

# Sustainability Report 2021



*Krunghai Car Rent & Lease PLC.*

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# Sustainability Report 2021

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## Message from the Chairman of the Board


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Krungthai Car Rent and Lease Public Company Limited is holding fast to ethical business practices, good corporate governance, ethics, transparency, with a clear policy in its vision, business ethics, code of conduct, and anti-corruption policy with responsibility requirements and appropriate practices to prevent corruption in all business operations of the company for all executives and employees to acknowledge and implement them accordingly and completely by having the Corporate Governance Committee and the Working Group for Sustainable Development that take responsibility and direct the operations in clear directions.

For the role of the company with sustainable growth, the company collects and prioritises sustainability issues related to business operations. It conducts its operations based on the GRI (Global Reporting Initiative) reporting guidelines for both internal and external communications, as well as guidelines for the implementation of responsibilities towards society, community, environment, and sustainable development, by setting up sustainability goals in each dimension. Its economic dimension aims at being a company that generates sustainable returns for all stakeholders, focuses on service excellence, operates businesses under the good governance principles, along with risk management in marketing, finance, and operations. The company's social dimension aims at being responsible social citizens to create a safe society by organising training sessions for the clients in the subjects of safe driving which is believed to help reduce the rate of road accidents and losses of life. Its environmental dimension includes a goal of reducing air pollution through a stipulation of rules for the management of waste from business operations, and a policy to reduce the use of paper through the development and modification of the working culture towards digitalism, including presentation of electric vehicle (EV) rental service to corporate and government clients.

As for business operations under the situations of CoVid-19 pandemic, the company is well aware of clients' safety. A special team, therefore, has been set up to spray disinfectant in clients' rental cars for free of charge. The company also provides several kinds of support by collaborating with several charitable organisations, namely, E-Chan Facebook page and Phetkasem Bangkok Foundation. The company gave vehicular support to the charitable organisations in order to help transporting patients and those in need to their native domiciles, face masks for medical personnel and those under quarantine.

On behalf of the company, I would like to convey gratitude towards our clients, business partners, communities, and all related parties for their support for the company's operations and activities for sustainable development. The company vows to put emphasis on employee development, improvement of internal management that gives zero impact to the societies and environment, including the use of resources in our operations for the maximum benefit under conscience of responsibilities towards societies, communities, and environment, for the sake of sustainable development.



(Pithep Chantaraseekul)

The Chairman of the Board of Directors

# Getting to Know



## 1992

Registered since the name of “Krungthai Car Rent International Co., Ltd.” by Mr. Paitoon Chantaraseekul with registered capital of Baht 4 million The Company operated car lease business daily, monthly, yearly.



## 2004

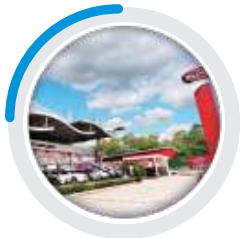
the Company became a Public Company namely “Krungthai Car Rent and Lease Public Company Limited” and changed in the par value of Baht 1,000 per share to Baht 1 per share.

## 2005

The Company sold 50 million common shares to the public so that the new Company paid-up capital is as of Baht 250 million.

In June 2005, the Company invested in Krungthai Automobile Co., Ltd., a subsidiary company, whose nature of business is the sales of used cars and leased cars that have exceeded its leasability period under the front name of “Toyota Sure”, in which the Company held 40 million baht (accounted to 100% of total shares). As a development, the Company in January this year increased its proportion of investment in the subsidiary company to 100% of the total shares. For the current moment, the subsidiary company owns three branches of used car outlet.

1. Headquarters on Kanchanabhisek road
2. Srinagarindra road branch
3. Kaset branch
4. Kanchanaphisek-Baromarachachonani Branch



## 2021

The company’s credit rating was A- with a “stable” Outlook by Tris Rating.

The company was rated as “Very Good” rating from an assessment of corporate governance from the corporate governance survey of listed company conducted by the Thai Institute of Directors Association (IOD)

The company was certified as a member of the Private Sector Collective Action Coalition Against Corruption (CAC)



TRIS



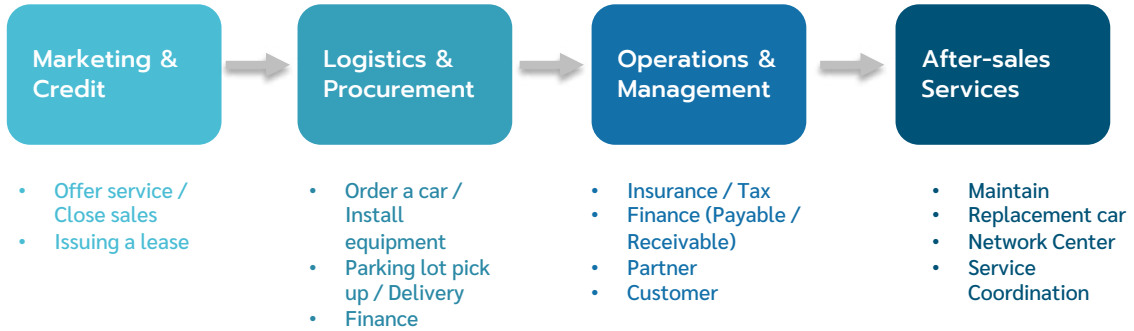
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CAC

# Value Chain

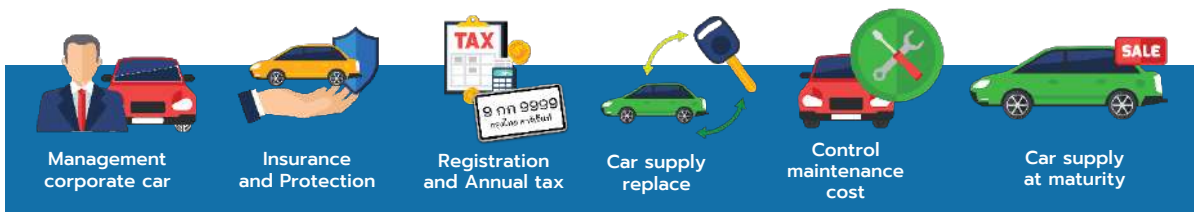
## Car rental business plan



Krungthai Car Rent and Lease Public Company Limited operates the rented car as operating lease with the agreement of not more than 5 years and short term rent of not more than 1 year. In addition the Company also sell the expired leasing car via distribution channels which are subsidiary companies (Krungthai Auto Mobile co., Ltd. “Toyota Sure Krungthai Used Cars”) that bring the profit of selling expired leasing car as well.

