



Annual Report 2024
The Securities and Exchange Commission, Thailand



A Transition to a Future of
Sustainable, Trustworthy Capital Market for All

ABOUT THIS REPORT

This 2024 Annual Report is about policies, strategies and performance of the SEC.

We aim to supervise and develop the Thai capital market to become the essential mechanism driving sustainable economy and determined to perform duty with knowledge, responsibilities and governance.

A Transition to a Future of
**Sustainable,
Trustworthy**
Capital Market for All



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Introduction





Message from the Chair



In 2024, the Thai capital market faced with a variety of evolving and challenging domestic and external factors, e.g., rigid monetary policies adopted by central banks around the world, geopolitical tensions, climate change crisis, inflationary pressures, political situation uncertainties and aging society, all impacting movements in the market and confidence of investors. The SEC monitored those factors closely to appropriately analyze, design approaches and apply them with the work procedures to further enhance operational efficiency and stakeholders' benefits.

The SEC priority areas with the aim of strengthening stakeholders' trust and confidence and foster the Thai capital market in 2024 are: **(1) Enforcement Reform** in which law enforcement process is reformed for enhanced transparency, efficiency and effectiveness as well as for prevention and deterrence of the problematic issues. In achieving the outcomes

in this area, the SEC reinforced cooperation with the Stock Exchange of Thailand for availability of information for the actions to be taken, leveraged the use of technology in the investigation and legal enforcement procedures, accelerated the resolution of pending enforcement cases, extended collaboration with relevant law enforcement agencies for integrated, transparent and expedited implementation, and upgraded the SEC complaint handling and suppression of investment scam mechanisms for further efficiency and timeliness; and **(2) Digital Asset Promotion** in which the whole industry is strengthened through development and establishment of the Digital Infrastructure for Capital Market to accommodate full-process digitalization activities in both primary and secondary markets so as to nourish the ecosystem of digital tokens for fund raising. The efforts in 2024 also involved preparatory activities for smooth transition of investment token supervision to be under the Securities and Exchange Act B.E. 2535, including the enactment of regulations governing a range of investment tokens, roles of traditional players and supervision of market practitioners to enhance market confidence, e.g., regulations for investment token issuance.

The year 2024 marks a period of adjustment amid complex challenges and a growing need to understand ongoing dynamic developments. Nevertheless, the Thai capital market remains committed to striving forward vigorously. In this regard, I would like to thank all stakeholders for their cooperative work, commitment, and determination. Their efforts have significantly enhanced the potential and efficiency of the Thai capital market, making it internationally recognized and a driving force for stable and sustainable economic growth in Thailand.

Wisit Wisitsora-at

Chair

Securities and Exchange Commission

Message from the Secretary-General



Amidst uncertainties and both internal and external challenges in 2024, the SEC remains committed to fulfilling its vested duties. By adapting to and coping with evolving circumstances through collaboration with all relevant parties, the SEC aims to provide all stakeholders with extensive and equal access to the capital market, thereby enhancing their financial well-being and sustainability.

The SEC prioritizes enhancing trust, confidence, and sustainable growth and development of the Thai capital market. To achieve intended outcomes in four key result areas under the 2024 Strategic Plan, the SEC has carried out its tasks as follows: **(1) Capital market attains trust and confidence** by reinforcing the roles and responsibilities of listed companies as well as their directors, audit committees, independent directors, executives and secretaries through trainings and adoption of operational manuals and guidelines; enhancing supervision of market professionals, e.g., requirement for a minimum number of auditors; improving operational guidelines for bondholder representatives and amending regulations on the issuance and offer for sale of debt instruments, e.g., requiring additional types of Key Financial Ratio; developing and utilizing alert systems for abnormalities and risk surveillance to detect signs of market malpractices; and proposing for revisions to the existing laws, e.g., the provisions to empower SEC competent officials to become inquiry officials in certain cases; **(2) Capital market is a key driver towards digital economy** by proposing law amendments to support tokenization; providing additional open data and organizing activities to encourage the use of SEC Open Data Services; and reinforcing business operators' readiness and resiliency for cyberthreats to be on par with international

