
Other current assets		(33,551)	(40,447)	(29,585)	(38,782)
Assets for clearing system protection and benefits		(1,015)	(229,942)	(1,397)	(127)
Securities Investor Protection Fund		(32,167)	6,777	(32,167)	6,777
Derivatives Investor Protection Fund		(2,128)	(2,062)	-	-
Other non-current assets		2,495	2,313	2,495	2,512

The accompanying notes are an integral part of the financial statements.



## The Stock Exchange of Thailand and its subsidiaries

### Cash flow statement (Continued)

#### For the year ended 31 December 2023

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Operating liabilities increase (decrease)					
Margin deposits and benefits payables		(141,449)	(1,325,796)	-	-
Trade and other payables		(59,642)	(767,760)	(29,585)	(53,961)
Fees received in advance		(85,141)	(128,742)	(80,123)	(127,504)
Other current liabilities		(7,472)	(46,152)	(5,499)	(31,318)
Assets for clearing system protection and benefits payable		(138)	229,802	-	-
Contributions and benefits to Securities Investor Protection Fund		7,162	(3,130)	7,162	(3,130)
Contributions and benefits to Derivative Investor Protection Fund		1,119	657	-	-
Other non-current liabilities		(3,170)	(1,823)	(3,170)	(1,823)
Employee benefits paid		(12,052)	(28,976)	(12,052)	(28,976)
Cash flows from operating activities		1,671,212	1,533,090	194,470	695,571
Corporate income tax paid		(495,583)	(496,498)	(143,562)	(157,874)
<b>Net cash flows from operating activities</b>		<b>1,175,629</b>	<b>1,036,592</b>	<b>50,908</b>	<b>537,697</b>
<b>Cash flows from investing activities</b>					
Payment for long-term loan to a subsidiary	6	-	-	-	(449,845)
Cash received from investment		308,071	325,605	211,388	167,456
Purchase of other current financial assets		(14,188,345)	(7,404,350)	(11,993,005)	(5,807,180)
Proceeds from disposals of other current financial assets		10,841,753	5,361,910	9,517,666	3,505,338
Cash paid investments in subsidiaries		-	-	(50,000)	(450,000)
Purchase of other non-current financial assets		(5,869,017)	(7,116,182)	(5,824,605)	(4,646,913)
Proceeds from disposals of other non-current financial assets		5,510,331	5,347,399	5,510,331	5,347,399
Cash receipt from foreign currency forward contracts		150,429	38,413	150,429	38,413
Cash paid from foreign currency forward contracts		(284,280)	(332,225)	(284,280)	(332,225)
Cash paid for reserve fund for clearing and settlement, net		(61,446)	(7,751)	-	-
Purchase of property, plant and equipment		(179,207)	(208,187)	(179,207)	(208,187)
Proceeds from disposals of property, plant and equipment		82	3,049	82	3,049
Purchase of intangible assets		(272,024)	(469,113)	(272,024)	(467,984)
Benefits received (paid) from Securities Investor Protection Fund		25,005	(4,697)	25,005	(4,697)
Benefits received from Derivatives Investor Protection Fund		1,009	780	-	-
Dividend received		69,893	55,619	713,832	618,840
<b>Net cash flows used in investing activities</b>		<b>(3,947,746)</b>	<b>(4,409,730)</b>	<b>(2,474,388)</b>	<b>(2,686,536)</b>

The accompanying notes are an integral part of the financial statements.

**The Stock Exchange of Thailand and its subsidiaries**  
**Cash flow statement (Continued)**  
**For the year ended 31 December 2023**

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
<b>Cash flows from financing activities</b>					
Cash receipt from short-term loan from subsidiaries	6	-	-	260,000	250,000
Repayment of short-term loan from subsidiaries	6	-	-	(19,485)	(129,500)
Cash paid for lease liabilities		(11,717)	(16,236)	(11,717)	(16,236)
Interest paid		-	-	(29,207)	(11,115)
<b>Net cash flows from (used in) financing activities</b>		<b>(11,717)</b>	<b>(16,236)</b>	<b>199,591</b>	<b>93,149</b>
Allowance for expected credit loss of cash and cash equivalents		438	1,068	438	1,070
Net foreign exchange difference		1,026	(7,087)	1,026	(7,087)
<b>Net decrease in cash and cash equivalents</b>		<b>(2,782,370)</b>	<b>(3,395,393)</b>	<b>(2,222,425)</b>	<b>(2,061,707)</b>
Cash and cash equivalents at beginning of year		5,705,112	9,100,505	4,437,428	6,499,135
<b>Cash and cash equivalents at end of year</b>		<b>2,922,742</b>	<b>5,705,112</b>	<b>2,215,003</b>	<b>4,437,428</b>
<b>Supplementary for cash flows information</b>					
Cash and cash equivalents are as follows:					
Cash and cash equivalents	7	2,828,303	5,620,910	2,215,003	4,437,428
Cash at banks for financial benefits payable		94,439	84,202	-	-
		<b>2,922,742</b>	<b>5,705,112</b>	<b>2,215,003</b>	<b>4,437,428</b>
<b>Non-cash transactions:</b>					
Gain (loss) on investment designed at fair value through other comprehensive revenue or expenses		(626,742)	12,283	(323)	-
Other payables from purchase of assets		85,502	34,815	85,502	34,815
Transfer property, plant and equipment to intangible assets	14, 16	-	2,788	-	2,788
Increase in right-of-use assets and lease liabilities	15	8,547	11,402	8,547	11,402

The accompanying notes are an integral part of the financial statements.

## The Stock Exchange of Thailand and its subsidiaries

### Notes to consolidated financial statements

#### For the year ended 31 December 2023

#### 1. General information

The Stock Exchange of Thailand (SET) is a juristic entity incorporated in Thailand under the Securities Exchange of Thailand Act B.E. 2517. The principal business activities of SET are serving as the market or the centre for trading of securities and providing related services without the objective of distribution of profit to members. SET commenced its trading of securities on 30 April 1975 and operates under the framework of the Securities Exchange of Thailand Act B.E. 2535. Its registered office is located at No. 93, Floor 17th, Ratchadapisek Road, Kwaeng Din Daeng, Khet Din Daeng, Bangkok.

The principal activities of SET and its subsidiaries are summarised as follows:

- 1) Securities markets comprise the operation of securities listing, trading system, clearing and settlement, depository, including market surveillance and supervision of listed companies and member companies.
- 2) Derivatives markets comprise the operation of trading and clearing of futures contracts and financial securities, providing other services related to futures trading transactions.
- 3) Digital assets markets comprise the operation of digital token listing, trading system, clearing and settlement, custody, including market surveillance and supervision of trading of registered digital token.
- 4) Technology services comprise the operation of internet trading platform for securities and derivatives, information services and other member services.
- 5) Securities registrar services
- 6) Other services comprise fund services and payment services provider.

#### 2. Basis of preparation

- 2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of SET. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

## 2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of The Stock Exchange of Thailand (“SET”) and the following subsidiary companies (“the subsidiaries”) (collectively as “the Group”):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2023 (%)	2022 (%)
<u>Direct subsidiaries</u>				
Thailand Securities Depository Co., Ltd.	Securities depository and registrar services	Thailand	100.00	100.00
TTF Corporation Company Limited (formerly known as “Thai Trust Fund Management Co., Ltd.”)*	Mutual fund management	Thailand	100.00	100.00
Thai NVDR Co., Ltd.	Investment management in Non-Voting Depository Receipts	Thailand	100.00	100.00
Thailand Futures Exchange Public Company Limited	Derivatives exchange	Thailand	100.00	100.00
Thailand Clearing House Co., Ltd.	Clearing house and related back-office services for securities and derivatives contracts	Thailand	100.00	100.00
SET Venture Holding Co., Ltd.**	Holding company	Thailand	100.00	100.00

\* On 13 January 2023, TTF Corporation Company Limited, “Subsidiary” received permission to cease the securities business and The office of the Securities and Exchange Commission received license back.

\*\* On 18 May 2023, the Board of Directors meeting of SET Venture Holding Company Limited, “Subsidiary” No. 3/2023, passed a resolution approving the payment of ordinary shares that have not yet been paid in full amounting to 20 million shares, with another value of Baht 2.5 per share.

Subsequently, on 24 May 2023, Board of Directors meeting of the Stock Exchange of Thailand's No. 6/2023 passed a resolution approving approve the payment of such common shares to the subsidiary and the payment was made on 26 May 2023. The subsidiary registered the increase in paid-up capital with the Ministry of Commerce on 26 May 2023.

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2023 (%)	2022 (%)
<u>Indirect subsidiaries</u>				
Finnet Innovation Network Co., Ltd.	Rendering payment service for the capital market	Thailand	100.00	100.00
Live Fin Corp Co., Ltd.	Provider of electronic network system for investment	Thailand	100.00	100.00
Digital Access Platform Co., Ltd.	Providing electronic networking service and/or supporting system to support electronic and digital transactions	Thailand	100.00	100.00
Thai Digital Assets Exchange Co., Ltd.*	Trading center for digital assets, digital token, and providing infrastructure or related systems to support digital token trading	Thailand	100.00	100.00
SETTRADE.COM Co., Ltd.	Computer system services	Thailand	100.00	100.00
<u>Associates</u>				
Clearing Fund	Fund	Thailand	5.88	6.08
TSFC Securities Public Company Limited	Securities financing services and securities borrowing and lending	Thailand	40.70	40.70
<u>Joint venture</u>				
Family Know-how Co., Ltd.**	Media business specialising in financial and investment information	Thailand	50.00	50.00

\* On 15 May 2023, the Board of Directors meeting of Thai Digital Assets Exchange Company Limited's "Subsidiary" No. 5/2023, passed a resolution approving the payment of common shares that have not yet been paid in full amounting to 10 million shares, with another value of Baht 5 per share.

Subsequently, on 18 May 2023, the Board of Directors meeting of SET Venture Holding Company Limited No. 3/2023, passed a resolution approving the payment of such common shares to the subsidiary and the payment was made on 30 May 2023. The subsidiary registered the increase in paid-up capital with the Ministry of Commerce on 30 May 2023.

- \*\* The Extraordinary General Meeting of Shareholders No. 1/2018 resolved to approve the dissolution of Family Know-how Company Limited on 14 December 2018 and proceeded Register the dissolution of the company with the Department of Business Development, Ministry of Commerce on 26 December 2018. Currently in the process of liquidation.

Details of SET's associates and joint venture as at 31 December 2023 and 2022 are as follows:

1) Associates

1.1) Clearing Fund

The Clearing Fund operates under the Regulations of the Clearing Fund (No.1) B.E. 2541, which require that a one-time payment of Baht 100 million be made as an initial contribution by SET. The ownership interest percentage will be reduced based on further contributions made by other members of the Clearing Fund in the future. SET has no control over the Clearing Fund's operations, but has influences in policy and operation. Therefore, the investment in the Clearing Fund is classified as investment in an associate.

1.2) TSFC Securities Public Company Limited (TSFC)

TSFC Securities Public Company Limited has been established to provide liquidity for securities companies and to support to the further development of securities market. SET has appointed 5 representatives to be member of the 11 members Board of Directors of TSFC. The Board of Directors will participate in the decision-making on monetary policies and operations of the company. Therefore, the investment in TSFC is classified as investment in an associate.

TSFC Securities Public Company Limited is a public company and its stock is not traded in the market price.

2) Joint venture

2.1) Family Know-how Co., Ltd.

Family Know-how Co., Ltd. is a media company that broadcasts information about economics and investment for the benefits of investor. SET has performed joint arrangement with a company which have rights to the net assets of the arrangement. Therefore, the investment in Family Know-how Co., Ltd. is classified as investment in joint venture.

Family Know-how Co., Ltd. is a private limited company and its stock is not traded in the market price.



- b) SET is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiaries are fully consolidated, being the date on which SET obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as SET.
- e) Material balances and transactions between the Group have been eliminated from the consolidated financial statements.
- f) Non-controlling interests represent the portion of revenues and expenses and net assets of the subsidiaries that are not held by SET and are presented separately in the consolidated comprehensive revenues and expenses and within fund balance in the consolidated statement of financial position.

2.3 The separate financial statements present investments in subsidiaries, joint venture and associates under the cost method.

### 3. New financial reporting standards

#### 3.1 Financial reporting standards that became effective in the current year

During the year, the Group has adopted the revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2023. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.

#### 3.2 Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2024

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2024. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The management of the Group believes that adoption of these amendments will not have any significant impact on the Group's financial statements.

#### 4. Significant accounting policies

##### 4.1 Revenue and expense recognition

###### Fees income

Trading fees, initial securities registrar fees, initial listing fees, clearing and settlement fees, member services fees, digital token trading fee, initial of information service fees, depository fees, initial customisation and IT support fees, initial membership fees, initial fund service fees and Digital Gateway service fees are recognised as revenue when the entity has fulfilled the obligations.

Annual securities registrar fees, annual listing fees, member service fees and Digital Gateway service fees by overtime, annual membership fee, fund service fees, payment service fees and Digital Gateway service fees by overtime are recognised revenue based on the obligations that must be completed throughout the period.

The recognised revenue which is not yet due per the contracts has been presented as accrued income under the caption of other receivables in the statement of financial position. The amounts recognised as other receivables are reclassified to trade receivables when the entity's right to consideration is unconditional.

An amount of consideration that the entity has received or to receive but the obligation to transfer goods or services to a customer is not completed is presented under the caption of fee received in advance in the statement of financial position. Fee received in advance from customers are recognised as revenue when the entity has fulfilled the obligations.

###### Interest income

Interest income is calculated using the effective interest method and recognised on an accrual basis. The effective interest rate is applied to the gross carrying amount of a financial asset, unless the financial assets subsequently become credit-impaired when it is applied to the net carrying amount of the financial asset (net of the expected credit loss allowance).

###### Dividends

Dividends are recognised when the right to receive the dividends is established.

###### Other income

Other income is recognised when the right to receive cash is established.

###### Expense

Expense is recognised in the statement of comprehensive revenues and expenses on an accrual basis.

###### Finance cost

Interest expense from financial liabilities at amortised cost is calculated using the effective interest method and recognised on an accrual basis.

#### 4.2 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

#### 4.3 Customers' cash deposit and digital token

Deposits and digital token, which customers have placed with the subsidiary for digital token trading are recorded for internal control purposes. As at the end of the reporting period, the Subsidiary presents only assets which belong to the subsidiary in the statement of financial position (if any).

#### 4.4 Investments in subsidiaries, associates and joint venture

Investments in subsidiaries, associates and joint venture are accounted for in the separate financial statements using the cost method.

Investments in associates and joint venture are accounted for in the consolidated financial statements using the equity method.

#### 4.5 Property, plant and equipment/Depreciation

Land is stated at cost. Buildings and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Depreciation of plant and equipment is calculated by reference to their costs, on the straight-line basis over the following estimated useful lives:

Buildings	10 - 50 years
Building improvements	5 - 30 years
Fixtures and office equipment	5 - 20 years
Motor vehicles	5 years

Depreciation is included in determining income.

No depreciation is provided on land and assets under installation.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in revenues over (under) expenses when the asset is derecognised.

#### 4.6 Intangible assets

Intangible assets are initially recognised at cost. Following the initial recognition, the intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on the straight-line basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to revenues over (under) expenses.

A summary of the intangible assets with finite useful lives is as follows:

	<u>Useful lives</u>
Computer software	3 - 10 years
Licences and other intangible assets	10 years

Costs associated with developing or maintaining computer software are recognised as expenses as incurred in the statement of comprehensive revenues and expenses. Costs that are directly associated with identifiable and unique software products controlled by the Group and have probable economic benefits exceeding the cost beyond one year are recognised as intangible assets. Direct costs include the purchase price and an appropriate portion of relevant overheads to allow such asset to be ready for its intended use. Expenditure which is incurred to enhance or extend the performance of computer software beyond its original specifications is recognised as an intangible asset.

The management determines the estimated useful lives of intangible assets of the Group. The management will review the amortisation charge when useful lives differ from the previous estimations or it will write-off obsolete assets or assets which have been sold or unused.

#### 4.7 Leases

At inception of contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

##### **The Group as a lessee**

The Group applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets at the commencement date of the lease (i.e. the date the underlying asset is available for use), the Group recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

##### ***Right-of-use assets***

Right-of-use assets are measured at cost, less accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease less any lease incentives received.

Depreciation of right-of-use assets are calculated by reference to their costs, on the straight-line basis over the shorter of their estimated useful lives and the lease term.

Motor vehicles	4 - 5 years
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If ownership of the leased asset is transferred to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

**Lease liabilities**

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The Group discounts the present value of the lease payments by the interest rate implicit in the lease or the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

**Short-term leases and leases of low-value assets**

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognised as expenses on a straight-line basis over the lease term.