The operating lease covers a lease term from one year to five years. The target groups include medium and large corporations, multinational corporations, government agencies and state enterprises having demand for vehicle services together with comprehensive supplementary services to reduce their unnecessary expenses relating to vehicle operation and management. The company provides first class insurance for all cars and the Company responsible for the expense related to the vehicle i.e. expense for registration and vehicle tax, inspection expense, maintenance expense including 24 hour-call center to support the client in case of emergency and car replacement in case of accident or loss.

The company has a service center at its head office on Rama 3 Road, as well as other service centers that have contracts with more than 1,000 companies, ensuring that customers are well taken care of at all times. as well as to protect against risks that may occur with the Company's assets.



# Scope of Sustainability Policy

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## Scope of Reporting

Krungthai Car Rent and Lease Public Company Limited (Company) annually produces a sustainability report annually as a communication channel for business stakeholders to acknowledge the company's commitment and performance of the goals for sustainability plans as approved by the Board of Directors. The report presents the company's overall performances in terms of sustainability covering economic, social, environmental dimensions, including the company's corporate governance. The information stated in this report is the information collected between January 1 and December 31, 2021. The report also includes the comparison of such information with that of the previous year, in order to set the goals and seek ways to develop the business operation in each dimension so as to create awareness and the ability to concretely respond to the stakeholders.

This report is compiled under the reporting framework of the Sustainability Report and Sustainability Indicators Criteria as designated by the Stock Exchange of Thailand, and the reporting framework guidelines by the "Sustainable Business Growth Team" consisting of employees from various departments of the company who are in contact, coordination, data collection, initiation of data collection in other dimensions related to important issues in driving the business to the sustainable growth.

The Company realizes the importance of conducting business with responsibility towards society, community and environment. Along with generating returns or good results in the economy. to lead to the important goal is Business development for sustainable growth The content and accuracy have been reviewed by the company's management and can download this report at [www.krungthai.co.th](http://www.krungthai.co.th)



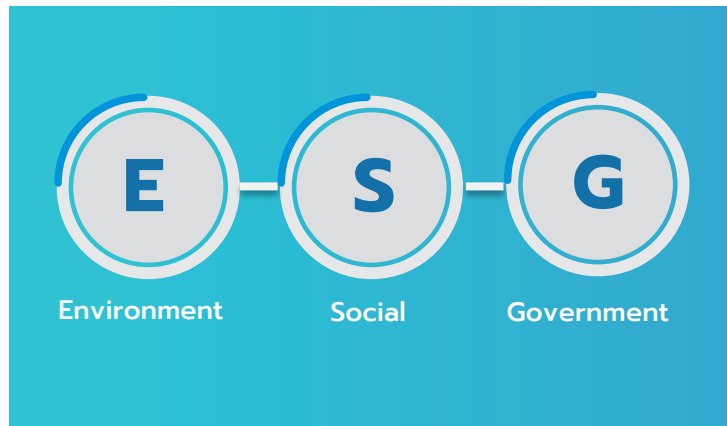


# Sustainability Operations Policy

From the company's ideology that focuses on customer service excellence



The Leading Car Rental company focusing on distinguished services, underlining the business growth in sustainability way, emphasizing on the business partners collaboration and customer-value creation philosophy, developing staff skills to progress and professional-liked while nourishing them the morality, community, social and environment responsibilities under the good corporate governance practices.

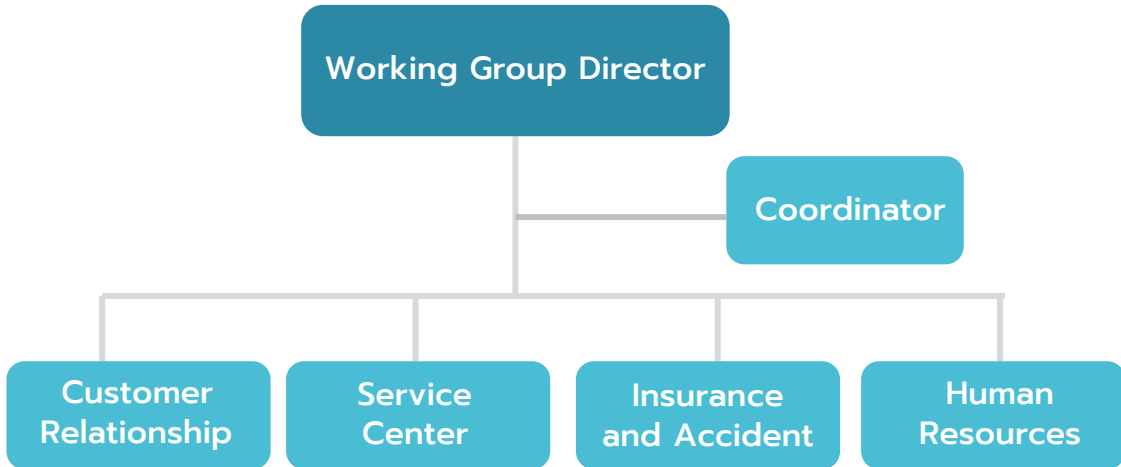


**The company has constituted a policy and a set of guidelines for various operations as stated in the following :**

1. Ensure equality in the rights of all groups of stakeholders, namely employees, executives, shareholders, business partners, creditors, debtors, competitors, government, private sectors, the outlying communities, and the society, by assuring that these entities shall be treated well and lawfully. Such rights shall be accepted by all parties and shall be protected with fairness, transparency, and verifiability.
2. Focus on the business (in-process) of the company that correspond to the business operation policy for sustainable growth, by interlinking participation from both internal and external stakeholders with emphasis on value, loss minimisation, safety, and encouragement for employees to be aware of their work to fulfil the company's business goal for sustainability.
3. Focus on (after-process) promoting, supporting, and sharing responsibility for the community, society, and the environment by a division of related activities, supporting donations in the form of money or items for the benefit of outlying communities, the society, and the environment by giving assistance to the communities and the society, In the past, vans have been supported to transport medical personnel to the field hospital for treatment. and take-transfer covid-19 patients to the hospital both in Bangkok and other provinces

# Sustainable Development Committee

The working group of the Committee for Sustainable Development is as follows:



## SD Committee member has the following powers and duties:

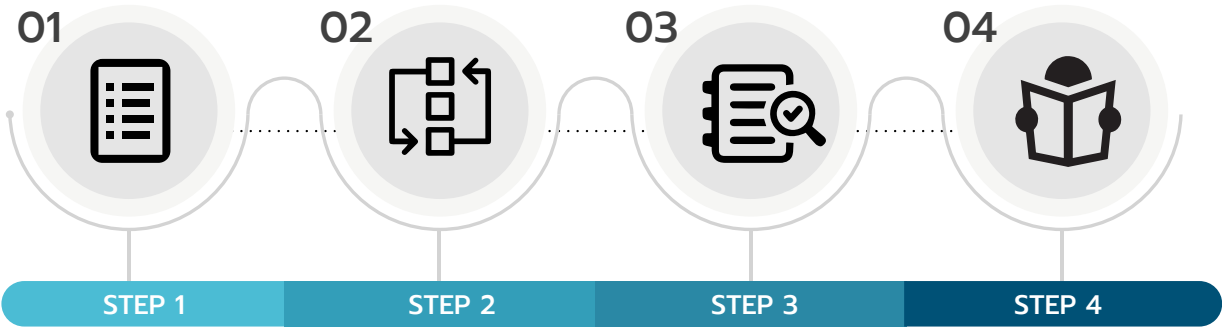
- To consider the Company activity and policy for society, community and environment in order to present to the Board of Directors.
- To consider and approve for the Company strategy and activity to achieve the SD objective and policy.
- To consider and screen the plan and annual budget for the implementation of SD in order to present to the Board of Directors.
- Consider and monitor the progress in implementation and evaluation of SD as well as the quality of the CSR program.
- Encourage the Board of Directors and employees involved in the operation of SD.
- Consider appointing for a working group to support CSR activity.
- Operate any activity appointed by the Board of Directors concerning SD operation.



# Important issues on Sustainability

The procedures of assessing the sustainability issue consist of collecting and prioritising issues affecting the economy, society, environment, and issues affecting the decision-making of stakeholders, which come from the revision and comparison of data in the identical industry from the previous year, to assess the envisioned risks affecting the company’s business operations, with the following procedures.

### Procedures of Sustainability Assessment:



#### Identification of key issues

Study and collect sustainability issues from the previous year’s important issues which are comparable in the same industry from the company’s stakeholders through various communication channels and from the assessment of potential risks presented to the working group.

#### Prioritisation of key issues

Analysis and revision of information obtained from internal and external inquiries of stakeholders. Prioritisation of sustainability-related topics by level -from very low to very high. As a result, the prioritisation finds 2 axes as the following:

- Horizontal axis : issues that influence stakeholders’ decision-making.
- Vertical Axis : Issues affecting the business.

#### Consideration and examination of key issues

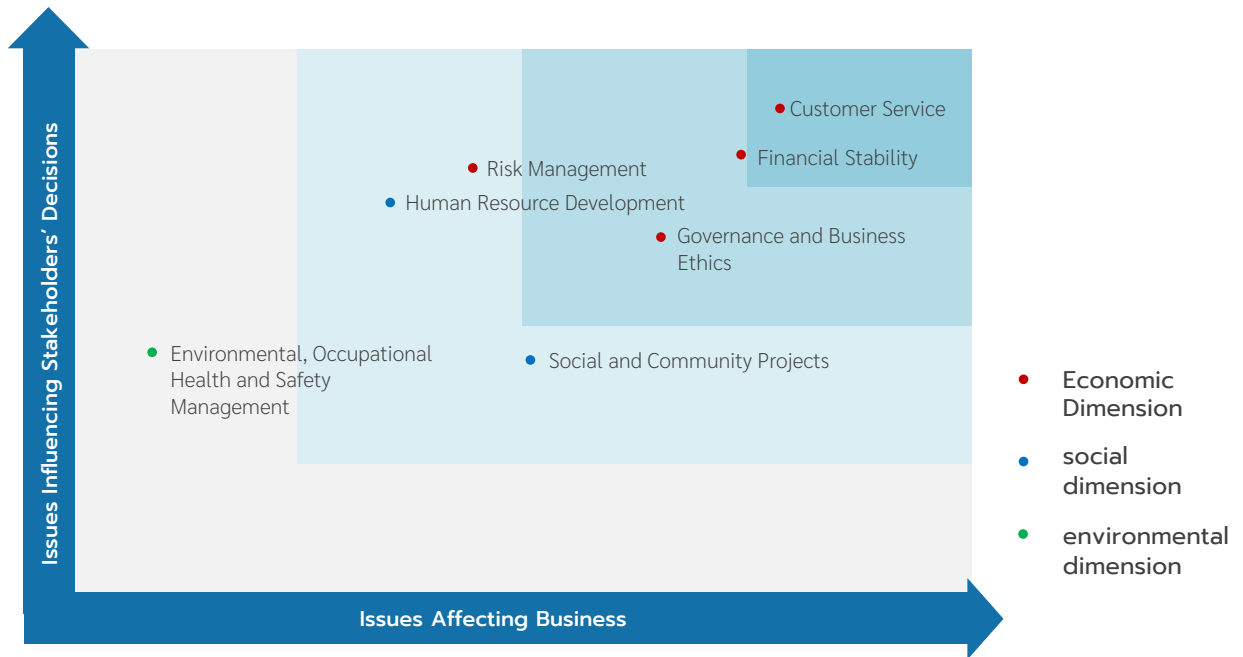
Presentation of priorities in each issue to the related parties for their acknowledgement. Request of approval for disclosure of such information in the Sustainable Development Report.

#### Review of key issues

The hearing of stakeholders’ comments and suggestions through established channels of communication in order to improve the company’s business operations, leading to the disclosure of such information in the next report.

# Process of Sustainability Priority

The annual definition process of the key sustainability topics yields 7 topics with results sorted by importance as the business-oriented and stakeholder-oriented topics.