standards; **(3) Capital market is a key mechanism for sustainability** by encouraging intermediaries to integrate ESG factors into their securities analysis as well as their provision of investment advisory and investment management services; promoting digital asset developments in line with the Green Economy principles, e.g., revising regulations governing issuance of sustainability-related digital tokens; providing an information center for sustainability-themed debt instruments and mutual funds through ESG Product Platform; and raising awareness and readiness for upgraded disclosure requirements in accordance with the international standards (ISSB); and **(4) Investors are empowered to achieve financial well-being** by arranging for regulations to accommodate a variety of exchange-traded funds, in terms of both investment strategies and policies; promoting expansion of PVD employer and member bases to be prepared for their retirement and the launch of mandatory saving regime; and educating investors across all age groups to enable their decision making in suitable products and enhance their understanding of risk-return, diversification, investor rights, and self-protection from frauds and scams.

As for the organizational development, the SEC has made arrangements in terms of human resources, technology, and information necessary for the endeavors to drive policies and mission set for the organization. The requirements for knowledge and skills of staff at all levels were revisited, improved, and developed to keep pace with the fast-changing capital market. Key initiatives in this area involve elevating the organization to become a fully data-driven organization to increase efficiency in decision making and in setting the proper, updated and reliable policy directions. Efficiency in provision of services and internal operations using digital innovations and information was also enhanced to facilitate capital market business operators, reduce confusions and search time and truly respond to the needs of stakeholders of all groups.

In 2025, the SEC remains steadfast in its commitment to fulfilling its duties to the best of its abilities. We will continue to promote the appropriate adoption and application of digital technology across various contexts of the capital market to enhance accessibility for all stakeholders, increase market potential and competitiveness, foster financial well-being, support sustainable growth, and effectively drive the continued expansion of the national economy.

Pornanong Budsaratagoon
Secretary-General

Office of the Securities and Exchange Commission

About SEC

The Office of the Securities and Exchange Commission (SEC) is a government agency established on 16 May 1992 by virtue of the Securities and Exchange Act B.E. 2535 (1992). The SEC is empowered to promote, develop and supervise the Thai capital market within the scope of duties specified by law.

Contact:

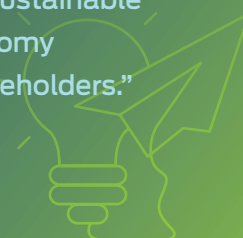
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Our Mission

“To assure a conducive environment for a fair, efficient, reliable and inclusive capital market.”

Our Vision

“The SEC is ready to embrace changes and develop a sustainable capital market and economy for the benefit of all stakeholders.”

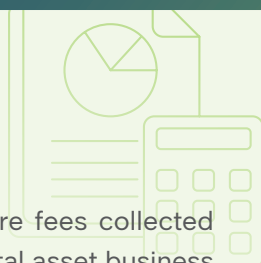


Revenues and Expenses

The SEC's sources of core incomes are fees collected from securities business operators, digital asset business operators, securities issuers and offerors, listed companies, contribution from the Stock Exchange of Thailand (SET), and investment income including interest.

In 2024, the SEC's incomes increased by 146 million baht, representing a 10-percent growth compared to 2023. This increase was primarily attributed to enhanced investment returns, specifically capital gains from securities sales and mark-to-market equity positions, under management of the designated asset management company.

The operating expenses increased by 59 million baht, accounting for a 3-percent rise compared to 2023, mostly attributed to expenses related to employees and workers.

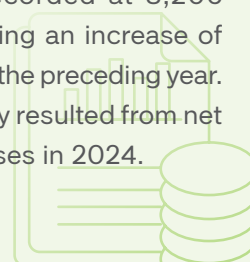


Assets and Liabilities

The SEC's assets totalled 9,188 million baht, with long-term investments accounting for 78 percent of this amount.