**4.8 Related party transactions**

Related parties comprise individuals or enterprises that control, or are controlled by SET, whether directly or indirectly, or which are under common control with SET.

They also include associates, and individuals or enterprises which directly or indirectly own a voting interest in SET that gives them significant influence over SET, key management personnel, directors, and officers with authority in the planning and direction of SET's operations.

**4.9 Foreign currencies**

The consolidated and separate financial statements are presented in Baht, which is also the SET's functional currency.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

#### 4.10 Impairment of non-financial assets

At the end of each reporting period, the Group performs impairment reviews in respect of the property, plant and equipment, right-of-use assets and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognised in revenues over (under) expenses. However, in the cases where property, plant and equipment were previously revalued and the revaluation was taken to fund balances, a part of such impairment is recognised in fund balances up to the amount of the previous revaluation.

In the assessment of asset impairment, if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Group estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in revenues over (under) expenses unless the asset is carried at a revalued amount, in which case the reversal, which exceeds the carrying amount that would have been determined, is treated as a revaluation increase.

#### 4.11 Employee benefits

##### **Short-term employee benefits**

Salaries, wages, bonuses, contributions to the social security fund and the right to the accumulated annual leave are recognised as expenses when incurred.

##### **Post-employment benefits and other long-term employee benefits**

###### ***Defined contribution plans***

The Group and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Group. The fund's assets are held in a separate trust fund and the Group's contributions are recognised as expenses when incurred.

###### ***Defined benefit plans and other long-term employee benefits***

The Group has obligations in respect of the severance payments it must make to employees upon retirement under labor law and other employee benefit plans. The Group treats these severance payment obligations as a defined benefit plan. In addition, the Group provides other long-term employee benefit plan, namely long service awards.

The obligation under the defined benefit plan and other long-term employee benefit plans is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from defined benefit plans are recognised immediately in other comprehensive revenues (expenses).



Actuarial gains and losses arising from other long-term benefits are recognised immediately in revenues over (under) expenses.

#### **Termination benefits**

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to either: terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal.

Providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

#### **4.12 Provisions**

Provisions are recognised when the Group has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

#### **4.13 Income tax**

Income tax expense represents the sum of corporate income tax currently payable and deferred tax. Tax is recognised in revenues over (under) expenses, except to the extent that it relates to items recognised in other comprehensive revenues (expenses) or directly in fund balance. In this case the tax is also recognised in other comprehensive revenues (expenses) or directly in fund balance, respectively.

##### **Current tax**

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

##### **Deferred tax**

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Group recognises deferred tax liabilities for all taxable temporary differences while it recognises deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Group reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Group records deferred tax directly to fund balances if the tax relates to items that are recorded directly to fund balances.

#### **4.14 Financial instruments**

The Group initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing component. The Group are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

##### **Classification and measurement of financial assets**

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost, fair value through other comprehensive income (“FVOCI”), or fair value through profit or loss (“FVTPL”). The classification of financial assets at initial recognition is driven by the Group’s business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

##### ***Financial assets at amortised cost***

The Group measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate (“EIR”) method and are subject to impairment. Gains and losses are recognised in revenues over (under) expenses when the asset is derecognised, modified or impaired.

##### ***Financial assets at FVOCI (debt instruments)***

The Group measures financial assets at FVOCI if the financial asset is held to collect contractual cash flows and to sell the financial asset and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income, foreign exchange revaluation and impairment losses or reversals are recognised in revenues over (under) expenses and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in other comprehensive revenues (expenses). Upon derecognition, the cumulative fair value change recognised in other comprehensive revenues (expenses) is recycled to revenues over (under) expenses.

**Financial assets designated at FVOCI (equity instruments)**

Upon initial recognition, the Group can elect to irrevocably classify its equity investments which are not held for trading as equity instruments designated at FVOCI. The classification is determined on an instrument-by-instrument basis.

Gains and losses recognised in other comprehensive revenues (expenses) on these financial assets are never recycled to revenues over (under) expenses.

Dividends are recognised as other income in revenues over (under) expenses, except when the dividends clearly represent a recovery of part of the cost of the financial asset, in which case, the gains are recognised in other comprehensive revenues (expenses).

Equity instruments designated at FVOCI are not subject to impairment assessment.

**Financial assets at FVTPL**

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognised in revenues over (under) expenses.

These financial assets include derivatives, security investments held for trading, equity investments which the Group has not irrevocably elected to classify at FVOCI and financial assets with cash flows that are not solely payments of principal and interest.

Dividends on listed equity investments are recognised as investment revenue in revenues over (under) expenses.

**Classification and measurement of financial liabilities**

Except for derivative liabilities, at initial recognition the Group's financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in revenues over (under) expenses when the liabilities are derecognised as well as through the EIR amortisation revenues over (under) expenses. In determining amortised cost, the Group takes into account any fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in revenues over (under) expenses.

**Derecognition of financial instruments**

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in revenues over (under) expenses.

### **Impairment of financial assets**

The Group recognises an allowance for expected credit losses (“ECLs”) for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure (a lifetime ECL).

The Group considers a significant increase in credit risk to have occurred when contractual payments are more than 30 days past due and considers a financial asset as credit impaired or default when contractual payment are more than 90 days past due. However, in certain cases, the Group may consider a financial asset to have significant increase in credit risk and to be in default taking into account other internal or external data information, such as credit rating of issuer.

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. It is based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

ECLs are calculated based on its historical credit loss experience and adjusted for forward-looking factor specific to the debtors and the economic environment.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

### **Offsetting of financial instruments**

Financial assets and financial liabilities are offset, and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

#### **4.15 Derivatives**

The Group uses derivatives, such as forward currency contracts to hedge its foreign currency risks.

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. The subsequent changes are recognised in revenues over (under) expenses. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Derivatives are presented as non-current assets or non-current liabilities if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

#### 4.16 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group applies a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measures fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

- Level 1 - Use of quoted market prices in an active market for such assets or liabilities
- Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly
- Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Group determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

### 5. Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates are as follows:

#### **Allowance for expected credit losses of trade receivables**

In determining an allowance for expected credit losses of trade receivables, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the forecast economic condition for groupings of various customer segments with similar credit risks. The Group's historical credit loss experience and forecast economic conditions may also not be representative of whether a customer will actually default in the future.

### **Deferred tax assets**

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

### **Post-employment benefits under defined benefit plans and other long-term employee benefits**

The obligation under the defined benefit plan and other long-term employee benefit plans is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

### **Litigation and uncertainty of liabilities that may arise from taxation**

The Group has contingent and/or contingent liabilities from litigation and uncertainty of liability that may arise from taxation in which tax authorities will accept the Group's taxation methods. The management uses judgment to evaluate any such transaction, including estimating the expected damage. Changing in factors underlying management's assessment and unanticipated circumstances could cause actual results to differ materially from these estimates.

### **Fair value of financial instruments**

In determining the fair value of financial instruments recognised in the statement of financial position that are not actively traded and for which quoted market prices are not readily available, the management exercises judgement, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk, liquidity, correlation, and longer-term volatility of financial instruments. Change in assumptions about these factors could affect the fair value recognised in the statement of financial position and disclosures of fair value hierarchy.

### **Recognition and derecognition of assets and liabilities**

In considering whether to recognise or to derecognise assets or liabilities, the management is required to make judgement on whether significant risk and rewards of those assets or liabilities have been transferred, based on their best knowledge of the current events and arrangements.

## **6. Related party transactions**

The relationships between SET and its subsidiaries, associates and joint venture are summarised as described in Notes 12 and 13 to the consolidated financial statements.

During the years, the Group had significant business transactions with persons or related parties. Such transactions, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Group and those persons or related parties which can be summarised as follows:



(Unit: Thousand Baht)

	Consolidated		Separate		Transfer pricing policy
	financial statements		financial statements		
	2023	2022	2023	2022	
<u>Transactions with subsidiary companies</u>					
(Eliminated from the consolidated financial statements)					
Service income	-	-	1,930,431	1,930,332	Cost plus margin
Interest income	-	-	167,654	80,611	The interest rate is based on the Thai Overnight Repurchase Rate plus 0.43% per annum and the average MLR of 4 banks
Dividend income (Note 27)	-	-	643,939	563,222	As declared
Service fees expenses	-	-	42,650	35,812	Cost plus margin
Interest expenses (Note 27)	-	-	29,492	11,115	The interest rate on the higher of interest rate for one-year government bond or one-year fixed deposit on average of 4 banks for corporate credit line of Baht 10 million
<u>Transactions with associates</u>					
Service income	1,680	1,680	-	-	Cost plus margin
Dividend income (Note 27)	-	-	18,914	20,805	As declared
<u>Transactions with related companies</u>					
Service income	71,507	34,281	42,112	17,069	Cost plus margin
Contribution to the Capital Market Development Fund (Note 32)	499,517	538,903	499,517	538,903	Not less than 90% of the revenue after deduction of expense, tax and reserve. The consolidated financial statements of SET shall be used to calculate the contribution amount.

As at 31 December 2023 and 2022, the balances of the accounts between the Group and those related companies are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
<u>Transactions with subsidiary companies</u>				
(Eliminated from the consolidated financial statements)				
Trade and other receivables (Note 9)	-	-	329,602	249,285
Assets for clearing system protection and benefits (Note 18)	-	-	152,137	150,740
Trade and other payables (Note 21)	-	-	5,139	3,372
Fees received in advance	-	-	-	2,555
<u>Transactions with associates</u>				
Trade and other receivables (Note 9)	140	140	-	-
<u>Transactions with related companies</u>				
Trade and other receivables (Note 9)	23,176	5,874	12,245	3,291
Trade and other payables (Note 21)	499,517	538,903	499,517	538,903

Loans to related parties and loan from related parties

As at 31 December 2023 and 2022, the balances of loans between the Group and those related companies and the movement in loans are as follows:

		(Unit: Thousand Baht)			
		Separate financial statements			Balance as at 31 December 2023
		Balance as at 31 December 2022	Increase during the year	Decrease during the year	
Loans to / Loan from	Related by				
Loans to	Subsidiary	6,140,679	-	-	6,140,679
Total		6,140,679	-	-	6,140,679
Loans from	Subsidiary	1,931,485	260,000	(19,485)	2,172,000
Total		1,931,485	260,000	(19,485)	2,172,000

As at 31 December 2023, SET granted subsidiary a loan of Baht 5,690.8 million (2022: Baht 5,690.80 million) to use as a reserve fund to enhance the competitiveness and support the future business expansion. The rate of return on loan is referred to Thai Overnight Repurchase Rate (THOR) plus 0.43% per annum, using Compounded THOR method referring 2 years tenor (Tenor 1.24% and THB Onshore OIS Swap 0.81%). The interest is to be repaid within 1 February of every year and the principal is due within January 2026.

In addition, as at 31 December 2023 and 2022 has balance of a loan of Baht 449.8 million to a subsidiary for capital support to align with the digital asset business strategy. The interest rate is based on the average MLR of 4 banks announced daily, and the loan is be repaid within 5 years.

The Group has a policy of centralising the investments and managed by SET in order to maximise its efficiency and overall returns. The parent will borrow from its subsidiaries in the form of one-year promissory notes. The interest rate on the loan is based on the floating market interest rate which is referred to the higher interest rate for one-year government bond or one-year fixed deposit on average of 4 banks for corporate credit line of up to Baht 10 million (interest rate may be revised as appropriate).

#### Directors and management's benefits

During the years ended 31 December 2023 and 2022, the Group had employee benefit expenses payable to their directors and management as below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Directors	32,631	32,763	29,096	28,997
Management (Note 29)	323,101	287,081	323,101	287,081
<b>Total benefits</b>	<b>355,732</b>	<b>319,844</b>	<b>352,197</b>	<b>316,078</b>

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Short-term employee benefits	325,713	295,403	322,178	291,637
Post-employment benefits	29,703	23,993	29,703	23,993
Other long-term benefits	316	448	316	448
<b>Total benefits</b>	<b>355,732</b>	<b>319,844</b>	<b>352,197</b>	<b>316,078</b>

## 7. Cash and cash equivalents

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Cash	417	304	414	301
Bank deposits	2,835,417	5,621,232	2,214,775	4,437,751
Less: Deposits of customers' account	(7,343)	-	-	-
Allowance for expected credit loss	(188)	(626)	(186)	(624)
<b>Total</b>	<b>2,828,303</b>	<b>5,620,910</b>	<b>2,215,003</b>	<b>4,437,428</b>

As at 31 December 2023, bank deposits in saving accounts carried interests between 0.04% - 2.00% per annum (2022: between 0.05% - 0.80% per annum).

## 8. Other current financial assets

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
<b>Investment managed by SET and subsidiaries</b>				
<u>Debt instruments measured at amortised cost</u>				
Fixed deposit maturities within 1 year	390,000	901,420	390,000	901,420
Government bond maturities within 1 year	-	181,295	-	181,295
Debenture maturities within 1 year	200,000	-	200,000	-
Total	590,000	1,082,715	590,000	1,082,715
Less: Allowance for expected credit loss	(32)	(50)	(32)	(50)
Total debt instruments measured at amortised cost, net	589,968	1,082,665	589,968	1,082,665
<u>Financial assets measured at FVTPL</u>				
Government bond	2,560,070	2,727,644	2,221,265	2,327,927
Total financial assets measured at FVTPL	2,560,070	2,727,644	2,221,265	2,327,927
Total investment managed by SET and subsidiaries	3,150,038	3,810,309	2,811,233	3,410,592
<b>Investment managed by private funds</b>				
<u>Debt instruments measured at amortised cost</u>				
Saving deposit	942	1,775	809	1,652
Fixed deposit	1,500	407	1,500	407
Total debt instruments measured at amortised cost	2,442	2,182	2,309	2,059
<u>Financial assets measured at FVTPL</u>				
Government bond	5,939,277	2,813,721	4,219,692	1,776,226
Debentures	1,875,767	1,053,832	1,273,678	701,696
Total financial assets measured at FVTPL	7,815,044	3,867,553	5,493,370	2,477,922
Total investment managed by private funds	7,817,486	3,869,735	5,495,679	2,479,981
Total other current financial assets, net	10,967,524	7,680,044	8,306,912	5,890,573

## 9. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
<u>Trade receivables - related parties (Note 6)</u>				
Aged on the basis of due dates				
Not yet due	17,902	3,787	12,210	1,204
Total trade receivables - related parties, net	17,902	3,787	12,210	1,204
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	29,307	50,248	11,299	7,709
Past due				
Up to 3 months	17,710	16,746	14,145	15,469
3 - 6 months	2,012	4,632	1,761	3,941
Over 6 months	23,996	22,487	9,791	11,285
Total	73,025	94,113	36,996	38,404
Less: Allowance for expected credit losses	(26,075)	(27,119)	(11,551)	(15,226)
Total trade receivables - unrelated parties, net	46,950	66,994	25,445	23,178
Total trade receivable, net	64,852	70,781	37,655	24,382
<u>Other receivables</u>				
Cash at bank for clearing collateral	1,476	8,312	-	-
Accrued income - related parties (Note 6)	5,414	2,227	174,352	168,032
Accrued income - unrelated parties	254,466	364,626	22,154	110,456
Cash at banks for dividend accounts of investors	103,991	100,735	-	-
Prepaid expenses - related parties (Note 6)	-	-	-	8,530
Prepaid expenses - unrelated parties	134,709	82,813	134,661	82,673
Accrued interest receivable - related parties (Note 6)	-	-	155,285	74,810
Accrued interest receivable - unrelated parties	35,447	14,299	22,827	9,334
Collateral receivable from securities lending	29,510	-	29,510	-
Others	4,793	5,666	4,575	5,457
Total other receivables	569,806	578,678	543,364	459,292
Trade and other receivables, net	634,658	649,459	581,019	483,674

Set out below is the movement in the allowance for expected credit losses of trade receivables.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Beginning balance	27,119	21,053	15,226	10,679
Allowance for expected credit losses	(1,044)	6,066	(3,675)	4,547
Ending balance	26,075	27,119	11,551	15,226

In 2023, SET has expenses mitigation program for listed company by providing annual fee discounts for listed companies that participate in activities to support increasing the visibility of listed companies and creating data through the Data platform with the Group.

In 2022, the Group extended the period of the measures to assist listed companies affected by COVID-19 situation from 2020 and 2021 by providing discounts on annual registrar fees to all listed company and providing additional special discounts for listed companies participating in activities to support working in electronic form with the Group.