## The extent of the impact of sustainability issues

The extent of the impact of sustainability issues	Dimension	Scope		Page	Topics
		Inside	External		
Client service	Economic Dimension	Company	Customer	13	Customer Service
Financial Stability	Economic Dimension	Company	All Groups	Performance in the annual report	
Governance and Business Ethics	Economic Dimension	Company	Customer Shareholders and	15	Governance and Business Ethics in the Annual Report
			investors, Regulators	16	Anti-Corruption
Risk Management	Economic Dimension	Company	All Groups	19	Management of the Risk of Covid-19
Human Resource Development	Social Dimension	Company	All Groups	22	Human Resource Development
Social and Community Projects	Social Dimension	Company	Customer	25	Social and Community Projects
Environmental Management Occupational health and Safety	Environmental Dimension	Company	Community	27	Environmental Management Occupational health and Safety

# Stakeholder Participation

## Group of internal and external stakeholders



## Communication channel on sustainable development to stakeholders





Channel of Participation	Shareholders and Investor	Customer	Employee	Creditors and Partners	Community	Rival	Regulators
Company website	/	/	/	/	/	/	/
Facebook (@krungthaicarrent)	/	/	/	/	/	/	/
Shareholder Meeting	/						
Public relations board			/				
E-mail	/	/	/	/	/	/	/
LINE (@kcar)	/	/	/	/	/	/	/
Telephone	/	/	/	/	/	/	/
Annual report	/	/	/	/	/	/	/
Meet with analysts investor relations	/	/		/			/

## Changes in reporting on key sustainability issues

- Change unavailable

### Stakeholders' Participation

Stakeholder Group	Types of Participation	Expectations and Key Points	Responses
Shareholders and investors 	<ol style="list-style-type: none"> <li>1. Online and offline Annual General Meeting of Shareholders.</li> <li>2. Disclosure of operating results through the SET's SET link system and the company's website</li> <li>3. A channel for inquiry on the company's website, through telephone and email.</li> </ol>	<ol style="list-style-type: none"> <li>1. Providing continuous returns and sustainable growth of performance</li> <li>2. Disclosure of accurate information.</li> </ol>	<ol style="list-style-type: none"> <li>1. Focus on ESG norms and sustainable business growth.</li> <li>2. Disclosure of reviewed, verified, and audited information to shareholders and investors and the Stock Exchange of Thailand.</li> <li>3. Invitations of Annual General Meeting of Shareholders sent to shareholders. They may submit questions and comments at the meeting.</li> </ol>
Clients 	<ol style="list-style-type: none"> <li>1. Provision of client relations staff so as to meet the needs of clients.</li> <li>2. Client visitations to strengthen relationships on a regular basis.</li> <li>3. More access points and communication channels such as LINE and Facebook.</li> <li>4. More short-term rental service points.</li> <li>5. Extension of credit line at service centres to better cater to clients across the country.</li> <li>6. Provision of channels for clients to suggest or complaints on the company's website.</li> </ol>	<ol style="list-style-type: none"> <li>1. Client service with responsibility and ethics.</li> <li>2. Responses of clients' requests in a timely manner.</li> </ol>	<ol style="list-style-type: none"> <li>1. Staff training to provide effective service to impress clients.</li> <li>2. Information presentation and delivery of vehicles and services that meet customer requirements.</li> <li>3. Addition of communication channels, short-term rental service points and extension of credit line with service centres nationwide.</li> </ol>
Employee 	<ol style="list-style-type: none"> <li>1. Orientation of new employees and activity to know employees' needs in attending learning courses in consistency with the company's growth.</li> <li>2. Arrangement of channels to receive opinions and suggestions.</li> <li>3. The organising of activities to build relationships with employees to build morale among employees.</li> <li>4. Online and offline communication with employees through LINE and Zoom to create understanding of business operations and good corporate culture.</li> </ol>	<ol style="list-style-type: none"> <li>1. Remuneration, salary, and benefits.</li> <li>2. Development of personnel.</li> <li>3. Growth goals.</li> <li>4. Working environment.</li> <li>5. Employee care under Covid-19 situations.</li> </ol>	<ol style="list-style-type: none"> <li>1. Preparation of new salary structure.</li> <li>2. Evaluation of work performance.</li> <li>3. Training plan.</li> <li>4. Establishment of career paths.</li> <li>5. Preparation of questionnaires for employees about the working environment.</li> </ol>

Stakeholder Group	Types of Participation	Expectations and Key Points	Responses
Creditors and partners 	Online and offline communication through various channels to receive suggestions or complaints.	1. Ability to pay debts as scheduled. 2. Communication and disclosure of information.	1. Adherence to the framework of fair competition and according to the ethics of being good partners. 2. Completion of payments in compliance with the conditions expected from the partners.
Community 	Participation in and support of community activities, volunteer projects, and other aids.	Taking care of living conditions so as not to be affected.	Sustainable business operations in tandem with good community, social and environmental development.
Business rivals 	The organising of meetings to exchange ideas and cooperation according to various agendas.	Conduct business and competition with transparency and fairness according to the framework of fair competition.	Fair and ethical treatment of competitors by adhering to the principles of trade etiquettes, including terms and conditions that have been mutually agreed upon.
Local and government regulators 	1. Participation in meetings on policy and governance guidelines. 2. Contact and coordination with regulatory agencies.	Compliance with laws, policies, and regulations.	Work performance to meet the established rules and regulations.



The logo features a central blue circle with a white-to-blue gradient. The text "Dimension economy" is written in white, bold, sans-serif font across the center. This central circle is surrounded by a thick, light gray ring. A teal-colored brushstroke-like line enters from the left, curves around the bottom of the gray ring, and ends at the bottom center. In the bottom right corner of the white background, there is a grid of small, light gray dots.

# Dimension economy

# Customer Service

The company impresses customers. And respond to all levels of customer needs by the company will buy cars. according to the requirements of each customer and to create added value for the service The company has provided first class car insurance with reputable insurance companies for every car. and responsible for car-related expenses such as repair fees, registration fees, etc. In addition, the company has a comprehensive after-sales service, such as maintenance management. replacement car service There are more than 1,000 maintenance and inspection centers throughout the Kingdom. Including a 24-hour coordination center (Call Center) to serve customers in case of emergency. There is a team that will help coordinate. and give advice with a team of emergency technicians and mobile maintenance vehicles which is ready to help at the scene of the accident with towing service in Bangkok and perimeter every day including having a replacement car service in the event of an accident.

The long-term goal is to create a customer satisfaction score of more than 90 percent and reduce customer complaints to 0%, including handling customer complaints within 3 days from the activities and services the company delivers to customers. that help customers gain knowledge and the highest rental benefits as follows :

## 1) Development of the Quality of Car Service

### Battery Mobile Service

The Mobile Battery Service is a service for battery changing for cars within the period of lease and maintenance contract that are due of battery change to ensure that customers have utmost confidence in driving the leased cars, and to prevent risk factors occurred from battery malfunction while on the road.

### Mobile Service

The Mobile Service offers an oil change service for cars within the period of lease and maintenance contract that are due of engine oil change to give the cars maintenance activity on a regular basis. The service also helps reduce pollution emitted by engines that are badly cared and accidents occurred by car abuse.





