

Fair and Responsible Procurement Process (Green Procurement)

Thai Credit Bank places great importance on a fair, transparent, and socially and environmentally responsible procurement process. This commitment is upheld through a clear and standardized selection process for business partners. For instance, procurement transactions valued at 300,000 THB or more must be approved by the Procurement Committee. For high-value transactions, the bank employs an e-auction system to ensure transparency and accountability. Additionally, both internal and external audit units conduct reviews to ensure compliance with governance principles and transparency requirements.

Implementation of the ESDD Process

Effective February 1, 2025, the bank will implement the Environmental and Social Due Diligence (ESDD) process for the selection of vendors with a transaction value of 2 million THB or more. This initiative aims to ensure that businesses engaged with the bank demonstrate social and environmental responsibility and adhere to good governance practices.

ESG Impact Assessment Criteria

The ESG impact assessment of vendors encompasses three key areas:

Environmental – Evaluating the impact of the organization, products, and services on the environment, including greenhouse gas emissions, natural resource consumption, and waste management.

Social – Assessing the effects of the organization, products, and services on society, communities, and labor, such as labor rights, employee safety, and community engagement.

Governance – Examining corporate governance practices, transparency, and adherence to ethical business principles.

The assessment is conducted using the ESDD Checklist, a standardized document for systematically analyzing and verifying vendors' ESG impacts. The bank will only engage with vendors that meet the evaluation criteria in all three areas.

In cases where a vendor fails the assessment, the bank will consider the significance of the non-compliance:

- If the issue is critical and the vendor cannot provide an appropriate corrective action plan, the bank will not proceed with procurement from that vendor.
- If the issue is non-critical, or if it is critical but the vendor presents a clear corrective, preventive, and improvement plan with a defined timeline, the bank will evaluate the feasibility and appropriateness of the plan before proceeding with procurement.

Through this process, the bank is committed to promoting fair procurement practices that consider environmental, social, and governance factors, supporting sustainable development goals, and strengthening stakeholder confidence across all sectors.