#### 10. Other current assets

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Loans to employees	98,583	39,366	98,583	39,366
Value added tax receivable	9,701	5,641	-	-
Pending input tax	4,079	17,510	4,037	17,376
Inventory - publication	3,430	2,358	3,430	2,358
Future margin deposit	26	17,347	26	17,347
Others	3,057	3,103	3,055	3,099
Total	118,876	85,325	109,131	79,546



**11. Other non-current financial assets**

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
<b>Investments managed by SET and subsidiaries</b>				
<u>Debt instruments measured at amortised cost</u>				
Cash at banks under a Memorandum of Understanding	533,153	512,153	533,153	512,153
Debenture maturities after 1 year	80,000	200,000	80,000	200,000
Total	613,153	712,153	613,153	712,153
Less: Allowance for expected credit loss	(4)	(39)	(4)	(39)
Total debt instruments measured at amortised cost, net	613,149	712,114	613,149	712,114
<u>Financial assets designated at FVOCI</u>				
Non-listed ordinary shares	315,942	910,876	49,336	49,336
Total financial assets designated at FVOCI	315,942	910,876	49,336	49,336
<u>Financial assets measured at FVTPL</u>				
Mutual fund	4,968,989	4,394,452	4,968,989	4,394,452
Total financial assets measured at FVTPL	4,968,989	4,394,452	4,968,989	4,394,452
Total investments managed by SET and subsidiaries	5,898,080	6,017,442	5,631,474	5,155,902
<b>Investments managed by private funds</b>				
<u>Debt instruments measured at amortised cost</u>				
Bank deposits	201	2	-	-
Total debt instruments measured at amortised cost	201	2	-	-
<u>Financial assets measured at FVOCI</u>				
Government bond	1,646,625	1,612,726	-	-
Total financial assets measured at FVOCI	1,646,625	1,612,726	-	-
Total investments managed by private funds	1,646,826	1,612,728	-	-
Total other non-current financial asset, net	7,544,906	7,630,170	5,631,474	5,155,902

In 2022, a subsidiary invested in non-listed overseas startup company which engaged in digital asset trading for strategic purposes. The subsidiary classified this investment as a financial asset that is designated at fair value through other comprehensive income. As at 31 December 2023, the subsidiary has measured the fair value of such investment using the price-to-book ratio method, which is a generally accepted valuation model.

## 12. Investments in subsidiaries

Details of investments in subsidiaries as presented in the separate financial statements

Company's name	Paid-up capital		Shareholding percentage		Cost		(Unit: Thousand Baht) Dividend received during the years	
	2023	2022	2023	2022	2023	2022	2023	2022
			(%)	(%)				
Thailand Securities Depository Co., Ltd.	200,000	200,000	100.00	100.00	200,000	200,000	366,364	309,956
TTF Corporation Company Limited (formerly known as "Thai Trust Fund Management Co., Ltd.")	100,000	100,000	100.00	100.00	100,000	100,000	-	71
Thai NVDR Co., Ltd.	10,000	10,000	100.00	100.00	10,000	10,000	-	895
Thailand Futures Exchange Public Company Limited	500,000	500,000	100.00	100.00	500,000	500,000	177,855	146,850
Thailand Clearing House Co., Ltd.	600,000	600,000	100.00	100.00	602,700	602,700	99,720	105,450
SET Venture Holding Co., Ltd.	920,000	870,000	100.00	100.00	920,000	870,000	-	-
Total					<u>2,332,700</u>	<u>2,282,700</u>	<u>643,939</u>	<u>563,222</u>

## 13. Investments in associates and joint venture

The balance of investments in associates and joint venture presented in the statements of financial position as at 31 December 2023 and 2022 are as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	Equity Method		Cost Method	
	2023	2022	2023	2022
Associates	1,015,511	1,009,619	779,717	779,717
Joint venture	19,668	19,708	10,247	10,267
Total	<u>1,035,179</u>	<u>1,029,327</u>	<u>789,964</u>	<u>789,984</u>

The amounts recognised in the statement of comprehensive revenues and expenses are share of profit or loss of investments in associates and joint venture, net of tax for the years ended 31 December 2023 and 2022 are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	Equity Method		Cost Method	
	2023	2022	2023	2022
Associates	24,806	33,200	-	-
Joint venture	(20)	(63)	-	-
<b>Total</b>	<b>24,786</b>	<b>33,137</b>	<b>-</b>	<b>-</b>

During the year 2023 and 2022, the Group did not recognise share of other comprehensive income from investments in associates and joint venture.

### 13.1 Investments in associates

#### 13.1.1 Details of associates

Details of investments in associates are as follows:

(Unit: Thousand Baht)

Associates	Consolidated financial statements					
	Shareholding percentage		Cost		Carrying amounts based on equity method	
	2023	2022	2023	2022	2023	2022
	(%)	(%)				
Clearing Fund	5.88	6.08	100,000	100,000	211,393	209,713
TSFC Securities Public Company Limited	40.70	40.70	679,717	679,717	804,118	799,906
<b>Total</b>			<b>779,717</b>	<b>779,717</b>	<b>1,015,511</b>	<b>1,009,619</b>

(Unit: Thousand Baht)

Associates	Separate financial statements					
	Shareholding percentage		Cost		Carrying amounts based on cost method - net	
	2023	2022	2023	2022	2023	2022
	(%)	(%)				
Clearing Fund	5.88	6.08	100,000	100,000	100,000	100,000
TSFC Securities Public Company Limited	40.70	40.70	679,717	679,717	679,717	679,717
<b>Total</b>			<b>779,717</b>	<b>779,717</b>	<b>779,717</b>	<b>779,717</b>

### 13.1.2 Share of profit of investments and dividend received

During the years, SET recognised its share of profit of investments in associate companies in the consolidated financial statements and dividend income in the separate financial statements as follows:

Associates	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	Share of profit of investments in associates during the years		Dividend received during the years	
	2023	2022	2023	2022
Clearing Fund	1,680	410	-	-
TSFC Securities Public Company Limited	23,126	32,790	18,914	20,805
<b>Total</b>	<b>24,806</b>	<b>33,200</b>	<b>18,914</b>	<b>20,805</b>

## 13.2 Investments in joint venture

### 13.2.1 Details of investments in joint venture

Investments in joint venture represent investments in entities which are jointly controlled by SET and other companies. Details of these investments are as follows:

Joint venture	(Unit: Thousand Baht)							
	Consolidated financial statements							
	Shareholding percentage		Cost		Carrying amounts based on equity method			
	2023	2022	2023	2022	2023	2022	2023	2022
	(%)	(%)						
Family Know-how Co., Ltd.	50.00	50.00	40,500	40,500	19,668	19,708		
<b>Total</b>			<b>40,500</b>	<b>40,500</b>	<b>19,668</b>	<b>19,708</b>		

Joint venture	(Unit: Thousand Baht)							
	Separate financial statements							
	Shareholding percentage		Cost		Allowance for impairment of investments		Carrying amounts based on cost method - net	
	2023	2022	2023	2022	2023	2022	2023	2022
	(%)	(%)						
Family Know-how Co., Ltd.	50.00	50.00	40,500	40,500	(30,253)	(30,233)	10,247	10,267
<b>Total</b>			<b>40,500</b>	<b>40,500</b>	<b>(30,253)</b>	<b>(30,233)</b>	<b>10,247</b>	<b>10,267</b>

### 13.2.2 Share of loss of investments and dividend received

During the years, SET recognised its share of loss of investments in joint venture in the consolidated financial statements as follows:

(Unit: Thousand Baht)

Joint venture	Consolidated financial statements	
	Share of loss of investments in joint venture during the years	
	2023	2022
Family Know-how Co., Ltd.	(20)	(63)
<b>Total</b>	<b>(20)</b>	<b>(63)</b>

During the years 2023 and 2022, SET has no dividend received from joint venture.

### 14. Property, plant and equipment

Movements of property, plant and equipment for the years ended 31 December 2023 and 2022 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements					
	Land and land improvement	Buildings and building improvement	Furniture, fixtures and office equipment	Motor vehicles	Assets under installation	Total
<b>Cost</b>						
1 January 2022	1,014,097	4,082,544	1,529,127	388	23,852	6,650,008
Additions	-	2,274	174,740	-	29,490	206,504
Disposals/writes-off	-	(66)	(8,385)	-	-	(8,451)
Transfers	-	15,728	26,211	-	(44,727)	(2,788)
31 December 2022	1,014,097	4,100,480	1,721,693	388	8,615	6,845,273
Additions	-	2,359	153,440	-	53,839	209,638
Disposals/writes-off	-	(978)	(2,298)	(78)	-	(3,354)
Transfers	-	14,574	23,959	-	(38,533)	-
31 December 2023	1,014,097	4,116,435	1,896,794	310	23,921	7,051,557

(Unit: Thousand Baht)

## Consolidated financial statements

	Land and land improvement	Buildings and building improvement	Furniture, fixtures and office equipment	Motor vehicles	Assets under installation	Total
<b>Accumulated depreciation</b>						
1 January 2022	-	1,484,937	936,605	388	-	2,421,930
Depreciation for the year	-	204,527	160,171	-	-	364,698
Depreciation on disposals/ writes-off	-	(28)	(7,979)	-	-	(8,007)
31 December 2022	-	1,689,436	1,088,797	388	-	2,778,621
Depreciation for the year	-	205,928	167,431	-	-	373,359
Depreciation on disposals/ writes-off	-	(679)	(2,039)	(78)	-	(2,796)
31 December 2023	-	1,894,685	1,254,189	310	-	3,149,184
<b>Net book value</b>						
31 December 2022	1,014,097	2,411,044	632,896	-	8,615	4,066,652
31 December 2023	1,014,097	2,221,750	642,605	-	23,921	3,902,373
<b>Depreciation for the years</b>						
2022						364,698
2023						373,359

(Unit: Thousand Baht)

## Separated financial statements

	Land and land improvement	Buildings and building improvement	Furniture, fixtures and office equipment	Motor vehicles	Assets under installation	Total
<b>Cost</b>						
1 January 2022	1,014,097	4,082,546	1,525,393	388	23,852	6,646,276
Additions	-	2,274	174,740	-	29,490	206,504
Disposals/writes-off	-	(66)	(8,385)	-	-	(8,451)
Transfers	-	15,728	26,211	-	(44,727)	(2,788)
31 December 2022	1,014,097	4,100,482	1,717,959	388	8,615	6,841,541
Additions	-	2,359	153,440	-	53,839	209,638
Disposals/writes-off	-	(978)	(2,261)	(78)	-	(3,317)
Transfers	-	14,574	23,959	-	(38,533)	-
31 December 2023	1,014,097	4,116,437	1,893,097	310	23,921	7,047,862

(Unit: Thousand Baht)

Separated financial statements						
	Land and land improvement	Buildings and building improvement	Furniture, fixtures and office equipment	Motor vehicles	Assets under installation	Total
<b>Accumulated depreciation</b>						
1 January 2022	-	1,484,939	933,203	388	-	2,418,530
Depreciation for the year	-	204,527	160,125	-	-	364,652
Depreciation on disposals/ writes-off	-	(28)	(7,977)	-	-	(8,005)
31 December 2022	-	1,689,438	1,085,351	388	-	2,775,177
Depreciation for the year	-	205,928	167,391	-	-	373,319
Depreciation on disposals/ writes-off	-	(680)	(2,002)	(78)	-	(2,760)
31 December 2023	-	1,894,686	1,250,740	310	-	3,145,736
<b>Net book value</b>						
31 December 2022	1,014,097	2,411,044	632,608	-	8,615	4,066,364
31 December 2023	1,014,097	2,221,751	642,357	-	23,921	3,902,126
<b>Depreciation for the years</b>						
2022						364,652
2023						373,319

As at 31 December 2023, certain items of plant and equipment were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 590.01 million (2022: Baht 564.47 million) (SET: Baht 586.39 million 2022: Baht 563.75 million).

## 15. Leases

### 15.1 The Group as a lessee

The Group has lease contracts for various items to use in its operations. Leases generally have lease terms between 4 - 5 years.



**a) Right-of-use assets**

Movement of right-of-use assets for the year ended 31 December 2023 and 2022 are summarised below:

	(Unit: Thousand Baht)
	Consolidated and Separate financial statements
	Motor vehicles
1 January 2022	27,261
Additions	11,402
Depreciation for the year	(13,830)
Adjustments	(175)
31 December 2022	24,658
Additions	8,547
Depreciation for the year	(10,784)
31 December 2023	22,421

**b) Lease liabilities**

	(Unit: Thousand Baht)	
	Consolidated and Separate financial statements	
	2023	2022
Lease payments	25,142	27,291
Less: Deferred interest expenses	(1,759)	(1,988)
Total	23,383	25,303
Less: Portion due within one year	(11,445)	(10,963)
Lease liabilities, net of current portion	11,938	14,340

A maturity analysis of lease payments is disclosed in Note 38.2 to the consolidated financial statements under the liquidity risk.

**c) Expenses relating to leases that are recognised in revenues over expenses**

	(Unit: Thousand Baht)	
	Consolidated and Separate financial statements	
	2023	2022
Depreciation expense of right-of-use assets	10,784	13,830
Interest expenses on lease liabilities	1,250	1,376
Expenses relating to leases of low-value assets	5,643	9,102

**d) Others**

The Group had total cash outflows for leases for the year ended 31 December 2023 of Baht 17.36 million (2022: Baht 25.34 million) (SET: Baht 17.36 million 2022: Baht 25.34 million), including the cash outflow related to short-term lease and leases of low-value assets.

**16. Intangible assets**

The net book value of intangible assets as at 31 December 2023 and 2022 is presented below.

	Consolidated financial statements				Separate financial statements			
	Licenses and other intangible assets			Working in process	Licenses and other intangible assets			Working in process
	Computer software	intangible assets	Working in process		Computer software	intangible assets	Working in process	
				Total				Total
As at 31 December 2023								
Cost	3,052,829	8,023	232,493	3,293,345	2,967,979	3,705	232,493	3,204,177
Less: Accumulated amortisation	(2,099,708)	(4,030)	-	(2,103,738)	(2,015,989)	(2,065)	-	(2,018,054)
Net book value	<u>953,121</u>	<u>3,993</u>	<u>232,493</u>	<u>1,189,607</u>	<u>951,990</u>	<u>1,640</u>	<u>232,493</u>	<u>1,186,123</u>
As at 31 December 2022								
Cost	2,496,541	7,973	498,495	3,003,009	2,411,691	3,655	498,495	2,913,841
Less: Accumulated amortisation	(1,883,729)	(3,598)	-	(1,887,327)	(1,800,981)	(1,978)	-	(1,802,959)
Net book value	<u>612,812</u>	<u>4,375</u>	<u>498,495</u>	<u>1,115,682</u>	<u>610,710</u>	<u>1,677</u>	<u>498,495</u>	<u>1,110,882</u>

A reconciliation of the net book value of intangible assets for the years 2023 and 2022 are presented below.

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Net book value at beginning of years	1,115,682	799,339	1,110,882	794,550
Additions	290,336	471,168	290,336	472,048
Transfer	-	2,788	-	2,788
Amortisations	(216,411)	(157,613)	(215,095)	(156,504)
Net book value at end of years	<u>1,189,607</u>	<u>1,115,682</u>	<u>1,186,123</u>	<u>1,110,882</u>

## 17. Assets for margin deposits and benefits

Thailand Clearing House Co., Ltd. (“TCH”) is the clearing house for derivatives market. Members of TCH who have outstanding positions are obliged to place the required margin deposits as a guarantee according to the rate or amount called by TCH. TCH may invest the margin proceeds according to specified terms and conditions. The benefits, after deducting management fees, shall be distributed to members at the announced rates and procedures.

As at 31 December 2023 and 2022, the details of investments for which margin deposits were placed by members consist of:

	(Unit: Thousand Baht)	
	Consolidated	
	financial statements	
	2023	2022
Saving and fixed deposit accounts	8,696,830	9,404,849
Saving accounts in foreign currency	80,390	1,929,217
Debt instruments measured at amortised cost	9,349,210	6,976,749
Securities collateral	166,375	130,927
Accrued benefits	24,226	16,738
Total investments for which margin deposits	18,317,031	18,458,480
Less: Allowance for expected credit loss	(464)	(640)
Total investments for which margin deposits, net	<u>18,316,567</u>	<u>18,457,840</u>

As at 31 December 2023, saving accounts in foreign currency of USD 2.36 million (2022: USD 56.10 million) was translated into Thai Baht using the average transfer buying rate announced by the Bank of Thailand at the end of the accounting period.

The Group presented margin deposits placed by members separately in the account “Assets for margin deposits and benefits” in current assets in the statements of financial position and presented liabilities in the account “Margin deposits and benefits payable” in current liabilities in the statements of financial position.