## 2.) Prevention and Minimisation of Loss from Driving

As the company's nature of business is car rental service, the company is concerned about various aspects of impact that could possibly emerge from driving cars. The company, therefore, launched the training of safe driving activities on a regular basis with the objective to prevent and minimise losses from driving and to promote among car users accident prevention from driving with carefulness and quality maintenance of cars. The safe driving and other projects involving cars, in the past year, successfully reached the customers.



## 3.) Disinfectant Spray

The company therefore arranges to spray disinfectant. For both government and private agencies including rental cars and private cars without any cost, including delivering products to prevent COVID such as alcohol gel, masks, etc. In 2021, the company has provided spray disinfection services to 336 customers, totaling 2,915 vehicles.



# Governance and Business Ethics

The company adheres to the principles of good governance as the good governance is empirically believed to maximize the competitiveness and efficiency in the management of the organization, which, in turn, creates added value for the company, shareholders, and stakeholders, in the long run. The policy about the company's business management is stated in the annual report of the year 2021.

The company has set the goal of the good governance, starting from the clear structure of management, nomination and recruiting of knowledgeable board of directors with visionary management skills, designation of responsibilities among the board of directors, complete, transparent, and timely disclosure of information, transfer of policy and guidelines to inform the executives and employees of guidelines of the organization.

The company was rated as "Very Good" rating from an assessment of corporate governance from the corporate governance survey of listed company conducted by the Thai Institute of Directors Association (IOD)

Sustainable Management Structure as at December 31, 2021



The objectives, powers and duties of the sub-committees have been defined in the annual report 2021.

# Anti-Corruption

The company recognizes the importance of good corporate governance principles by adhering to the basis of conducting business with honesty, transparency, fairness, responsibility, and prudence under related standards, laws, and regulations. The company has established anti-corruption policies, guidelines, and procedures for appropriate implementation requirements to prevent against corruption within the company's entire business activities, and in order to prevent corruption risks. In 2018, the company was celebrated as a member of the Thai Private Sector Collective Action Coalition Against Corruption (CAC).

The Chairman of the Board received a certificate certifying as a member of Thailand's Private Sector Collective Action Coalition Against Corruption "CAC" from the Committee of the Private Sector Collective Action Coalition Against Corruption (CAC).



In this report, some "anti-corruption policies" are discussed and disclosed. "Anti-Corruption Policy" in full version on the company's website [www.krungthai.co.th](http://www.krungthai.co.th)

by the goals of the company The occurrence of corruption is 0 and there are no complaints from individuals/organizations both outside and within the company.

## Anti-Corruption Policy

Directors are prohibited from Management and employees of the company Accept all forms of corruption, directly or indirectly, including receipts, gifts, entertainment, solicitations, donations and any other benefits. to oneself from persons doing business with the Company to include employees, business partners, customers and all groups of stakeholders both domestically and internationally.

### Responsibilities

**Board of Directors** The making of policies and supervision of the system that supports

**Audit Committee** Review of financial and accounting reporting, internal control, internal audit, and risk management systems.

**Managing Director, Management Team and Executives** Designation of a system to promote and support the anti-corruption policies. Communication of such policies among employees and related parties and review of the policies accordingly so that the work is concluded in accordance with the policies in the changing situations.

**Internal Audit Officer** Auditing and reviewing of the operations to ensure that the operations are in accordance with the policies, practices, regulations, laws, and regulatory requirements.

## Prevention of corruption and anti-corruption working guidelines

Company directors, executives, and employees at all levels must comply with Anti-Corruption Policy and Code of Conduct without being involved in corruption-related activities directly or indirectly. They should not be in negligence and ignorance when they see actions that are considered corruption in the company. They should also cooperate in the investigation accordingly. If in doubt or having inquiries, they are required to consult with their respected supervisor or a person designated to be responsible for monitoring compliance with the Code of Conduct through various channels, without direct and hidden agenda connected to themselves, their families, and friends, etc.

## Corruption risk management

The company emphasises the awareness of actions that may cause corruption risks among all employees by analysing the indications, and assessing the risks of corruption on a regular basis to see if it is considered as one of the risks under the compliance risk. The company has established a preventive work system, determined the risk mitigation, and the control methods, responsible personnel, and follow-up measures to review and evaluate risk management results for employees to use as a guideline to prevent corruption. There is an internal audit unit to evaluate and follow up on good governance, Code of Conduct, and anti-corruption policy, together with a summary of the report submitted to the Board of Directors at least once annually.

## Training and Communication

Members of the Board of Directors, Executives, and Employees shall be trained and instructed continually about anti-corruption policy so that they realise the importance of the policy, especially on many forms of corruption, on risk emerged by involvement in corrupted activity, procedures of reporting of misconduct or suspicious activity. Shall receive their own copy of the anti-corruption policy or they can find it on the company's intranet, to ensure that everybody acknowledges and understands the anti-corruption policy. Besides, the updated version of the policy can be consulted at the company's web site. Trainings on the knowledge of this policy shall be a part of the orientation session for new position on the levels of the company's Members of the Board of Directors, Executives, and new employees.



## Whistleblowing and Submission of Petition

Members of the Board of Directors, Executives, and Employees, can submit petition directly, verbally or in document through the following channels :

- By phone: 02-291-8888 ext 262 (K. Supichaya Khajornchaikul)
- By E-mail : supichaya@krungthai.co.th
- Over the company’s web site at www.krungthai.co.th
- Through a letter specifying the name and sending it to the “Recipient of Complaint” at the following address

K. Supichaya Khajornchaikul/ Internal Audit  
 Krungthai Car Rent And Lease Public Company Limited  
 455/1 Rama III rd, Bang Khlo  
 Bang Kho Laem, Bangkok, 10120



## Supervision, monitoring and review

- 1) The company reviews the this policy on a regular basis (at least once a year) by considering the changing circumstances and risks, then reporting the results to the Board of Directors about the risk assessment results and suggestions about actions that should be taken to minimise the risks.
- 2) The Internal Audit Department examine on a regular basis the internal control system and various processes. The Internal Audit Department then reports issues that detected urgently to ensure that the internal control system is effective in anti-corruption In this regard. The results of the examination will be discussed with relevant parties to find appropriate solutions. A report is then generated for the senior management and the Audit Committee for further acknowledgment.

## Promotion of Ethics and Honesty Within the Organisation

The company recognises that compliance with the principles set forth in the Code of Conduct, including policies, regulations, and orders relating to anti-corruption is the key to the company’s growth and sustainability. The company, therefore, focuses on creating higher level of morality and honesty within the organisation, so that it becomes the company’s working culture.