The total liabilities stood at 982 million baht, of which 75 percent consisted of obligations for employees' retirement benefits calculated by actuarial assumptions.

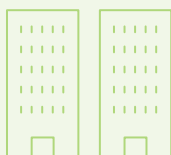
The equity was recorded at 8,206 million baht, reflecting an increase of 39 million baht from the preceding year. This growth in equity resulted from net income over expenses in 2024.



Key Figures in 2024

Listed Companies (SET and mai)

860 Companies



Securities Companies

50 Companies



Asset Management Companies

23 Companies



Digital Asset Business Operators and ICO Portals

31 Companies*



Limited Brokers, Dealers and Underwriters of Investment Units (LBDUs)

40 Companies



Approved Investment Consultants

(One person may hold more than one positions)

81,383 Positions



IPO Offerings

28,745 Million Baht

by **32** Issuers



Mutual Funds (NAV)

5.95 Trillion Baht



Debt Offerings

(Domestic and Foreign)

1.93 Trillion Baht



Provident Funds (NAV)

1.513 Trillion Baht



Fines under the Securities and Exchange Act and the Emergency Decree on Digital Asset Businesses for compounding offenses**

45.41 Million Baht

from **120** Persons



Civil Penalties and Disgorgement of Benefits under Civil Sanctions**

671.83 Million Baht

from **68** Persons***



Criminal Complaints

134 Persons



* Consisting of 25 licensed digital asset business operators currently in operation and six licensed companies not yet commencing operation.

** Remitted to the Ministry of Finance as public revenue.

*** Accounting for the number of offenders by offense type; a single individual may be charged with multiple offenses.

As of 31 December 2024

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Performance 2024





Key Operating Results and Performance Under the SEC Strategic Plan

The SEC Strategic Plan 2024 – 2026 comprises four key results related to the capital market and one key result related to the organization. Highlights of the SEC’s achievements and operating results in 2024 are as follows:

Key Result 1: Capital market attains trust and confidence

Strengthening rules and regulations on securities offering and oversight:

- Enhanced the quality of listed companies by amending rules and regulations on the issuance and offering for sale of securities and the oversight of listed companies. The amended listing rules will come into effect on 1 January 2025. As for the amendments—to include additional posting of signs to alert investors, tighten SET delisting rules, and consider criteria for backdoor listings and resuming trading to ensure quality equivalent to that of new listings—they have been in effect since 25 March 2024.
- Strengthened regulations on the issuance and offer for sale of debt instruments by revising regulations to include additional disclosure requirements to ensure investors have adequate information for a robust analysis of issuers’ abilities to repay debt and their financial positions. Such additional requirements, which have been in effect since 1 August 2024, include specifying an

additional type of purpose for the use of proceeds, the disclosure of key financial ratios suitable for each industry, and the disclosure of financial highlight and financial covenants.

- Amended regulations regarding the governance of issuers of initial coin offering (ICO) to enhance confidence in both fundraising and investment through ICOs, which have been in effect since 16 April 2024.

Strengthening and promoting “3 Lines of Defense” in performance of duties:

- Strengthened and promoted the duty performance of the three lines of defense—directors, audit committees, executives, internal auditors, and company secretaries of listed companies—by raising awareness of their roles and responsibilities in key areas such as accounting and internal controls, ethical principles, whistleblowing, and investor relations. In collaboration with the Stock Exchange of Thailand (SET) and the Thai Institute of Directors (IOD), two seminars were organized: (1) an online seminar on “Preventing, Deterring, and Suppressing Improper Behaviors of Listed Companies” on 26 March 2024, and (2) a physical seminar on “Three Lines of Defense for Listed Companies” on 24 September 2024. These events attracted participants from 90 percent of listed companies, with an average satisfactory score of 4.34 out of 5.



Online Seminar: “Preventing, Deterring, and Suppressing Improper Behaviors of Listed Companies” to raise awareness among listed companies’ directors of their roles and responsibilities, which play a crucial part in safeguarding shareholders’ interests.