## 18. Assets for clearing system protection and benefits

The assets for clearing system protection are established to secure the clearing system of Thailand Clearing House Co., Ltd. (TCH) against any damage caused by defaults by members or other incidents.

Assets for clearing system protection comprise of 2 categories as follow:

### 18.1 Securities Deposit

Members of TCH are required to place a Securities Deposit according to the announcement made by TCH (the current Securities Deposit for members, who are allowed to clear all types of derivatives, is not less than Baht 5 million and for only one type of derivatives is not less than Baht 4 million).

## 18.2 Clearing fund contributions comprising contributions from:

- 1) SET amounting to Baht 100 million
- 2) Members of TCH
  - Initial contributions according to the announced rates (currently the initial contribution members, who are allowed to clear all types of derivatives, are not less than Baht 6 million and for only one type of derivatives is not less than Baht 1 million).
  - When any members has insufficient on the assets for clearing system protection to support their risk. TCH will call that member to place the asset contribution which variable to the value and condition specified by TCH. The minimum value of asset contribution not less than Baht 1,000.

TCH manages the assets for clearing system protection and there are benefits incurred thereon, if such benefits are derived from the assets for clearing system protection of members, TCH shall return them to members after deduction of a management fees in accordance with the procedures and within the period prescribed by TCH.

In the event that members defaults in clearing on damage is caused by act of members in connection with clearing. TCH shall have the power to use assets for the clearing system protection in the following order:

- 1) Security deposit of the member who is in default or causes damage to the clearing system of TCH, as the case maybe;
- 2) Contribution to the Clearing Fund by the member who is in default or causes damage to the clearing of TCH;
- 3) Contributions to the Clearing Fund by SET in accordance with the amount prescribed by TCH as the first part;
- 4) Assets contributed to the Clearing Fund in the part of other Clearing Fund members who are not in default or who do not cause the damage to the clearing system of TCH, as the case maybe;
- 5) The remaining amount of the contributions to the Clearing Fund by SET after deducting the first part of the contributions to the Clearing Fund by SET;
- 6) Additional contribution according to the proportion made to the Clearing Fund by respective members
- 7) SET Reserve Fund

The use of the assets under 4) and 6) shall be in proportion with the assets contributed by the Clearing Fund members to the Clearing Fund.

The use of contributions to the Clearing Fund under 3) in accordance with the proportion prescribed by TCH, TCH may notify the change of the proportion in the use of such contributions as appropriate.

A member who is in default or causes damage to the clearing of TCH has the duty to return the assets for the clearing system protection or other assets which TCH has used according to the regulation.

In the case that the Clearing Fund has been used, TCH may charge interest for the use of such fund at the maximum rate permitted by the law on interests on loans of financial institutions, as from the date of the use of such fund until the date of the return thereof unless other interest rate is prescribed by TCH.

When the defaulting member or the member who causes damage to the clearing of TCH, has reimbursed the assets for the Clearing System Protection which are equal to the used amount of the assets together with the interest incurred thereon to TCH, the assets shall be allocated as per the order below:

- 1) SET Reserve Fund
- 2) Additional contribution according to the proportion made to the Clearing Fund by respective members
- 3) The remaining amount of the contributions to the Clearing Fund by SET after deducting the first part of the contributions to the Clearing Fund by SET;
- 4) Assets contributed to the Clearing Fund in the part of other Clearing Fund Members who are not in default or who do not cause the damage to the Clearing System of TCH;
- 5) Contributions to the Clearing Fund by SET in accordance with the amount prescribed by TCH as the first part;
- 6) Contribution to the Clearing Fund by the member who is in default or causes damage to the Clearing of TCH;
- 7) Security Deposit of the member who is in default or causes damage to the Clearing System of TCH

The allocation for the return of the assets under 2) and 4) shall be in proportion with that such assets are used pursuant.

When TCH has a resolution to terminate the membership of any members, TCH shall return the assets which such members has provided for the Clearing of TCH, including the remaining benefits therefore after deduction of debts as well as damages and penalty that the member owes to TCH, within the period prescribed by TCH.

The Group has shown the assets to which members have joined as security assets in accordance with the rules specified as a separate item in the account. "Assets for margin deposits and benefits" under non-current assets and have shown the same amount of liabilities in the account "Margin deposits and benefits payable" under non-current liabilities in the statements of financial position.

As at 31 December 2023 and 2022, assets for clearing system protection and benefits consist of:

(Unit: Thousand Baht)

	Consolidated financial statements					
	Securities Deposit and benefits		Clearing fund and benefits		Total	
	2023	2022	2023	2022	2023	2022
Investments managed by private fund						
Saving accounts	19,172	22,826	468	16,253	19,640	39,079
Investments measured fair value through others comprehensive revenues	326,848	327,475	1,927,916	1,892,305	2,254,764	2,219,780
Total	346,020	350,301	1,928,384	1,908,558	2,274,404	2,258,859
Accrued interest receivable	775	216	4,572	1,251	5,347	1,467
Other assets	48	38	283	18,703	331	18,741
Total investments managed by private fund	346,843	350,555	1,933,239	1,928,512	2,280,082	2,279,067
Less: Allowance for expected credit loss	(1)	(1)	-	-	(1)	(1)
Total assets for clearing system protection and benefits, net	346,842	350,554	1,933,239	1,928,512	2,280,081	2,279,066

(Unit: Thousand Baht)

	Separate financial statements	
	Clearing fund and benefits	
	2023	2022
Contributions	100,000	100,000
Accumulated benefits	52,137	50,740
Total assets for clearing system protection and benefits, net	152,137	150,740

#### Investments managed by private fund

As at 31 December 2023 and 2022, investments in private fund are managed by 1 asset management company.

The investments policy of private fund is reference to the TCH's regulations in relation to deposits with financial institution and TCH's investment policies. For the year ended 31 December 2023, the investment in private fund have return rates of 0.97% per annum (2022: 0.98% per annum).

As at 31 December 2023 and 2022, assets for clearing system protection and benefits payable consist of:

(Unit: Thousand Baht)

	Consolidated financial statements					
	Securities Deposit and benefits*		Clearing fund and benefits		Total	
	2023	2022	2023	2022	2023	2022
Contributions	343,787	346,844	1,601,500	1,609,291	1,945,287	1,956,135
Accumulated benefits	2,964	3,799	179,924	168,379	182,888	172,178
Total assets for clearing system protection and benefits payable	<u>346,751</u>	<u>350,643</u>	<u>1,781,424</u>	<u>1,777,670</u>	<u>2,128,175</u>	<u>2,128,313</u>

\*Due repayment the accumulated benefits to members every 6 months.

#### 19. Reserve fund for clearing and settlement

Reserve Fund for clearing and settlement from SET established as a source of funds for clearing house to compensate for any damage that may result from default or damages that may be caused by the actions of members in the business relating to the settlement and delivery of securities of the clearing house.

On 14 January 2015 and 27 April 2016, SET's Board of Governors approved an appropriation of reserve fund for clearing and settlement for compliance with the standard of clearing house set by the Overseas Securities Regulator and for enhance competitiveness and support future business expansion. SET will reserve fund for clearing and settlement in the approximately Baht 5,690.00 million by 2020. As at 31 December 2023, the reserve fund for clearing and settlement was Baht 5,771.23 million (2022: Baht 5,709.78 million).

As at 31 December 2023 and 2022, reserve fund for clearing and settlement consist of:

(Unit: Thousand Baht)

	Consolidated financial statements	
	2023	2022
<b>Investments managed by private fund</b>		
Saving accounts	701	9
Debt instruments measured at fair value through other comprehensive revenues	<u>5,749,853</u>	<u>5,699,401</u>
Total	5,750,554	5,699,410
Accrued interest income	14,576	5,142
Other assets	<u>6,096</u>	<u>5,228</u>
Total Investments managed by private fund	<u>5,771,226</u>	<u>5,709,780</u>



As at 31 December 2023 and 2022 investments in private fund are managed by 1 asset management company.

The investment policy of private fund is reference to the TCH's regulations in relation to deposits with financial institution and its investment policies. For the year ended 31 December 2023, the investments in private fund have return rates of 1.06% per annum (2022: 1.04% per annum).

## 20. Other non-current assets

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Withholding tax receivable	755,414	605,395	717,366	573,804
Deposit	2,495	2,495	2,485	2,485
Others	2,534	5,029	2,534	5,029
<b>Total</b>	<b>760,443</b>	<b>612,919</b>	<b>722,385</b>	<b>581,318</b>

## 21. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Trade payables - related parties (Note 6)	-	-	-	90
Trade payables - unrelated parties	19,803	57,741	19,707	56,465
Accrued expenses - related parties (Note 6)	499,517	538,903	504,371	542,185
Accrued expenses - unrelated parties	1,268,903	1,296,602	1,216,676	1,242,952
Accrued interest expenses - related parties (Note 6)	-	-	285	-
Collateral payable from securities lending	52,763	-	52,763	-
Clearing collateral payable	1,405	8,284	-	-
Dividend payable from registrar services to investors	103,991	100,735	-	-
Financial benefits payable	101,157	91,172	-	-
Other payable from purchase of investments	137,359	67,731	137,359	67,731
Others	17,847	50,529	14,372	14,721
<b>Total trade and other payables</b>	<b>2,202,745</b>	<b>2,211,697</b>	<b>1,945,533</b>	<b>1,924,144</b>

**22. Other current liabilities**

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Withholding tax payable	82,116	80,461	14,346	15,397
Other retention payables	38,071	41,641	29,247	32,649
Provision for employee benefits from accumulated annual leave	40,246	36,356	40,246	36,356
Value added tax payable	15,325	28,413	10,548	19,589
Ngoen-Thong-khong-Mee-Kha Fund	11,576	11,576	11,576	11,576
Others	7,693	4,052	5,258	1,153
<b>Total other current liabilities</b>	<b>195,027</b>	<b>202,499</b>	<b>111,221</b>	<b>116,720</b>

**23. Provision for long-term employee benefits**

Provision for long-term employee benefits, which represents compensation payable to employees after they retire, was as follows:

(Unit: Thousand Baht)

	Consolidated and Separate	
	financial statements	
	2023	2022
<b>Provision for long-term employee benefits at beginning of years</b>	740,155	731,444
Included in revenues over expenses:		
Current service cost	46,456	49,067
Interest cost	20,074	14,706
Past service cost	-	5,882
Included in other comprehensive revenues (expenses):		
Actuarial gain arising from		
Financial assumptions changes	-	(55,157)
Benefits paid during the years	(12,052)	(5,787)
<b>Provision for long-term employee benefits at end of years</b>	<b>794,633</b>	<b>740,155</b>

Expenses recognised in the statements of comprehensive revenues and expenses for the years ended 31 December 2023 and 2022 as below:

(Unit: Thousand Baht)

	Consolidated and Separate financial statements	
	2023	2022
Current service cost	46,456	49,067
Interest cost	20,074	14,706
Past service cost	-	5,882
Expenses recognised in the statements of comprehensive revenues and expenses	66,530	69,655

The Group expects to pay Baht 42.08 million of long-term employee benefits during the next year (2022: Baht 19.16 million) (SET: Baht 42.08 million 2022: Baht 19.16 million).

As at 31 December 2023, the weighted average duration of the liabilities for long-term employee benefit is 15 years (2022: 15 years) (SET: 15 years 2022: 15 years).

Significant actuarial assumptions are summarised below:

	Consolidated and Separate financial statements	
	2023	2022
Discount rate	1.39% - 5.19%	1.39% - 5.19%
Salary increase rate	5.00% - 11.00%	5.00% - 11.00%
Turnover rate	0.00% - 12.00%	0.00% - 12.00%
Pre-retirement mortality rate	Adjust 3% of TMO2017	Adjust 3% of TMO2017
Retirement age	60 years old	60 years old

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2023 and 2022 are summarised below:

(Unit: Thousand Baht)

	Consolidated and Separate financial statements					
	Change in assumption		Increase in assumption		Decrease in assumption	
	2023	2022	2023	2022	2023	2022
Discount rate	0.5%	0.5%	(34,036)	(33,842)	36,617	36,474
Salary increase rate	1%	1%	88,741	80,310	(77,446)	(70,258)
Turnover rate	20%	20%	(22,919)	(20,543)	24,297	21,759

## 24. Fund balances

The statements of change in fund balances for the years ended 31 December 2023 and 2022 presented as part of the consolidated and separate financial statements as follows:

(Unit: Thousand Baht)

	Consolidated financial statements								
	Fund balances								
	Note	Securities Clearing Reserve Fund	Derivatives Clearing Reserve Fund	Indemnity Fund	Staff Welfare Fund	Securities Investor Protection Fund	Derivatives Investor Protection Fund	General Fund	Total
<b>Balance as at</b>									
<b>1 January 2022</b>		3,440,000	2,250,000	100,000	116,036	512,348	57,433	22,893,087	29,368,904
Other comprehensive revenues (expenses), net of tax	25.2	-	-	-	-	-	-	89,311	89,311
Contributions from additional fees	25.1	-	-	-	-	1,050	625	(1,675)	-
Revenues over (under) expenses	25.2	-	-	-	(259)	(4,316)	569	1,410,269	1,406,263
<b>Balance as at</b>									
<b>31 December 2022</b>		<u>3,440,000</u>	<u>2,250,000</u>	<u>100,000</u>	<u>115,777</u>	<u>509,082</u>	<u>58,627</u>	<u>24,390,992</u>	<u>30,864,478</u>
<b>Balance as at</b>									
<b>1 January 2023</b>		3,440,000	2,250,000	100,000	115,777	509,082	58,627	24,390,992	30,864,478
Other comprehensive revenues (expenses), net of tax	25.2	-	-	-	-	-	-	(626,742)	(626,742)
Revenues over expenses	25.2	-	-	-	597	9,391	924	1,268,979	1,279,891
<b>Balance as at</b>									
<b>31 December 2023</b>		<u>3,440,000</u>	<u>2,250,000</u>	<u>100,000</u>	<u>116,374</u>	<u>518,473</u>	<u>59,551</u>	<u>25,033,229</u>	<u>31,517,627</u>

(Unit: Thousand Baht)

		Separate financial statements							
		Fund balances							
		Securities Clearing Reserve	Derivatives Clearing Reserve	Indemnity	Staff Welfare	Securities Investor Protection	General Fund	Total	
Note	Fund	Fund	Fund	Fund	Fund	Fund			
<b>Balance as at</b>									
<b>1 January 2022</b>		3,440,000	2,250,000	100,000	116,036	512,348	19,023,005	25,441,389	
Other comprehensive revenues (expenses), net of tax									
25.2	-	-	-	-	-	-	77,028	77,028	
Contributions from additional fee									
25.1	-	-	-	-	-	1,050	(1,050)	-	
Revenues over (under) expenses									
25.2	-	-	-	(259)	(4,316)	629,485	624,910		
<b>Balance as at 31 December 2022</b>		<u>3,440,000</u>	<u>2,250,000</u>	<u>100,000</u>	<u>115,777</u>	<u>509,082</u>	<u>19,728,468</u>	<u>26,143,327</u>	
<b>Balance as at</b>									
<b>1 January 2023</b>		3,440,000	2,250,000	100,000	115,777	509,082	19,728,468	26,143,327	
Other comprehensive revenues (expenses), net of tax									
25.2	-	-	-	-	-	-	(323)	(323)	
Revenues over expenses									
25.2	-	-	-	597	9,391	661,884	671,872		
<b>Balance as at 31 December 2023</b>		<u>3,440,000</u>	<u>2,250,000</u>	<u>100,000</u>	<u>116,374</u>	<u>518,473</u>	<u>20,390,029</u>	<u>26,814,876</u>	

Details of fund balances are as follows:

#### 24.1 Securities Clearing Reserve Fund

In 1997 and 2013, the Board of Governors of SET approved an appropriation of general funds of Baht 2,000 million and Baht 500 million, respectively, totalling Baht 2,500 million to the Securities Clearing Reserve Fund, which is operated by a subsidiary of SET, in order to resolve liquidity risk in the event of default on clearing and settlement from securities trading on SET.

In 2015, the Board of Governors of SET approved an appropriation of general funds to the Securities Clearing Reserve Fund from 2015 - 2019, totalling Baht 2,640 million, starting from 2015 of Baht 1,840 million and in the following years of Baht 200 million per year.

In 2018, the Board of Governors of SET approved an appropriation of the Securities Clearing Reserve Fund to Derivatives Clearing Reserve Fund of Baht 700 million, in order for the clearing house to have sufficient funds in both markets.

In 2020, the Board of Governors of SET approved an appropriation of the Securities Clearing Reserve Fund to Derivatives Clearing Reserve Fund of Baht 1,000 million, in order for the clearing house to have sufficient funds in both markets.