# Risk Management

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Besides the risk management for the operations of business in various aspects as stated in the annual report of 2021, the company also realises the importance of risk management in the aspects of economy, society, environment, including the creation of long-term added values for stakeholders. The company, therefore, appointed a risk management committee to conduct an evaluation, in order to efficiently plan and manage the risks should it emerge in the future.

In 2021, the company has taken into account the risk of COVID-19 affecting the lives and safety of all stakeholders of the company. including continuity In its business operations, the Company therefore manages risks, prevents and monitors for various responses. continually Since the first epidemic in order not to have a significant impact on business operations including the quality of life and hygiene of the employees, summarized as follows:

## Managing the risk of COVID-19



### Epidemic Prevention Measures

- The company has announced an overview guideline on good hygiene measures according to the guidelines of the Ministry of Public Health and other agencies. related from time to time to the employees.
- Reduce the density of work attendance to reduce the risk of spreading the infection. By allowing each department head to consider working from home (Work from Home) and online meetings.
- Set measures to take care of employees who still need to work at the company. including social distancing, temperature measurement before entering the company, and ATK examination. All employees must wear masks at all times while working in the office. install hand sanitizer Increase cleaning cycles at risky touch points including installing partitions in the customer service point or where you need to talk regularly including limiting the number of people receiving services in the area by allocating time to receive customers' appointments.
- Support and encourage employees to receive complete vaccinations in accordance with public health guidelines. to reduce the risk of infection and relieve severe symptoms.
- Including announcing guidelines for employees in high-risk groups or infected to assess risks by supervisors and will immediately spray disinfectant in that area.



**Monitoring of situations**

- Supervisors monitor health status and environment. of employees periodically to consider taking care as appropriate.
- Management and human resources departments keep up with news and epidemic situations as they occur. to assess the trend of impact that may affect employees business operations and report to the Risk Management Committee for acknowledgment.
- There are communication channels such as telephone, email and Line Group of Companies for quick communication.



**Coping in the event of an accident**

- Follow the guidelines for employees who are at risk or are infected. since detected Support and help find a hospital, follow up on symptoms until they can return to work as usual. including providing ATK test kits for high-risk employees.



**Measures for stakeholders affected by Covid-19**

<b>Clients</b>	<ul style="list-style-type: none"> <li>• Extension of credit line for clients to facilitate liquidity.</li> <li>• Stop paying rent by depositing parking spaces and extending the rental contract.</li> <li>• Postpone payments up to 4 months without penalty.</li> <li>• Convert the document format to electronic Reduce the process of working between each other. to achieve flexibility.</li> </ul>
<b>Employees</b>	<ul style="list-style-type: none"> <li>• Assistance in medical equipment and hospital beds.</li> <li>• Provision of equipment and expenses for employees working from home.</li> </ul>
<b>Partners / Creditors</b>	<ul style="list-style-type: none"> <li>• Application of technologies in the work by switching to online channels for more convenience in order to reduce direct contacts and the need to travel.</li> <li>• Modification of payment methods to bank transfers to create flexibility and to reduce direct contacts.</li> </ul>





# Social Dimension

# Human Resource Management

The company has a policy to constantly improve the human resource management system to be flexible, by complying with the requirements of the law without discrimination. Promote unity through various activities in the company. Determine compensation and welfare appropriately, as well as creating a good, safe working environment and atmosphere that meets occupational health principles. To enable employees to work effectively in parallel with cultivating employee volunteering along with morality and ethics.

## 1. Recruitment and Selection of Personnel

The Company has laid down procedures and methods for recruiting personnel with criteria and fairness. This is based on skills, abilities, experience and eligibility according to the specified JOB DESCRIPTION, psychological test and analytical thinking ability test to select the personnel that are most suitable for the job and the organization.

## 2. Compensation

Personnel are the most important resource in business operation. The growth of the organization depends on quality employees. Therefore, the company has a policy to focus on development. Continuously improve processes and human resource management systems to be more efficient.

In order to strengthen and develop employees to be both good and talented, as well as participating in the development and assistance to the society as a whole and focus on employees as the main mechanism for the development of the company. To become a competitive organization in the car rental industry.

## 3. Provision of Bonuses

The company rewards employees who have satisfactory performance according to or higher than the standards set by the company by providing incentives (bonuses) according to performance once a year, based on business performance and employee performance.

## 4. Internship Opportunity

The company has opened to applications from students to enter the internship in the amount of 2 people who are in the mechanical field. In order to continue to develop knowledge and experience for their studies. The interns are encouraged to learn various tasks and skills at the company, as well as being assigned tasks that will enable them to use their knowledge and abilities while developing their potential and skills. When they are graduated and pass the probation according to the specified criteria, the company will consider keeping them as regular employees.



## 5. Complete and Fair Employee Care to Create Engagement with the Organisation

Promoting the quality of life and participation of employees, enhancing employee engagement to create a sense of unity Ready to move towards goals and success together until forming a corporate culture.

## 6. Financial Security for Employees

The company foresees the importance of creating discipline of saving money among employees. The company therefore allow employees to choose to save their salary in chosen rates of 2% to 15%, with contributions from the employer of 2% to 3%.

In 2021, The Company and subsidiary has a total of 96 employees and 23 employees respectively, registered themselves as members of the provident fund.

## 7. Health promotion activities.

The company has an annual health check for all employees. annually And there is a special health check list for employees in risky jobs, such as employees in the car maintenance section.

which is a risk to the respiratory system risk of hearing.

## 8. Training on new cars' engines and accessories

Promote the safety of using cars by educating employees on new technologies and new car models, especially the necessity that accessories that come with the car must be in good condition. The training is to ensure that cars sold and leased are safe to use.

## 9. Safe-Driving Training

In addition to safety in operation, the company also gives priority to road safety. In order to reduce traffic accidents of employees Which in the past year, the company has provided various campaigns in hope of increasing driving skills safely and consciously driving safely without continuous traffic accidents among drivers.



## 10. Human Resource Management

The company takes into consideration the rapid change, business competition and possible challenges of various industries in the future. This is why the adaptation of human resource management in accordance with business strategy, potential development, and improvement of human resource system, are crucial to the company's future.

The company aims at developing its employees' knowledge, skills, and abilities, as well as providing them with professional advancement and career path on which they can grow together with the company. Therefore, both executives and staff members are required to attend the compulsory training on Working Guidelines in which corporate notion, working culture, self-development, creativity, and knowledge on the latest innovations, are included for the benefits of the company's sustainable growth, development, and success.



During the year 2021, the company provided training to educate and develop staff-level employees in various fields in order to maximise the potential of working in the organization, which are divided into various areas as follows :

No.	Training topics	Executive	Manager	Employee	Note
1	Training Implement guidelines for the year 2021.	✓	✓		
2	Personal Data Protection Laws.		✓	✓	
3	Keeping employees in the organization.	✓			
4	The Ultimate Challenge.	✓			
5	Techniques for interviewing new sale.	✓			
6	Basic Customer Relations (Basic CRO)			✓	
7	Sales Course.			✓	
8	Generate millions in sales on Shopee, Lazada.	✓	✓	✓	
9	Car air conditioner cleaning.			✓	
10	Diagnostics and maintenance of hybrid and electric vehicles.			✓	
11	Service Consultant, Basic Level.			✓	

# Social and Community Projects

Continues to carry out social activities continually. In 2021, under the epidemic situation The company realizes the importance of supporting services for patients with COVID-19. facing travel problems To alleviate the trouble, the company has brought cars. to various departments to provide services to patients and volunteer teams In the year, the Company has provided rental cars for all 4 projects as follows:

## May 19, 2021

Krungthai Car Rent and Lease PCL. has delivered a van to the Oxy Fight Covid Volunteer Team on the page "We Must Survive" for the volunteer team staff to use for transporting oxygen concentrator equipment for critically ill patients. from COVID-19.



## May 20, 2021

Krungthai Car Rent and Lease Plc. delivered the van to "Central Transport Management Department Chulalongkorn Hospital, Thai Red Cross Society" to be used for receiving - sending personnel personnel. nurse and doctor to perform duties to help patients from COVID-19 to special wards, Bangkok Center Hotel (HOSPITEL), including delivering vaccines and items to the vaccine service point.



## June 6, 2021

Krungthai Car Rent and Lease PCL. has delivered a van to support the service of patients with COVID-19 of Prince Suvarnabhumi Hospital to take care of patients in East Bangkok and in the area of Samut Prakan.



## 19 July 2021

Krungthai Car Rent and Lease Plc. has delivered 2 vans to Petchkasem Bangkok Foundation and Page E-Chan to use for transporting patients.

Covid-19 treatment at hometown #BACK HOME



A graphic featuring a central blue circle with a white-to-blue gradient. The text "Environmental Dimension" is written in white, bold, sans-serif font across the center. This central circle is surrounded by a light gray ring. Above the ring, a teal-to-blue gradient arc is positioned. In the bottom right corner, there is a grid of small, light gray circles that tapers off to the right.

# Environmental Dimension



# Environmental, Occupational Health and Safety Management

## Policy on Environment, Health and Safety

The company takes into account and gives importance to compliance with the law and various standards related to the environment continuously. Including the development and improvement of work processes continually in relation to the environmental system and pollution prevention. In the past year, it has been carried out and focus on the development in the environment, occupational health and safety. The goals of the ongoing projects are 1) reducing the use of electricity and water by 3% 2) reducing the use of paper, by using the program which has been operating since 2020, is currently in testing and editing which is expected to be completed and started to use in 2022; and 3) the presentation of electric car rental services under study and research with partners. Guidelines for presenting to customers including the repair process by starting to produce a technician's manual.

## Health and Environment

Carry out waste management caused by working in a car repair center such as old engine oil. Various used chemicals by the company have collected the waste and delivered to the agency that has the tools to manage the said waste to sort the trash, to properly identify the type of waste and for easy destruction and be recycled properly.

## Safety

tool maintenance various appliances continuously according to the maintenance period for maximum efficiency in work and prevent improper -

energy consumption from appliances ineffective, including providing training to educate employees about the use of tools appropriately, including observing what is wrong with the use of various tools to reduce accidents caused by equipment failure.

Provide internal training for employees who work under dangerous machinery, by specifying the reasons that may arise from negligence. To make employees aware of safety, such as maintenance under a car lift tool inhaling dangerous liquids or inhaling car smoke while doing repairs, etc. The company also encourages activities in which employees are responsible for the possible causes of work-related hazards, including finding ways to prevent such causes to create cooperation and is a guideline for preventing accidents in the future.

## Energy Conservation

The company encourages all to efficiently use energy and resources with full potential, by instructing employees to save their information in electronic form in an effort to reduce the use of paper. It also encourages the use of double-sided papers to reduce the number of pieces of paper used. In addition, the company also raises awareness and encourages employees to realize the importance of resources by instructing them to turn computer monitors off when not in use, as well as to turn off the lights and air conditioning during lunch break.





**Environment Care**

- Improved environmental management reduces waste and energy use.
- Improving efficiency in reducing business operation costs.
- Indicating compliance in expanding business opportunities.
- Meeting legal obligations for transparency and clients’ trust.

**Environmental problems**

Normal operation:

- Normal working conditions that are performed on a daily basis.
- Incidents that occur regularly.
- Being a condition in which the machine or process is in a normal state and yield normal output.

Conditions that are abnormal and occur from time to time

- Conditions that are different from normal operation but are still under control.
- Happening to have a negative environmental impact but are still under control.
- Leakage of oil during reception due to damaged gaskets.
- Machine or process is in state where operation is not smooth or there is a problem.
- Machine is being set up (Set Up).
- Machine is being started up (Startup).
- Annual tool repair (Overhaul).
- Shutdown of all processes (Shutdown).



Emergency conditions that occur unexpectedly, with time of occurrence unidentifiable, widespread, or having a severe environmental impact.

- Conditions that are different from normal situation and are in a difficult situation or uncontrollable state.
- Emergencies caused by negligence Accident: Large volumes of dangerous chemicals are spilled (5 liters).
- On fire.
- Explosion.
- Riot.
- Emergency due to natural causes; advanced natural disasters such as earthquake, inundation, or volcanic eruption.

Environmental Problem	Impact	Condition
Wastewater from bathroom use	Water pollution	Normal
Use of water	Reduced natural resources	Normal
Noise	Noise pollution	Normal
Automobile exhaust fume	Air pollution	Normal
Chemical fire in storage	Safety	Emergency
Chemical spill	Safety	Emergency
Minimal chemical spill	Soil contamination	Abnormal

**Pollution control (Operational control)**

- Management of waste.
- Management of chemicals.
- Maintenance of tools, equipment, and machinery that affect the environment.
- Supervision of contractors and subcontractors.