## 24.2 Derivatives Clearing Reserve Fund

In 2004, the Board of Governors of SET approved an appropriation of general funds of Baht 300 million to the Derivatives Clearing Reserve Fund in order to assure contingent losses from the clearing system of futures contracts at Thailand Clearing House Co., Ltd.

In 2018, Derivatives Clearing Reserve Fund has been allocated from Securities Clearing Reserve Fund of Baht 700 million according to the resolution of the Board of Governors of SET, in order for the clearing house to have sufficient funds in both markets.

In 2020, Derivatives Clearing Reserve Fund has been allocated from Securities Clearing Reserve Fund of Baht 1,000 million and from general fund of Baht 250 million according to the resolution of the Board of Governors of SET, in order for the clearing house to have sufficient funds in both markets.

## 24.3 Indemnity Fund

In 1993 and 2002, the Board of Governors of SET approved appropriations of general funds totaling Baht 100 million to the Indemnity Fund in order to assist and assure the Board of Governors of SET and those appointed assignees on matters requiring consideration and decisions which may affect or cause damages to other parties.

## 24.4 Staff Welfare Fund

In 1997 and 2004, the Board of Governors of SET approved appropriations of general funds was Baht 75 million to the Staff Welfare Fund. All benefits earned from this fund are retained in the fund.

## 24.5 Securities Investor Protection Fund

In 2004, the Board of Governors of SET approved an appropriation of Baht 300 million from broker seat admission fees as an initial fund for the establishment of the Securities Investor Protection Fund (SIPF).

The SIPF was formally established under SIPF regulations on 1 October 2004. The objective of the fund is to protect and build investor confidence in trading listed securities on SET through the members of the SIPF. As at 31 December 2023, there were 32 SIPF members from securities companies (2022: 33 SIPF members).

The assets of SIPF consist of:

- 1) the initial fund from SET of Baht 300 million;
- 2) the cumulative membership entrance fees and monthly fees collected from the members;
- 3) the future benefits generated from investments in the SIPF; and
- 4) the additional fees collected from members in case members' operation shown implicit of their unintentional operated in securities business.

SIPF will protect the investors' assets which are in the custody of the securities brokers who are members of the SIPF. In the event that the members of the SIPF fail to return the assets to investors, each investor shall be compensated by the SIPF for the related damages at the actual cost, but not exceeding Baht 1 million per SIPF member, in the following cases:

- 1) if any SIPF member is in receivership under the Bankruptcy Act or
- 2) if there are disputes concerning the purchase or sale of securities listed on SET between investors and any SIPF member, and the arbitrator's award is that the SIPF member shall return the assets to investors, but the SIPF member violates the award.

The protection will not include any losses from securities trading regardless of who makes the investment decision.

If the number of assets of the SIPF is not sufficient for compensation to investors as mentioned above, the investors will receive from the SIPF for assets in accordance with the proportion of damage sustained by each investor (Pro rata based).

When the Board of Governors of SET resolves to approve granting protection to any investor. SET will use the SIPF to provide protection to such investor, which shall be in the following sequence:

- 1) the SIPF with respect to the part paid by that SIPF's member who caused damage to the investors;
- 2) the SIPF with respect to the yields or benefits;
- 3) the SIPF with respect to the part paid by other member; and
- 4) the SIPF with respect to the part paid by SET

Upon SET's use of SIPF to provide protection to investors in accordance with the rules prescribed, SET shall exercise the right to demand the return of the assets which have been paid to the investors and damages from the SIPF's member in accordance with the right transferred by the investors.

SET shall allocate the assets or money to SIPF which are returned from members who caused damage to the investors in the following sequence:

- 1) the SIPF with respect to the part belonging to SET;
- 2) the SIPF with respect to the part belonging to other members;
- 3) the SIPF with respect to the yield or benefits; and
- 4) the SIPF with respect to the part belonging to SIPF's members who caused damage to the investors

#### **24.6 Derivatives Investor Protection Fund**

In 2012 the board of directors of Thailand Futures Exchange Public Company Limited ("TFEX"), a subsidiary, has a resolution to establish the Derivatives Investor Protection Fund ("DIPF") and approved an appropriation of Baht 50 million as an initial fund.

The DIPF was established on 15 November 2012. The objective of the DIPF is to provide protection for derivatives contracts investors in accordance with the rules prescribed by TFEX. Investors need to be protected must become customers of DIPF members and is a Thai natural person, a juristic person incorporated in Thailand who is not an institutional investor under the Derivatives Act B.E. 2546. As at 31 December 2023, there were 35 DIPF members from security companies (2022: 37 DIPF members).



Assets of the DIPF consist of TFEX initial capital, admission fees and contributions collected from members of the DIPF, and yields or benefits obtained from the proceeds and assets of the DIPF after the deduction of expenses for the operation of the DIPF. At the time of its establishment, the DIPF will have assets worth no less than Baht 100 million, which consists of initial capital of Baht 50 million from TFEX and admission fees and contributions from DIPF members in the rest to make the total of Baht 100 million. TFEX may collect additional sums of money as it deems necessary and appropriate.

DIPF will protect the investors' assets which are in the custody of the securities brokers who are members of the DIPF. In the event that the members of the DIPF fail to return the assets to investors, each investor shall be compensated by the DIPF for the related damages at the actual cost, but not exceeding Baht 1 million per DIPF member, in the following cases:

- 1) if any DIPF member is in receivership under the Bankruptcy Act or
- 2) if there are disputes concerning the purchase or sale of securities listed on SET between investors and any DIPF member, and the arbitrator's award is that the DIPF member shall return the assets to investors, but the DIPF member violates the award.

The protection will not include any losses from derivatives trading regardless of who makes the investment decision.

If the number of assets of the DIPF is not sufficient for compensation to investors as mentioned above, the investors will receive from the DIPF for assets in accordance with the proportion of damage sustained by each investor (Pro rata based).

When the Board resolves to approve granting protection to any investor. TFEX will use the DIPF to provide protection to such investor, which shall be in the following sequence:

- 1) the DIPF with respect to the part paid by that DIPF's member who caused damage to the investors;
- 2) the DIPF with respect to the yields or benefits;
- 3) the DIPF with respect to the part paid by other member; and
- 4) the DIPF with respect to the part paid by TFEX

Upon TFEX's use of DIPF to provide protection to investors in accordance with the rules prescribed, DIPF's member who caused damage to investors has the duty to return assets to TFEX. TFEX shall exercise the right to demand the return of the assets which have been paid to the investors and damages from the DIPF's member in accordance with the right transferred by the investors.

TFEX shall allocate the funds which are returned in whole or in part to the DIPF in the following sequence:

- 1) the DIPF with respect to the part belonging to TFEX;
- 2) the DIPF with respect to the part belonging to other members;
- 3) the DIPF with respect to the yield or benefits; and
- 4) the DIPF with respect to the part belonging to DIPF's members who caused damage to the investors

## 25. Financial position and results of fund operations

### 25.1 Financial position of fund

The SIPF's financial statements included as part of the consolidated and separate's financial statements are as follows:

	(Unit: Thousand Baht)	
	Consolidated and Separate financial statements	
	As at 31 December	
	2023	2022
<b>Assets</b>		
Current assets		
Cash deposits	3,136	105,343
Other current financial assets	846,731	289,202
Accrued interest receivable	2,668	3,036
Other current assets	14,458	1,363
Total current assets	866,993	398,944
Non-current assets		
Other non-current financial assets	-	451,496
Total non-current assets	-	451,496
<b>Total assets</b>	<b>866,993</b>	<b>850,440</b>
<b>Liabilities and fund balances</b>		
Current liabilities		
Other current liabilities	822	13
Total current liabilities	822	13
Non-current liabilities		
Contributions from members	229,798	229,742
Benefits on contributions from members	117,900	111,603
Total non-current liabilities	347,698	341,345
Total liabilities of members portion	348,520	341,358
Fund balances		
Initial fund	300,000	300,000
Contributions from additional fees	1,050	1,050
Benefits on contribution from SET	217,423	208,032
Total fund balances	518,473	509,082
<b>Total liabilities and fund balances</b>	<b>866,993</b>	<b>850,440</b>

The DIPF's financial statement included as part of the consolidated financial statements are as follows:

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	As at 31 December	
	2023	2022
<b>Assets</b>		
Current assets		
Cash deposits	6,634	13,198
Other current financial assets	45,019	46,642
Contributions from members	20	9
Accrued interest receivable	453	236
Total current assets	<u>52,126</u>	<u>60,085</u>
Non-current assets		
Other non-current financial assets	64,639	54,637
Total non-current assets	<u>64,639</u>	<u>54,637</u>
<b>Total assets</b>	<u><u>116,765</u></u>	<u><u>114,722</u></u>
<b>Liabilities and fund balances</b>		
Current liabilities		
Income tax payable	274	268
Other current liabilities	2	2
Total current liabilities	<u>276</u>	<u>270</u>
Non-current liabilities		
Contributions from members	51,657	51,426
Benefits on contributions from members	5,281	4,399
Total non-current liabilities	<u>56,938</u>	<u>55,825</u>
Total liabilities	<u>57,214</u>	<u>56,095</u>
Fund balances		
Initial fund	50,000	50,000
Contributions from additional fee	625	625
Benefits on contributions from TFEX	8,926	8,002
Total fund balances	<u>59,551</u>	<u>58,627</u>
<b>Total liabilities and fund balances</b>	<u><u>116,765</u></u>	<u><u>114,722</u></u>

## 25.2 Results of fund operations

Details of the results of fund operations which are included as part of the consolidated and separate statement of comprehensive revenues and expenses are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements				
	Staff Welfare Fund	Securities Investor	Derivatives Investor	General Fund	Total
		Protection Fund (SET's portion)	Protection Fund (TFEX's portion)		
<b>For the year ended 31 December 2023</b>					
<b>Revenues</b>					
Operating revenues	-	-	-	6,850,248	6,850,248
Investment income, net	597	9,391	924	204,929	215,841
Other income	-	-	-	234,663	234,663
Share of profit of investment in associates and joint venture, net of tax	-	-	-	24,786	24,786
<b>Total revenues</b>	<b>597</b>	<b>9,391</b>	<b>924</b>	<b>7,314,626</b>	<b>7,325,538</b>
<b>Expenses</b>					
Operating expenses	-	-	-	5,226,430	5,226,430
Contribution to the Capital Market Development Fund	-	-	-	499,517	499,517
Income tax expenses	-	-	-	319,700	319,700
<b>Total expenses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,045,647</b>	<b>6,045,647</b>
<b>Revenues over expenses</b>	<b>597</b>	<b>9,391</b>	<b>924</b>	<b>1,268,979</b>	<b>1,279,891</b>
<b>Other comprehensive revenues (expenses):</b>					
Other comprehensive revenues (expenses) to be reclassified to revenues or expenses in subsequent periods					
Loss on change in value of debt instruments at fair value through other comprehensive revenues (expenses), net of tax	-	-	-	(31,808)	(31,808)
Other comprehensive revenues (expenses) not to be reclassified to revenues or expenses in subsequent periods					
Loss on changes in value of equity investments designated at fair value through other comprehensive revenue (expenses), net of tax	-	-	-	(594,934)	(594,934)
<b>Other comprehensive revenues (expenses) for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(626,742)</b>	<b>(626,742)</b>
<b>Total comprehensive revenues over expenses for the year</b>	<b>597</b>	<b>9,391</b>	<b>924</b>	<b>642,237</b>	<b>653,149</b>
<b>Total comprehensive revenues over expenses for the year attributable to:</b>					
Owners of the parents	597	9,391	924	642,237	653,149
Non - controlling interests	-	-	-	-	-
	<b>597</b>	<b>9,391</b>	<b>924</b>	<b>642,237</b>	<b>653,149</b>

(Unit: Thousand Baht)

	Consolidated financial statements				
	Staff Welfare Fund	Securities	Derivatives	General Fund	Total
		Investor	Investor		
		Protection Fund (SET's portion)	Protection Fund (TFEX's portion)		
<b>For the year ended 31 December 2022</b>					
<b>Revenues</b>					
Operating revenues	-	-	-	7,554,326	7,554,326
Investment income (loss), net	(259)	(4,316)	569	(364,587)	(368,593)
Other income	-	-	-	196,566	196,566
Share of profit of investment in associates and joint venture, net of tax	-	-	-	33,137	33,137
<b>Total revenues</b>	<b>(259)</b>	<b>(4,316)</b>	<b>569</b>	<b>7,419,442</b>	<b>7,415,436</b>
<b>Expenses</b>					
Operating expenses	-	-	-	5,133,808	5,133,808
Contribution to the Capital Market Development Fund	-	-	-	538,903	538,903
Income tax expenses	-	-	-	336,462	336,462
<b>Total expenses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,009,173</b>	<b>6,009,173</b>
<b>Revenues over (under) expenses</b>	<b>(259)</b>	<b>(4,316)</b>	<b>569</b>	<b>1,410,269</b>	<b>1,406,263</b>
<b>Other comprehensive revenues (expenses):</b>					
Other comprehensive revenues (expenses) to be reclassified to revenues or expenses in subsequent periods					
Gain on change in value of debt instruments at fair value through other comprehensive revenue (expenses), net of tax	-	-	-	12,283	12,283
Other comprehensive revenues (expenses) not to be reclassified to revenues or expenses in subsequent periods					
Actuarial gain, net of tax	-	-	-	77,028	77,028
<b>Other comprehensive revenues (expenses) for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>89,311</b>	<b>89,311</b>
<b>Total comprehensive revenues over (under) expenses for the year</b>	<b>(259)</b>	<b>(4,316)</b>	<b>569</b>	<b>1,499,580</b>	<b>1,495,574</b>
<b>Total comprehensive revenues over (under) expenses for the year attributable to:</b>					
Owners of the parents	(259)	(4,316)	569	1,499,580	1,495,574
Non - controlling interests	-	-	-	-	-
	<b>(259)</b>	<b>(4,316)</b>	<b>569</b>	<b>1,499,580</b>	<b>1,495,574</b>

(Unit: Thousand Baht)

	Separate financial statements			
	Staff Welfare Fund	Securities		Total
		Investor	General Fund	
		Protection Fund (SET's portion)		
<b>For the year ended 31 December 2023</b>				
<b>Revenues</b>				
Operating revenues	-	-	2,866,247	2,866,247
Investment income, net	597	9,391	843,535	853,523
Other income	-	-	2,003,641	2,003,641
<b>Total revenues</b>	<b>597</b>	<b>9,391</b>	<b>5,713,423</b>	<b>5,723,411</b>
<b>Expenses</b>				
Operating expenses	-	-	4,549,319	4,549,319
Contribution to the Capital Market				
Development Fund	-	-	499,517	499,517
Income tax expenses	-	-	2,703	2,703
<b>Total expenses</b>	<b>-</b>	<b>-</b>	<b>5,051,539</b>	<b>5,051,539</b>
<b>Revenues over expenses</b>	<b>597</b>	<b>9,391</b>	<b>661,884</b>	<b>671,872</b>
<b>Other comprehensive revenues (expenses):</b>				
Other comprehensive revenues (expenses)				
to be reclassified to revenues or expenses in subsequent periods				
Loss on change in value of debt instruments at fair value through other comprehensive revenues (expenses), net of tax	-	-	(323)	(323)
<b>Other comprehensive revenues (expenses) for the year</b>	<b>-</b>	<b>-</b>	<b>(323)</b>	<b>(323)</b>
<b>Total comprehensive revenues over expenses for the year</b>	<b>597</b>	<b>9,391</b>	<b>661,561</b>	<b>671,549</b>
<b>Total comprehensive revenues over expenses for the year attributable to:</b>				
Owners of the parents	597	9,391	661,561	671,549
Non - controlling interests	-	-	-	-
	<b>597</b>	<b>9,391</b>	<b>661,561</b>	<b>671,549</b>

(Unit: Thousand Baht)

	Separate financial statements			
	Staff Welfare Fund	Securities		Total
		Investor	General Fund	
		Protection Fund (SET's portion)		
<b>For the year ended 31 December 2022</b>				
<b>Revenues</b>				
Operating revenues	-	-	3,456,128	3,456,128
Investment income (loss), net	(259)	(4,316)	218,611	214,036
Other income	-	-	1,977,441	1,977,441
<b>Total revenues</b>	<b>(259)</b>	<b>(4,316)</b>	<b>5,652,180</b>	<b>5,647,605</b>
<b>Expenses</b>				
Operating expenses	-	-	4,494,992	4,494,992
Contribution to the Capital Market				
Development Fund	-	-	538,903	538,903
Income tax expenses	-	-	(11,200)	(11,200)
<b>Total expenses</b>	<b>-</b>	<b>-</b>	<b>5,022,695</b>	<b>5,022,695</b>
<b>Revenues over (under) expenses</b>	<b>(259)</b>	<b>(4,316)</b>	<b>629,485</b>	<b>624,910</b>
<b>Other comprehensive revenues (expenses):</b>				
Other comprehensive revenues (expenses) not to be reclassified to revenues or expenses in subsequent periods				
Actuarial gain, net of tax	-	-	77,028	77,028
<b>Other comprehensive revenues (expenses) for the year</b>	<b>-</b>	<b>-</b>	<b>77,028</b>	<b>77,028</b>
<b>Total comprehensive revenues over (under) expenses for the year</b>	<b>(259)</b>	<b>(4,316)</b>	<b>706,513</b>	<b>701,938</b>
<b>Total comprehensive revenues over (under) expenses for the year attributable to:</b>				
Owners of the parents	(259)	(4,316)	706,513	701,938
Non - controlling interests	-	-	-	-
	<b>(259)</b>	<b>(4,316)</b>	<b>706,513</b>	<b>701,938</b>



## 26. Operating revenues

Operating revenues for the years ended 31 December 2023 and 2022 consist of:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
<b>Service type:</b>				
Trading fees	2,044,030	2,567,057	1,295,492	1,849,629
Securities registrar fees	1,588,999	1,595,198	-	-
Clearing & settlement fees	693,493	800,087	-	-
Listing fees	625,112	667,709	625,112	667,709
Member services fees	449,044	477,091	-	-
Customisation and IT support fees	453,604	489,094	480,229	516,285
Information service fees	473,800	430,904	442,364	399,105
Depository fees	392,012	402,096	-	-
Membership fees	63,310	63,990	23,050	23,400
Fund services fees	41,432	37,683	-	-
Digital gateway service fees	16,204	13,045	-	-
Payment service fees	9,208	10,372	-	-
<b>Total operating revenues</b>	<b>6,850,248</b>	<b>7,554,326</b>	<b>2,866,247</b>	<b>3,456,128</b>

### Timing of revenue recognition

At a point in time

Trading fees	2,044,030	2,567,057	1,295,492	1,849,629
Securities registrar fees	926,017	1,001,285	-	-
Clearing & settlement fees	693,493	800,087	-	-
Listing fees	15,148	31,499	15,148	31,499
Member services fees	431,389	459,586	-	-
Customisation and IT support fees	53,576	57,837	67,871	71,828
Information service fees	473,800	430,904	442,364	399,105
Depository fees	392,012	402,096	-	-
Fund services fees	11,740	10,303	-	-
Digital gateway service fees	11,735	9,417	-	-
Payment service fees	7,508	9,188	-	-
<b>Total</b>	<b>5,060,448</b>	<b>5,779,259</b>	<b>1,820,875</b>	<b>2,352,061</b>

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Overtime				
Securities registrar fees	662,982	593,913	-	-
Listing fees	609,964	636,210	609,964	636,210
Member services fee	17,655	17,505	-	-
Customisation and IT support fees	400,028	431,257	412,358	444,457
Membership fees	63,310	63,990	23,050	23,400
Fund services fees	29,692	27,380	-	-
Digital Gateway service fees	4,469	3,628	-	-
Payment service fees	1,700	1,184	-	-
Total	<u>1,789,800</u>	<u>1,775,067</u>	<u>1,045,372</u>	<u>1,104,067</u>
Total operating revenues	<u>6,850,248</u>	<u>7,554,326</u>	<u>2,866,247</u>	<u>3,456,128</u>

**27. Investment revenue (loss), net**

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Interest income	580,847	325,717	305,356	168,449
Less: Interest expenses				
Short-term loan from subsidiaries (Note 6)	-	-	(29,492)	(11,115)
Assets for clearing system protection				
- members' portion	(251,629)	(119,280)	-	-
Interest income, net	<u>329,218</u>	<u>206,437</u>	<u>275,864</u>	<u>157,334</u>
Dividend income from				
Mutual funds	44,709	29,744	44,709	29,744
Subsidiaries (Note 12)	-	-	643,939	563,222
Associates (Note 13)	-	-	18,914	20,805
Other entities	6,270	5,070	6,270	5,070
Realised loss from investments	(69,162)	(393,025)	(62,046)	(310,429)

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Realised loss on forward contracts	(18,066)	(16,166)	(18,066)	(16,166)
Realised loss on foreign exchange rate	(23,278)	(22,514)	(23,278)	(29,209)
Realised loss on foreign exchange rate from forward contracts	(115,784)	(277,646)	(115,784)	(277,646)
Realised gain on exchange rate from foreign investments	5,853	450,841	5,853	450,841
Unrealised gain (loss) from investments	39,109	(164,027)	61,276	(183,737)
Unrealised gain (loss) on exchange rate from foreign investments	11,591	(319,274)	11,591	(319,274)
Unrealised gain (loss) on foreign exchange rate from forward contracts	(6,606)	133,814	(6,606)	133,814
Unrealised gain (loss) on foreign exchange rate	1,026	(7,087)	1,026	(7,087)
Allowance for expected credit loss	647	8,987	470	1,070
Total investment revenue (loss), net	<u>205,526</u>	<u>(364,846)</u>	<u>844,132</u>	<u>218,352</u>

**28. Other income**

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Revenues from fees and management funds	48,814	47,724	-	693
Service income from related parties	73,187	36,061	1,940,993	1,916,381
Educational activities income	35,862	28,548	35,862	28,548
Fines	5,379	13,810	4,415	7,555
Rental & utilities revenues	12,997	9,846	12,997	9,846
Revenues from membership transfer	-	10,000	-	10,000
Revenues from securities borrowing and lending	1,100	1,387	-	-
Other income	57,324	49,190	9,374	4,418
Total other income	<u>234,663</u>	<u>196,566</u>	<u>2,003,641</u>	<u>1,977,441</u>

**29. Employee expenses**

(Unit: Thousand Baht)

	Consolidated and Separate financial statements	
	2023	2022
<b>Management</b>		
Salaries and other benefits	303,242	272,397
Contributions to provident fund	19,859	14,684
Total	323,101	287,081
<b>Other employees</b>		
Salaries and other benefits	1,834,410	1,785,720
Contributions to provident fund	113,064	89,050
Total	1,947,474	1,874,770
Total employee expenses	2,270,575	2,161,851

The defined contribution plans comprise provident funds established by the Group for its employees. Contributions are made monthly by the employees at rates between 3.00% and 15.00% of their basic salaries and by the Group at the rate of 10.00% - 12.00% (2022: 10%) of the employees' basic salaries. The provident funds are registered with the Ministry of Finance as juristic entities and are managed by a licensed Fund Manager.

**30. SEC fees**

The Securities and Exchange Act B.E. 2535 requires SET to pay to the SEC at a rate as determined by the Board of the SEC.

The Board of the SEC has approved to charge SET for the year 2023 - 2026 (for the period of 4 years) at the rate of 0.002% of trading value of each year which is aligns with the rate for the year 2020 - 2022.

The Board of the SEC also required Thailand Future Exchange Public Company Limited (subsidiary) to pay the fee of derivatives trading exchange with the rates is between 0.010% and 0.035% of number of trading contracts in the market, with a minimum fee of Baht 2 million but not exceeding Baht 15 million per annum.

**31. Other expenses**

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Fees and compensation expenses	222,788	148,023	219,078	144,448
Donation and CSR expenses	23,474	61,349	23,474	61,349
Capital market development expenses	29,637	33,231	29,637	33,231
Insurance premiums	7,223	6,821	7,223	6,821
Institution membership fees	7,768	6,375	4,795	4,394
Entertainment expenses	3,351	2,189	3,341	2,176
Travelling and vehicle expenses	38,707	9,595	36,424	9,383
Meeting expenses	3,740	2,369	3,690	2,300
Other expenses	8,516	14,735	5,545	13,208
Total other expenses	<u>345,204</u>	<u>284,687</u>	<u>333,207</u>	<u>277,310</u>

**32. Contribution to the Capital Market Development Fund**

The Securities and Exchange Act (No. 6) B.E. 2562, announced on 16 April 2019, requires that SET proceed as follows:

- 1) Transfer the money or any other assets in the amount of Baht 5,700 million to the Capital Market Development Fund (“CMDF”). SET’s Board of the Governors and CMDF’s Committee shall jointly determine the amount or value, type and nature of the money or assets to be transferred.
- 2) Provide the money to CMDF within 150 days from the end of the calendar year at the rate not less than 90% of the revenue after deduction of expenses, taxes and reserves. In this regard, the consolidated financial statements of SET shall be used to calculate the contribution amount. The provision of reserves shall be in accordance with the type and amount prescribed by the Board of Governors of SET.

SET transferred money in the amount of Baht 5,700 million to the CMDF on 4 July 2019 and recognised as expenses in consolidated and separate financial statements for the year 2019.

SET recorded an annual contribution amount of Baht 499.52 million as an expense in the consolidated and separate financial statements for the year ended 31 December 2023 (2022: Baht 538.90 million). Details of an annual contribution amount are as follows:

**Reserves**

At the meeting of the Board of Governors of the Stock Exchange of Thailand held on 31 October 2020 and 18 November 2020, the Board approved the type and principle of reserves as prescribed by The Securities and Exchange Act (No. 6) B.E. 2562. On 22 January 2024 the Board of Governors approved reserve for 2023 of Baht 1,224 million (2022: Approved reserves of Baht 1,346 million). Details are as follows:

Type of reserve	Reserve allocation principles to ensure adequacy of funding sources	Reserve amount (Thousand Baht)	
		2023	2022
1. Reserves set aside according to law or criteria in business operation specified, including reserve amount to accommodate special situations	1.1 Legal reserve	4,141	10,549
	1.2 Reserves according to business operation such as EMIR (European Market Infrastructure Regulation), PFMI (Principles for Financial Market Infrastructures) to meet an increase (decrease) of business operation during the year	(23,080)	(113,390)
	1.3 Reserves allocated for specific funds such as approval of additional capital in specific funds during the year, benefit sharing of Securities Investor Protection Fund, Derivatives Investor Protection Fund, Clearing Fund or other similar funds	(28,791)	4,800
	1.4 Reserves allocated for accommodating operations risks and emergency measures	565,000	514,000
2. Reserves set aside to accommodate the fluctuation of investments	According to unrealised gain/(loss) during the year	45,119	(356,574)
3. Reserves set aside for investment in business or fixed assets	According to the investment amount in businesses and fixed assets approved by the Board of Governors	662,000	1,287,000
Total reserves		1,224,389	1,346,385

**Annual contribution calculated as follows:**

(Unit: Thousand Baht)

	Consolidated and Separate financial statements	
	2023	2022
Revenues over expenses before contribution to CMDF (presented in the statements of comprehensive revenues and expenses)	2,099,108	2,281,628
Less: Income tax expenses	(319,700)	(336,462)
Revenue after deduction of expenses, before reserves	1,779,408	1,945,166
Less: Reserves	(1,224,389)	(1,346,385)
Revenue after deduction of expenses, taxes and reserves	555,019	598,781
Annual contribution amount at rate 90%	499,517	538,903

Accumulated contribution to CMDF according to the financial statements as of 31 December 2023 and 2022 can be presented as follows:

	(Unit: Thousand Baht)	
	Consolidated and Separate	
	financial statements	
	2023	2022
Accumulated contribution at beginning of years	7,183,522	6,644,619
Annual contribution amount	499,517	538,903
Total accumulated contribution expenses	<u>7,683,039</u>	<u>7,183,522</u>

### 33. Income tax

Income tax expenses (revenues) for the years ended 31 December 2023 and 2022 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
<b>Current income tax:</b>				
Current income tax charge	316,723	355,057	-	-
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	2,977	(18,595)	2,703	(11,200)
<b>Income tax expenses (revenues) reported in revenues over expenses</b>	<u>319,700</u>	<u>336,462</u>	<u>2,703</u>	<u>(11,200)</u>

The amounts of income tax relating to each component of other comprehensive revenues (expenses) for the years ended 31 December 2023 and 2022 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Deferred tax on gain from the change in value of financial assets measured at FVOCI	(9,732)	(4,336)	-	-
Deferred tax on actuarial gains	-	21,549	-	21,549
	<u>(9,732)</u>	<u>17,213</u>	<u>-</u>	<u>21,549</u>



The reconciliation between revenues over expenses and income tax expenses (revenues) as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Revenues over expenses before income tax	1,599,591	1,742,725	674,575	613,710
Applicable tax rate	20%	20%	20%	20%
Accounting revenues over expenses before income tax multiplied by income tax rate	319,918	348,545	134,915	122,742
Previously unrecognised tax losses that is used to reduce current tax expense	(311)	(131,683)	(311)	(126,123)
Assessed income under Revenue Code	2,031	4,827	1,447	2,885
Income not subject to tax	(158,206)	(121,942)	(134,016)	(118,314)
Additional expense deductions allows	(11,024)	(2,987)	(11,024)	(2,987)
Non-deductible expenses	21,609	116,991	11,692	110,597
Eliminated transaction between related party, net of tax	133,795	118,576	-	-
Unused tax losses for current year	12,073	4,249	-	-
Revenues over expenses - Securities/Derivatives Investor Protection Fund, net of tax	(185)	(114)	-	-
Income tax expenses (revenues) reported in revenues over expenses	319,700	336,462	2,703	(11,200)

The components of deferred tax assets and deferred tax liabilities are as follows:

(Unit: Thousand Baht)

	Statements of financial position			
	Consolidated financial		Separate	
	statements		financial statements	
	2023	2022	2023	2022
Deferred tax assets, net	188,670	183,497	173,378	176,081
Deferred tax liabilities, net	-	(1,582)	-	-
Deferred tax, net	<u>188,670</u>	<u>181,915</u>	<u>173,378</u>	<u>176,081</u>
<b>Deferred tax assets</b>				
Allowance for expected credit losses	11,211	11,570	8,406	9,235
Unrealised loss on financial asset	17,462	7,415	4,975	-
Accumulated amortisation - computer software	29,613	29,996	29,613	29,996
Provision for long-term employee benefits	<u>130,384</u>	<u>137,990</u>	<u>130,384</u>	<u>137,990</u>
Total	<u>188,670</u>	<u>186,971</u>	<u>173,378</u>	<u>177,221</u>
<b>Deferred tax liabilities</b>				
Unrealised gain on financial asset	-	(5,056)	-	(1,140)
Total	<u>-</u>	<u>(5,056)</u>	<u>-</u>	<u>(1,140)</u>
Net	<u>188,670</u>	<u>181,915</u>	<u>173,378</u>	<u>176,081</u>

As at 31 December 2023, the Group has deductible temporary differences and unused tax losses totaling Baht 2,275 million (2022: Baht 1,514 million) (SET: Baht 1,589 million 2022: Baht 1,493 million), on which deferred tax assets have not been recognised as the Group believes future taxable profits may not be sufficient to allow utilisation of the temporary differences and unused tax losses.

Details of expiry date of unused tax losses which deferred tax assets have not been recognised are summarised as below:

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
31 December 2024	1,414	1,419	1,414	1,419
31 December 2027	31	31	-	-
31 December 2028	60	-	-	-
	<u>1,505</u>	<u>1,450</u>	<u>1,414</u>	<u>1,419</u>

### **Corporate income tax related to remittance contributed to Capital Market Development Fund (“CMDF”)**

In accordance with Section 40 of the Securities and Exchange Act (No. 6) B.E. 2562 dated 16 April 2019 (Securities Act), SET is required to contribute Baht 5,700 million to the CMDF in the year the Act came into force. The remittance contributed was recognised as part of revenues under expenses in 2019 and as tax expenditures for corporate income tax calculation of 2019.

In addition, under Section 182/1 of the Securities Act, SET is required to contribute the remittances to CMDF, after the contribution of the remittance to the fund under Section 40 as mentioned above at the rate of not less than 90% of income after deduction of expenses, taxes, and reserves for the year 2020 - 2023 and recognised as tax expense in the calculation of income tax for the year 2020 - 2023.

In the year 2019, SET submitted a tax inquiry to the Revenue Department with respect to the tax practice of remittances to CMDF. Subsequently, on 15 December 2021, SET received a letter responding to the aforementioned inquiry from the Large Business Tax Administration Office, Revenue Department, stating that the amount of Baht 5,700 million contributed by SET to CMDF and the remittances to CMDF as mentioned above cannot be considered as tax expenditures. On 5 January 2022, SET submitted request to the Revenue Department to reconsider the response of the Large Business Tax Administration Division. SET provided further clarification and justification to support the assertion that the tax practice of remittances to CMDF was in accordance with the relevant tax laws and required by the Securities Act. Therefore, such remittance contribution to CMDF and annual remittances made in accordance the Securities Act can be treated as deductible expenses for the calculation of SET’s corporate income tax.