**Management of Waste**

Management of Waste that is caused by normal operations in car repair centre – old/used motor oil, old/used chemicals: The company has collected such wastes and ship to professional waste management agencies for further classification and elimination, and recycling.

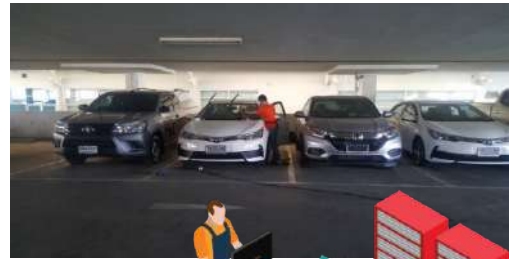


- ✓ Use of tray during collection.
- ✓ Use of lid when closed.
- ✓ Use of signs indicating the properties of chemical.
- ✓ Use of appropriate cleaning apparatus.

**Maintenance of tools, equipment, and machinery that affect the environment**

There shall be regular maintenance of tools, equipment, and machinery, according to the maintenance cycle (Preventive Maintenance), such as the maintenance of wheel alignment, lift, car lift, air pump, tyre bar, wheel balancing machine, brake disc lathe, etc. by using calibration equipment, replacing parts, adding lubrication, etc. to make the equipment or machinery ready to use efficiently.

In case of unable to maintain or repair certain equipment, the company shall replace the old machinery with a new one upon showing the broken tool or equipment to the supplier, or donate to other organisation that is in need of such article.



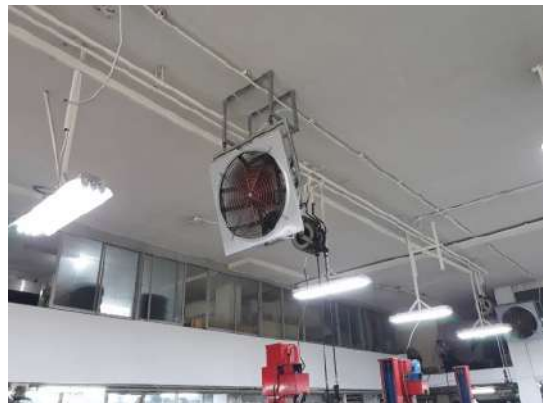
**Supervision of Contractors and Subcontractors**

The company has selected contractors and subcontractors based on the standards set by the company. The company also provides a space for contractors to have clear operational areas for their convenience.

## Efficient Resource Management

The company has organised a campaign on efficient use of resources and energy throughout the past year. Apart from the campaign to encourage employees to store documents in electronic form, and to use both sides of printing papers, the company also developed a new computer software for integrated operation for both operation and management sides in an effort to help save energy, time, and paper.

In addition, the company is also aware of the importance of employee hygiene. A large fan inside the car repair service centre has been installed to help eliminate smell of car exhaust and help cooling down the air. As a result, the car repair service centre now has a better working environment, with energy-saving property.



As a plus, the company also changed light bulbs from fluorescent lamps to LED bulbs to save operational cost and energy as well.



# Operating Results

## Economic

STATEMENT OF COMPREHENSIVE INCOME	2021	
	Million Baht	%
Income on car leases	1,311.35	59.45
Income on sale of cars	819.23	37.14
Other income	75.10	3.40
Total expenses	1,870.11	84.79
Profit before income tax expenses	335.57	15.21
Finance cost	80.82	3.66
(Income) tax expenses	28.63	1.30
<b>Net profit</b>	<b>226.11</b>	<b>10.25</b>

STATEMENT OF FINANCIAL POSITION	2021	
	Million Baht	%
Total assets	5,703.38	100.00
Total liabilities	3,446.59	60.43
Total shareholders' equity	2,256.79	39.57

KEY FINANCIAL RATIOS	2021
Authorized share capital (Million shares)	250
Book value per share	9.03
Profit (Loss) per share (Baht)	0.90
Dividends per share (Baht)	0.43
Dividend Payout Ratio	50.73
<b>Profitability Ratio</b>	
Gross Profit Margin (Excluding Profit on Sale of Rental Assets)	13.38%
Gross Profit Margin (Including Profit on Sale of Rental Assets)	19.51%
Operating Margin	15.21%
Net Profit Margin	10.25%
<b>Liquidity Ratios</b>	
Current Ratio	0.63
Asset Turnover	0.40
<b>Efficiency Ratio</b>	
Return on Assets (ROA)	6.11%
Return on Equity (ROE)	10.31%
<b>Leverage Ratio</b>	
Debt/Equity Ratio	1.53
Interest Coverage Ratio	4.15
Debt service coverage ratio : DSCR	3.04
Net interest bearing debt to EBITDA ratio	2.50
Interest bearing debt to equity : IBD/E ratio	1.37
Current portion of long-term interest bearing debt to interest bearing debt	0.37
Loan from investment institutions to interest bearing debt	0.47

## Social

### Personnel

Data	2020		2021	
	Number of People	%	Number of People	%
All full time employees	151	100	138	100
• Man	86	56.95	79	57.25
• Woman	65	43.05	59	42.75
<b>Classified by level</b>				
• Senior management	6	3.99	5	3.63
• Middle management	11	7.28	9	6.52
• Manager	11	7.28	11	7.97
• Operating	123	81.45	113	81.88
<b>Separated by age of employees</b>				
• 55 years over	6	3.97	2	1.45
• Age 40 – 55 years	70	46.36	66	47.83
• Age 30 – 40 years	54	35.76	53	38.40
• Age 18 – 30 years	21	13.91	17	12.32
<b>Separated by age</b>				
• 0 – 5 years	68	45.03	66	47.82
• 5 – 10 years	33	21.85	25	18.12
• 10 – 15 years	21	13.91	24	17.39
• 15 – 20 years	22	14.57	12	8.70
• 20 years over	7	4.64	11	7.97

### Health and Safety Information

Average number of days off from employees (days)	2020	2021
Average number of sick days per employee (days/person)	2.98	3.52
Number of days off from work-related injuries and illnesses (days/person)	0.01	0.02
Statistics of accidents at work (times)	1	1

## Environmental

### Power Consumption

Data	Units	2020	2021
Save Electricity	Million Baht	1.51	1.46
Electric Meter	Unit	304,659	297,024
Save Water	Million Baht	0.089	0.070
Water Meter	Unit	5,555	4,252

### The amount of waste and waste from business operations

Data	Units	2020	2021
Used engine oil - recycle	liter	11,200	19,000
Used tires - for sale	line	2,320	1,843







# Sustainability Report 2021