In addition, based on the opinion of an external tax advisor, SET has sufficient grounds to require a reconsideration of the response from the Large Business Tax Administration Division. Furthermore, both the external tax advisor and SET’s management believe that the amount of Baht 5,700 million contributed by SET to CMDF and the remittances to CMDF as mentioned above should not be considered as non-deductible expense for calculation of SET’s corporate income tax, as was indicated in the response from the Large Business Tax Administration Office.

Previously, SET has provided additional clarification and taken all necessary actions to provide information, facts and relevant laws to the Revenue Department and other relevant authorities in order to obtain a new conclusion that is consistent with the current context that SET is an organisation established under a specific law and in accordance with the relevant legal practices for contributing such remittances to CMDF.

Given the complexity of these issues and the involvement of interpretation and application of specific laws, SET’s management has been monitoring progress and engaging in negotiations with relevant organisations to address such issues. SET did not receive any additional letters or clarifications from the Revenue Department. As a result, in preparing the financial statements for 2023, SET’s management exercises judgement in compliance with the TFRIC 23 Uncertainty over Income Tax Treatments, and determines that estimates for the contribution of remittances to CMDF as at 31 December 2023, amounting to Baht 952 million (consistent with the amount presented in the financial statements for the year 2022), are sufficient.

### 34. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

For management purposes, the Group is organised into business units based on its products and services and have five reportable segments as follows:

- Securities Markets which include securities trading, clearing and settlement, listing, depository and membership fees
- Derivatives Markets which include trading and clearing of future contracts and membership fees
- Technology Services which include member services, information services and technology support
- Registrar Services which include securities registrar
- Capital Market Development and others which include capital market education improving financial and investment capabilities, promoting sustainable development of capital market industry and conducting of capital market research, payment service provider, services supporting electronic and digital transactions, rental income and other miscellaneous income.

No operating segments have been aggregated to form the above reportable operating segments.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating revenues and expenses and total assets and on a basis consistent with that used to measure operating revenues and expenses and total assets in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

Financial information presented in respect of the Group's business segments in the consolidated financial statements as at 31 December 2023 and 2022 and for the years ended 31 December 2023 and 2022 are as follows:

(Unit: Thousand Baht)

Consolidated financial statement							
	Securities Markets	Derivatives Markets	Technology Services	Registrar Services	Capital Market Development and other services	Elimination	Total
<b>For the year ended</b>							
<b>31 December 2023</b>							
Revenues from operation	2,634,745	1,191,214	1,376,448	1,588,802	293,702	-	7,084,911
Revenues from inter-segment	1,286,113	203,896	37,247	526,962	92,515	(2,146,733)	-
<b>Total revenues</b>	<b>3,920,858</b>	<b>1,395,110</b>	<b>1,413,695</b>	<b>2,115,764</b>	<b>386,217</b>	<b>(2,146,733)</b>	<b>7,084,911</b>
<b>Segment revenues over (under)</b>							
<b>expenses</b>	<b>559,850</b>	<b>564,775</b>	<b>663,127</b>	<b>513,872</b>	<b>(443,143)</b>	<b>-</b>	<b>1,858,481</b>
Investment revenue, net							205,526
Share of loss of investments in joint venture, net of tax							(20)
Share of profit of investments in associates, net of tax							24,806
<b>Revenues over expenses in operations</b>							<b>2,088,793</b>
<b>Non-operating revenues (expenses)</b>							
Income (expenses) derived from Securities Investor Protection Fund, net							9,391
Income (expenses) derived from Derivatives Investor Protection Fund, net							924
Contributions to the Capital Market Development Fund							(499,517)
<b>Revenues over expenses before income tax expenses</b>							<b>1,599,591</b>
Income tax expenses							(319,700)
<b>Revenues over expenses</b>							<b>1,279,891</b>
<b>As at 31 December 2023</b>							
Segment assets	4,097,222	33,245,805	1,526,894	825,494	1,033,717	(6,917,048)	34,532,084
Other assets	-	-	-	-	27,680,171	(5,468,545)	22,211,626
<b>Total assets</b>	<b>4,097,222</b>	<b>33,245,805</b>	<b>1,526,894</b>	<b>825,494</b>	<b>28,713,888</b>	<b>(11,665,593)</b>	<b>56,743,710</b>
Segment liabilities	2,359,905	26,537,475	426,123	774,733	3,940,196	(8,812,350)	25,226,082
Other liabilities	-	-	-	-	2,621,845	(2,621,845)	-
<b>Total liabilities</b>	<b>2,359,905</b>	<b>26,537,475</b>	<b>426,123</b>	<b>774,733</b>	<b>6,562,041</b>	<b>(11,434,195)</b>	<b>25,226,082</b>

(Unit: Thousand Baht)

	Consolidated financial statement						Elimination	Total
	Securities Markets	Derivatives Markets	Technology Services	Registrar Services	Capital Market Development and other services			
<b>For the year ended</b>								
<b>31 December 2022</b>								
Revenues from operation	3,474,435	1,153,473	1,397,089	1,595,198	130,697	-	7,750,892	
Revenues from inter-segment	1,033,388	479,294	42,252	535,512	72,349	(2,162,795)	-	
<b>Total revenues</b>	<b>4,507,823</b>	<b>1,632,767</b>	<b>1,439,341</b>	<b>2,130,710</b>	<b>203,046</b>	<b>(2,162,795)</b>	<b>7,750,892</b>	
<b>Segment revenues over (under)</b>								
<b>expenses</b>	<b>1,642,977</b>	<b>555,786</b>	<b>585,229</b>	<b>533,125</b>	<b>(700,033)</b>	<b>-</b>	<b>2,617,084</b>	
Investment loss, net							(364,846)	
Share of loss of investments in joint venture, net of tax							(63)	
Share of profit of investments in associates, net of tax							33,200	
<b>Revenues over expenses in operations</b>							<b>2,285,375</b>	
<b>Non-operating revenues (expenses)</b>								
Income (expenses) derived from Securities Investor Protection Fund, net							(4,316)	
Income (expenses) derived from Derivatives Investor Protection Fund, net							569	
Contributions to the Capital Market Development Fund							(538,903)	
<b>Revenues over expenses before income tax expenses</b>							<b>1,742,725</b>	
Income tax expenses							(336,462)	
<b>Revenues over expenses</b>							<b>1,406,263</b>	
<b>As at 31 December 2022</b>								
Segment assets	3,913,025	35,023,481	1,792,777	1,208,035	1,372,537	(6,118,913)	37,190,942	
Other assets	-	-	-	-	24,243,555	(5,128,030)	19,115,525	
<b>Total assets</b>	<b>3,913,025</b>	<b>35,023,481</b>	<b>1,792,777</b>	<b>1,208,035</b>	<b>25,616,092</b>	<b>(11,246,943)</b>	<b>56,306,467</b>	
Segment liabilities	2,313,132	26,622,104	530,509	803,279	3,666,579	(8,493,615)	25,411,988	
Other liabilities	-	-	-	-	2,381,330	(2,381,330)	-	
<b>Total liabilities</b>	<b>2,313,132</b>	<b>26,622,104</b>	<b>530,509</b>	<b>803,279</b>	<b>6,047,909</b>	<b>(10,874,945)</b>	<b>25,411,988</b>	

Reconciliation of reportable segment assets/liabilities as at 31 December 2023 and 2022 were as follows:

	(Unit: Thousand Baht)	
	Consolidated	
	financial statements	
	2023	2022
<b>Assets</b>		
Assets for reportable segments	34,532,084	37,190,942
Unallocated amounts:		
- Cash and investments	20,102,982	17,049,187
- Investments in related parties	1,035,179	1,029,327
- Accrued interest receivables	35,447	14,299
- Land and assets under installation	1,038,018	1,022,712
<b>Total assets</b>	<b>56,743,710</b>	<b>56,306,467</b>
<b>Liabilities</b>		
Liabilities for reportable segments	25,226,082	25,441,988
<b>Total liabilities</b>	<b>25,226,082</b>	<b>25,441,988</b>

#### Geographic information

The Group operates in Thailand only. As a result, all the revenues and assets as reflected in these financial statements pertain exclusively to this geographical reportable segment.

#### Major customers

For the year 2023 and 2022, the Group has no major customer with revenue of 10% or more of an entity's revenues.

### 35. Customers' digital token held by subsidiary

The fair value of customers' digital token as at 31 December 2023 and 2022 which is under maintaining and storage of subsidiary as follows;

	(Unit: Thousand Baht)			
	Consolidated		Separated	
	financial statement		financial statement	
	2023	2022	2023	2022
Customers' digital token	27,084*	-	-	-

\* Fair value of digital token as disclosed above is level 1 of fair value hierarchy, using quoted market prices in an active market of such assets.



Thai Digital Assets Exchange Company Limited, a subsidiary providing services as a digital token trading exchange. This service includes being responsible for maintaining and storage digital token under the subsidiary's digital wallet or arrange for storage by a third party in accordance with regulations issued by the Securities and Exchange Commission. The subsidiary has arranged for a third-party custodian to responsibly store at least 90% of the digital token in cold wallet, while the remaining not more than 10% of the digital token are retained by the subsidiary itself in its own hot wallet.

In addition, as at 31 December 2023, the subsidiary has digital tokens amounting to Baht 1,460 (2022: Nil) as its assets used for paying gas fees. These digital tokens are presented as part of other current assets in the consolidated statement of financial position.

## 36. Commitments and contingent liabilities

### 36.1 Capital commitments

As at 31 December 2023, the Group had capital commitments of approximately Baht 292 million (2022: Baht 302 million), relating to the acquisition of technology equipment, computer software and system development (SET: Baht 292 million 2022: Baht 302 million).

### 36.2 Lease commitments

As at 31 December 2023 and 2022, the Group has future short-term lease payments and leases of low-value assets required under these non-cancellable operating lease agreements that have not yet commenced as follows:

	(Unit: Thousand Baht)	
	Consolidated and Separate	
	financial statements	
	2023	2022
Within 1 year	283	5,722
Over 1 and up to 5 years	-	2,163
<b>Total</b>	<b>283</b>	<b>7,885</b>

### 36.3 Service commitments

As at 31 December 2023 and 2022, the Group has service commitments as follows:

	(Unit: Thousand Baht)	
	Consolidated and Separate	
	financial statements	
	2023	2022
Within 1 year	301,897	373,559
Over 1 and up to 5 years	306,576	390,815
<b>Total</b>	<b>608,473</b>	<b>764,374</b>

### 36.4 Guarantees

As at 31 December 2023 and 2022, SET has letters of guarantee issued by banks totaling Baht 5.13 million in respect of electricity usage in the ordinary course of business from which management anticipates that no material liabilities will arise.

### 36.5 Other commitments

The Stock Exchange of Thailand (SET) has issued a certificate of support to the bank about overdraft limit given to Thailand Clearing House Co., Ltd. (TCH) which is a subsidiary in the amount of Baht 2,900 million (2022: Baht 2,900 million) for support to clearing equity instruments and futures contracts. Under the terms of the certificate of support, SET is required to maintain its shareholding at 99.99% of the registered share capital in TCH, and required to support TCH's operation.

### 36.6 Contingent liabilities

#### SET

On 21 November 2023, the Stock Exchange of Thailand received a claim statement for the damages incurred from a case regarding neglecting to perform duties under the contract and terminating the contract dishonestly and unlawfully in the amount of Baht 31.90 million. As at 31 December 2023, the case was still under consideration by the Civil Court. The outcome of the case has not been finalised. Therefore, SET did not record a provision for damages arising from the above mentioned case in the financial statements.

#### Subsidiary

- 1) On 22 January 2019, a subsidiary received a claim statement regarding recourse for the damages incurred from a case regarding the wrongful acts of the asset recall and compensation for the forgery of the share certificates. The subsidiary was claimed for damages totaling Baht 76.23 million.

On 4 December 2019, the Civil Court ordered the subsidiary to pay the amount of Baht 62.55 million with an interest rate of 7.5% per annum, and to pay a legal fee of Baht 0.4 million. On 23 February 2021, the Appeal Court upheld the judgment of the Civil Court.

On 14 February 2024, the Supreme Court ordered the subsidiary to pay Baht 62.55 million with interest at a rate of 7.5% per annum from 21 January 2016 to 10 April 2021 and 5% per annum from 11 April 2021 until the date of debt repayment. The damages resulting from the judgment are covered by the insurance policy; thus, the subsidiary is not responsible for damages arising from this case. In this regard, the subsidiary did not record a provision for loss from litigation in the financial statements.

- 2) On 11 December 2019, a subsidiary received a claim statement demanding the registration to change the name of shareholders or to pay the price of shares in the amount of Baht 495 million. On 26 January 2021, the case was dismissed by the Civil Court and on 19 April 2022, the Appeal Court adjudicated the subsidiary to proceed the registration of shares transfer to the plaintiffs. However, the joint-defendants filed the appeal to the Supreme Court and on 14 December 2023, the petition was accepted under consideration by the Supreme Court. As of 31

December 2023, the case was still under consideration by the Supreme Court. As the uncertainty of the case, the subsidiary did not record a provision for damages arising from the above mentioned case in the financial statements.

- 3) On 7 February 2023, a subsidiary received a complaint in a case to recover assets in the amount of Baht 2.08 million.

On 29 January 2024, the Civil Court issued to revoke and not to accept the claim against the plaintiff and disposed of this case from the docket.

- 4) On 21 August 2023, a subsidiary received a claim for damages from breach of contract and violation in the amount of Baht 5.31 million. As of 31 December 2023, the case is under consideration by the Civil Court. As the uncertainty of the case, the subsidiary did not record a provision for damages arising from the above mentioned case in the financial statements.

The Group has purchased insurance policy covering professional liability (Financial Institutional Professional Indemnity Insurance) which has fully covered the liability for this case.

### 37. Fair value hierarchy

As at 31 December 2023 and 2022, the Group had the assets and liabilities that were measured at fair value or for which fair value was disclosed using different levels of inputs as follows:

(Unit: Million Baht)

	Consolidated financial statement			
	As at 31 December 2023			
	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value</b>				
Financial assets measured at FVTPL				
Mutual Fund	2,117	3,307	-	5,424
Government bonds	-	18,454	-	18,454
Debentures	-	1,955	-	1,955
Financial assets measured at FVOCI				
Ordinary shares	-	-	316	316
Derivatives				
Foreign currency forward contracts	-	105	-	105
<b>Assets for which fair value are disclosed</b>				
Financial assets measured at amortised cost				
Fixed deposits	-	1,837	-	1,837
Government bonds	-	9,410	-	9,410
Debentures	-	282	-	282

(Unit: Million Baht)

Consolidated financial statement				
As at 31 December 2022				
Level 1	Level 2	Level 3	Total	
<b>Assets measured at fair value</b>				
Financial assets measured at FVTPL				
Mutual Fund	301	4,258	-	4,559
Government bonds	-	13,460	-	13,460
Debentures	-	1,054	-	1,054
Financial assets measured at FVOCI				
Ordinary shares	-	-	911	911
Derivatives				
Foreign currency forward contracts	-	112	-	112
<b>Assets for which fair value are disclosed</b>				
Financial assets measured at amortised cost				
Fixed deposits	-	4,220	-	4,220
Government bonds	-	7,612	-	7,612
Debentures	-	219	-	219

(Unit: Million Baht)

Separate financial statement				
As at 31 December 2023				
Level 1	Level 2	Level 3	Total	
<b>Assets measured at fair value</b>				
Financial assets measured at FVTPL				
Mutual Fund	2,117	3,307	-	5,424
Government bonds	-	6,744	-	6,744
Debentures	-	1,353	-	1,353
Financial assets measured at FVOCI				
Ordinary shares	-	-	49	49
Derivatives				
Foreign currency forward contracts	-	105	-	105
<b>Assets for which fair value are disclosed</b>				
Financial assets measured at amortised cost				
Fixed deposits	-	796	-	796
Debentures	-	280	-	280

(Unit: Million Baht)

	Separate financial statement			
	As at 31 December 2022			
	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value</b>				
Financial assets measured at FVTPL				
Mutual Fund	301	4,258	-	4,559
Government bonds	-	4,104	-	4,104
Debentures	-	702	-	702
Financial assets measured at FVOCI				
Ordinary shares	-	-	49	49
Derivatives				
Foreign currency forward contracts	-	112	-	112
<b>Assets for which fair value are disclosed</b>				
Financial assets measured at amortised cost				
Fixed deposits	-	1,498	-	1,498
Government bonds	-	578	-	578
Debentures	-	217	-	217

**38. Financial instruments****38.1 Derivatives**

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
<b>Derivative assets</b>				
Derivative assets not designated as hedging instrument				
Foreign exchange forward contracts	105	112	105	112
<b>Total derivative assets</b>	<b>105</b>	<b>112</b>	<b>105</b>	<b>112</b>

**Derivatives not designated as hedging instruments**

The Group uses foreign exchange forward contracts to manage some of its transaction exposures. The contracts are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally from 4 to 6 months.

## 38.2 Financial risk management objectives and policies

The Group's financial instruments principally comprise cash and cash equivalents, cash at banks for financial benefits payable, assets for margin deposits and benefits, other current financial assets, trade and other receivables, derivative assets/liabilities, other non-current financial assets, assets for clearing system protection and benefits, securities investor protection fund, derivatives investor protection fund, reserve fund for clearing and settlement, margin deposits and benefits payable, trade and other payables, assets for clearing system protection and benefits payable, contributions and benefits to securities investor protection fund, contributions and benefits to derivatives investor protection fund and lease liabilities. The financial risks associated with these financial instruments and how they are managed is described below.

### **Credit risk**

The Group has no significant concentrations of credit risk. The Group has appropriate policies in place to ensure that the Group provides services to customers who have appropriate credit history.

### ***Trade receivables***

The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding trade receivables are regularly monitored.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due. The calculation reflects the probability reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

The Group manages the credit risk relating to investments by determining the minimum credit rating and the proportion of investment to the issuer. The investment framework has been approved by the Investment Committee, which imposed a limit to reduce the concentration risk and default risk of counterparties.

### **Market risk**

There are two types of market risk comprising foreign currency risk and interest rate risk. The Group enters into a variety of forward contracts to mitigate the risk of rising interest rates and foreign currency rates.

### ***Foreign currency risk***

The Group has no significant exposure to foreign currency risk relates due to its accounts receivable and accounts payable are mainly made in Thai Baht, except for foreign investments in some foreign currencies. However, the Group has appropriately applied forward exchange contracts to hedge foreign exchange risk of such investments.

As at 31 December 2023 and 2022, the Group has financial assets and liabilities in foreign currency as follows:

Consolidated financial statements						
Currency	Financial assets		Financial liabilities		Average foreign currency	
	2023	2022	2023	2022	2023	2022
	(Million)	(Million)	(Million)	(Million)	(Baht per Foreign Currency)	
US Dollar	105	165	3	56	34.22	34.56

Separate financial statements						
Currency	Financial assets		Financial liabilities		Average foreign currency	
	2023	2022	2023	2022	2023	2022
	(Million)	(Million)	(Million)	(Million)	(Baht per Foreign Currency)	
US Dollar	95	84	1	-	34.22	34.56

### **Interest rate risk**

The Group's exposure to interest rate risk relates primarily to long-term loan and short-term loan. Most of the Group's financial assets and liabilities floating interest rates or fixed interest rates which are close to the market rate.

Interest rate risk arises from the volatility of interest rates in the market which may affect the Group's investments in debt securities and operating results and cash flow. The Group has establishment investment policy by stipulating the remaining of the instruments in order to limit interest rate risk. The Group does not have interest rate derivative in order to manage fluctuation of the interest rate.

As at 31 December 2023 and 2022, significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date (if this occurs before the maturity date).



(Unit: Million Baht)

Consolidated financial statement							
2023							
Fixed interest rates							
	Within 1 year	1-5 years	Over 5 years	Floating interest rate	Non-interest bearing	Total	Effective interest rate (% per annum)
<b>Financial assets</b>							
Cash and cash equivalents	-	-	-	2,781	47	2,828	0.04 - 2.00
Cash at banks for financial benefits payables	50	-	-	44	-	94	1.65 - 1.85
Assets for margin deposits and benefits	8,496	1,871	-	7,759	191	18,317	0.05 - 2.75
Other current financial assets	4,215	4,711	2,041	1	-	10,968	0.04 - 3.88
Trade and other receivables	61	-	-	25	440	526	0.04 - 1.75
Derivative assets	-	-	-	-	105	105	-
Other non-current financial assets	805	885	36	1	5,818	7,545	1.15 - 6.57
Assets for clearing system protection and benefits	857	1,397	-	20	6	2,280	0.30 - 2.52
Securities investor protection fund	213	80	99	3	472	867	0.50 - 3.93
Derivatives investor protection fund	45	24	41	7	-	117	0.05 - 3.38
Reserve fund for clearing and settlement	2,813	2,812	125	-	21	5,771	1.15 - 2.88
	<u>17,555</u>	<u>11,780</u>	<u>2,342</u>	<u>10,641</u>	<u>7,100</u>	<u>49,418</u>	
<b>Financial liabilities</b>							
Margin deposits and benefit payables	-	-	-	-	18,317	18,317	-
Trade and other payables	-	-	-	-	2,203	2,203	-
Assets for clearing system protection and benefits payable	-	-	-	-	2,128	2,128	-
Contributions and benefits to securities investor protection fund	-	-	-	-	349	349	-
Contributions and benefits to derivatives investor protection fund	-	-	-	-	57	57	-
Lease liabilities	11	12	-	-	-	23	5.28 - 5.67
Other current liabilities	-	-	-	-	195	195	-
	<u>11</u>	<u>12</u>	<u>-</u>	<u>-</u>	<u>23,249</u>	<u>23,272</u>	

(Unit: Million Baht)

Consolidated financial statement							
2022							
Fixed interest rates							
	Within 1 year	1-5 years	Over 5 years	Floating interest rate	Non-interest bearing	Total	Effective interest rate (% per annum)
<b>Financial assets</b>							
Cash and cash equivalents	-	-	-	5,581	40	5,621	0.05 - 0.80
Cash at banks for financial benefits payables	50	-	-	34	-	84	0.10 - 0.65
Assets for margin deposits and benefits	6,754	2,901	-	8,655	148	18,458	0.05 - 2.35
Other current financial assets	4,128	2,885	665	2	-	7,680	0.05 - 3.25
Trade and other receivables	61	-	-	28	504	593	0.05 - 1.10
Derivative assets	-	-	-	-	112	112	-
Other non-current financial assets	702	1,079	32	-	5,817	7,630	0.55 - 2.06
Assets for clearing system protection and benefits	471	1,749	-	39	20	2,279	0.05 - 2.16
Securities investor protection fund	289	116	171	105	169	850	0.05 - 3.38
Derivatives investor protection fund	47	55	-	13	-	115	0.05 - 3.38
Reserve fund for clearing and settlement	2,480	3,108	112	-	10	5,710	0.55 - 2.06
	<u>14,982</u>	<u>11,893</u>	<u>980</u>	<u>14,457</u>	<u>6,820</u>	<u>49,132</u>	
<b>Financial liabilities</b>							
Margin deposits and benefit payables	-	-	-	-	18,458	18,458	-
Trade and other payables	-	-	-	-	2,212	2,212	-
Assets for clearing system protection and benefits payable	-	-	-	-	2,128	2,128	-
Contributions and benefits to securities investor protection fund	-	-	-	-	341	341	-
Contributions and benefits to derivatives investor protection fund	-	-	-	-	56	56	-
Lease liabilities	11	14	-	-	-	25	5.28 - 5.56
Other current liabilities	-	-	-	-	57	57	-
	<u>11</u>	<u>14</u>	<u>-</u>	<u>-</u>	<u>23,252</u>	<u>23,277</u>	

(Unit: Million Baht)

Separate financial statement							
2023							
Fixed interest rates							
	Within 1 year	1-5 years	Over 5 years	Floating interest rate	Non-interest bearing	Total	Effective interest rate (% per annum)
<b>Financial assets</b>							
Cash and cash equivalent	-	-	-	2,192	23	2,215	0.04 - 2.00
Other current financial assets	3,713	3,082	1,511	1	-	8,307	0.04 - 3.38
Trade and other receivables	-	-	-	-	458	458	-
Derivative assets	-	-	-	-	105	105	-
Other non-current financial assets	-	80	-	-	5,551	5,631	6.09 - 6.57
Assets for clearing system protection and benefit	-	-	-	-	152	152	-
Securities investor protection fund	213	80	99	3	472	867	0.50 - 3.93
Long-term loans to subsidiaries	-	-	-	6,141	-	6,141	Note 6
	<u>3,926</u>	<u>3,242</u>	<u>1,610</u>	<u>8,337</u>	<u>6,761</u>	<u>23,876</u>	
<b>Financial liabilities</b>							
Trade and other payables	-	-	-	-	1,946	1,946	-
Short-term loans from subsidiaries	2,172	-	-	-	-	2,172	0.51 - 2.46
Contributions and benefits to securities investor protection fund	-	-	-	-	349	349	-
Lease liabilities	11	12	-	-	-	23	5.28 - 5.67
Other current liabilities	-	-	-	-	46	46	-
	<u>2,183</u>	<u>12</u>	<u>-</u>	<u>-</u>	<u>2,341</u>	<u>4,536</u>	

(Unit: Million Baht)

	Separate financial statement						Effective interest rate (% per annum)
	2022						
	Fixed interest rates			Floating interest rate	Non-interest bearing	Total	
Within 1 year	1-5 years	Over 5 years					
<b>Financial assets</b>							
Cash and cash equivalent	-	-	-	4,424	13	4,437	0.05 - 0.80
Other current financial assets	3,287	1,779	822	2	-	5,890	0.05 - 3.21
Trade and other receivables	-	-	-	-	407	407	-
Derivative assets	-	-	-	-	112	112	-
Other non-current financial assets	-	200	-	-	4,956	5,156	3.38
Assets for clearing system protection and benefit	-	-	-	-	151	151	-
Securities investor protection fund	289	116	171	105	169	850	0.05 - 3.38
Long-term loans to subsidiaries	-	-	-	6,141	-	6,141	Note 6
	<u>3,576</u>	<u>2,095</u>	<u>993</u>	<u>10,672</u>	<u>5,808</u>	<u>23,144</u>	
<b>Financial liabilities</b>							
Trade and other payables	-	-	-	-	1,924	1,924	-
Short-term loans from subsidiaries	1,931	-	-	-	-	1,931	0.44 - 1.45
Contributions and benefits to securities investor protection fund	-	-	-	-	341	341	-
Lease liabilities	11	14	-	-	-	25	5.28 - 5.56
Other current liabilities	-	-	-	-	45	45	-
	<u>1,942</u>	<u>14</u>	<u>-</u>	<u>-</u>	<u>2,310</u>	<u>4,266</u>	

**Liquidity risk**

The Group has no significant exposure to liquidity risk as the Group has sufficient cash to support its operations. The Group aims on maintaining flexibility of funding by using internal capital of the Group.

The table below summarises the maturity profile of the Group's non-derivative financial liabilities and derivative financial instruments as at 31 December 2023 and 2022 based on contractual undiscounted cash flows

:

(Unit: Million Baht)

Consolidated financial statement						
2023						
	On Demand	Less than 1 year	1 to 5 Years	> 5 years	No maturity	Total
<b>Non-derivatives</b>						
Margin deposits and benefits payables	18,317	-	-	-	-	18,317
Trade and other payables	-	2,203	-	-	-	2,203
Assets for clearing system protection and benefits payable	-	-	-	-	2,128	2,128
Contributions and benefits to securities investor protection fund	-	-	-	-	349	349
Contributions and benefits to derivatives Investor protection fund	-	-	-	-	57	57
Lease liabilities	-	54	-	-	-	54
Other current liabilities	-	11	14	-	-	25
<b>Total non-derivatives</b>	<b>18,317</b>	<b>2,268</b>	<b>14</b>	<b>-</b>	<b>2,534</b>	<b>23,133</b>

(Unit: Million Baht)

Consolidated financial statement						
2022						
	On Demand	Less than 1 year	1 to 5 Years	> 5 years	No maturity	Total
<b>Non-derivatives</b>						
Margin deposits and benefits payables	18,458	-	-	-	-	18,458
Trade and other payables	-	2,212	-	-	-	2,212
Assets for clearing system protection and benefits payable	-	-	-	-	2,128	2,128
Contributions and benefits to securities investor protection fund	-	-	-	-	341	341
Contributions and benefits to derivatives Investor protection fund	-	-	-	-	56	56
Lease liabilities	-	11	16	-	-	27
Other current liabilities	-	57	-	-	-	57
<b>Total non-derivatives</b>	<b>18,458</b>	<b>2,280</b>	<b>16</b>	<b>-</b>	<b>2,525</b>	<b>23,279</b>

(Unit: Million Baht)

	Separate financial statement					
	2023					
	On demand	Less than 1 year	1 to 5 years	> 5 years	No maturity	Total
<b>Non-derivatives</b>						
Trade and other payables	-	1,946	-	-	-	1,946
Short-term loans from subsidiaries	-	2,197	-	-	-	2,197
Contributions and benefits to securities investor protection fund	-	-	-	-	349	349
Lease liabilities	-	11	14	-	-	25
Other current liabilities	-	46	-	-	-	46
<b>Total non-derivatives</b>	<b>-</b>	<b>4,200</b>	<b>14</b>	<b>-</b>	<b>349</b>	<b>4,563</b>

(Unit: Million Baht)

	Separate financial statement					
	2022					
	On demand	Less than 1 year	1 to 5 years	> 5 years	No maturity	Total
<b>Non-derivatives</b>						
Trade and other payables	-	1,924	-	-	-	1,924
Short-term loans from subsidiaries	-	1,945	-	-	-	1,945
Contributions and benefits to securities investor protection fund	-	-	-	-	341	341
Lease liabilities	-	11	16	-	-	27
Other current liabilities	-	45	-	-	-	45
<b>Total non-derivatives</b>	<b>-</b>	<b>3,925</b>	<b>16</b>	<b>-</b>	<b>341</b>	<b>4,282</b>

### 38.3 Fair values of financial instruments

Since the majority of the Group's financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

The carrying amount and fair value of financial assets that are not measured as at 31 December 2023 and 2022 as follows:

(Unit: Million baht)

	Consolidated financial statements			
	2023		2022	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>Financial assets</b>				
Investments measured at amortised cost				
Government bonds and debentures	9,719	9,692	7,824	7,831
Fixed deposits	1,973	1,837	4,305	4,220

(Unit: Million baht)

	Separate financial statements			
	2023		2022	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>Financial assets</b>				
Investments measured at amortised cost				
Government bonds and debentures	280	280	786	795
Fixed deposit	935	796	1,585	1,498

The methods and assumptions used by the Group estimating the fair value of financial instruments are as follows:

- Financial assets and liabilities which have short-term maturities including cash and cash equivalents, cash at banks for financial benefits payable, cash at banks as shown in assets for margin deposits and benefits, assets for clearing system protection and benefits and reserve fund for clearing and settlement, cash at banks and other current financial assets as shown in securities investor protection fund, derivatives investor protection fund, trade and other receivables, other current financial assets, trade and other payables and margin deposits and benefits payable are presented at their approximate fair value based on the carrying amounts in the statement of financial position.
- Debt instruments as shown in other current financial assets, other non-current financial assets, assets for margin deposits and benefits, assets for clearing system protection and benefits, securities investor protection fund, derivatives investor protection fund and reserve fund for clearing and settlement are presented at fair value or calculated by using the rate of return announced by Thai Bond Market Association or other markets.
- Equity investments presented under other current financial assets, other non-current financial assets, assets for margin deposits and benefits, assets for clearing system protection and benefits, securities investor protection fund, derivatives investor protection fund and reserve fund for clearing and settlement are presented at fair value or referred generally accepted valuation model in case no market value is available.



- d) Derivatives are presented at fair value calculated by discounted cash flow and of valuation models. Value estimations use data that is observable in related markets such as spot rate, foreign currency forward rate, yield curve of interest rate. The Group considers the effect of credit risk of the counterparty on the estimation of fair value of derivatives.
- e) Contributions and benefits to securities investor protection fund are presented at fair value based on the estimated value close to the carrying amounts in the statements of financial position.
- f) Contributions and benefits to derivatives investor protection fund are presented at fair value based on the estimated value close to the carrying amounts in the statements of financial position.

During the current year, there were no transfers within the fair value hierarchy.

### **39. Capital management**

The primary objective of the Group's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise fund value. As at 31 December 2023, the Group's debt-to-fund ratio was 0.80:1 (2022: 0.82:1) and SET's was 0.24:1 (2022: 0.24:1).

In addition, a subsidiary has objective to maintain net capital in accordance with the rules laid down by the Office of the Securities and Exchange Commission.

### **40. Approval of financial statements**

These financial statements were authorised for issue by the Stock Exchange's Board of Governors on 21 February 2024.

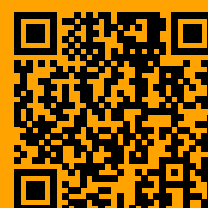


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