Seminar: “Three Lines of Defense for Listed Companies,” to promote good corporate governance among listed companies.

- Increased the efficiency of market participants—such as bondholder representatives and credit rating agencies—in performing their duties in the debt market ecosystem by amending regulations and adopting best-practice guidelines.

- Enhanced bondholder representatives' performance of duties by issuing clear guidelines and, in collaboration with the Thai Bond Market Association (ThaiBMA), developing a standardized sample of a bondholder representative appointment agreement for issuer and bondholder to use as guidelines. The standardized sample was published on 14 June 2024.

- Developed a handbook for convening bondholders' meetings to establish best practices, particularly for important agendas such as the extension of bond maturity and changes to the requirements for maintaining financial ratios as specified in the financial covenants.

- Established best-practice guidelines for credit rating agencies (CRA) in performing their duties to set expectations regarding their operations and methods of obtaining information, including relevant factors in conducting credit ratings, as well as how such information is submitted to the CRA. The guidelines were released on 29 March 2024.

Improving audit quality:

- Enhanced regulations concerning the preparation and submission of financial statements. The SEC is in the process of studying approaches to improve these regulations to ensure their suitability for the current context.

- Amended the regulations concerning the approval of auditors in the capital market by requiring audit firms to maintain a minimum number of auditors in the capital market. The Notification was issued on 12 June 2024. As a result, 28 out of 31 audit firms (90.3 percent) maintained a minimum number of auditors thereafter. The remaining firms have established a plan to increase their number of auditors to the minimum requirement by 2026.

Collaborating with market participants in developing systems for detecting risk signals and monitoring systemic risks:

- Collaborated with SET in developing the Health Check system to detect risk signals of fraud and falsification in listed companies' financial statements, thereby promptly inhibiting inappropriate behaviors of listed companies. The system has been launched for pilot testing since March 2024.

- Utilized a playbook to detect risk signals of listed companies' debt defaults to reduce systemic risks in the debt market. This includes periodic, continuous cooperation and exchange of information between SET and ThaiBMA on issues such as bond issuers encountering debt repayment, the development of a default management procedure, and the improvement of the recovery and wind-down plan of the Thailand Clearing House (TCH) to align with international standards.

- Formulated a mitigation plan for mutual funds' risks and issued an industry-wide playbook to enhance operational standards under crisis situations, as well as collaborated with securities underwriters and asset management companies to test the playbook's application in the Crisis Simulation Exercise held in May 2024. The results of these tests and the approaches to developing risk mitigation plans were submitted to the business operators to effectively improve their mechanisms for accommodating crisis situations.

Developing and utilizing Smart Detector of irregularities and risks:

- Furthered the developments of AI-Enforcement Phase III to enable detection of more complex price manipulation cases and developed tools for inspectors to detect and identify daily trade that may be deemed unfair trading practices for submission as evidence in legal proceedings before court. The system is currently undergoing a use-case test.

- Developed an Audit Quality Indicators (AQIs) dashboard for planning audit quality inspections, which uses machine-readable data from the e-submission system to detect abnormalities that may affect audit quality. The AQIs dashboard was fully developed and has demonstrated its effectiveness in identifying risks of audit firms

and auditors within the inspection plan, as well as in flagging risk issues of audit firms and auditors outside the scope of normal inspections.

- Improved data sets of securities companies' client assets into a granular format to ensure that data is readily available for supervisory activities and in-depth analysis. The system was fully implemented in December 2024. Furthermore, risk-based approach (RBA) scoring, based on inherent risks of businesses for securities brokerage, debt offerings, and limited broker dealer and underwriter (LBDU), was enhanced by incorporating quantitative data to increase the effectiveness of assessment and monitoring. A risk-alert system covering RBA supervision of client assets was also incorporated, enabling prompt risk detection. Self-assessment questionnaires (SAQ) were conducted, and the results were communicated to the business operators along with report on significant activities. In addition, RBA also encompassed the supervision of provident funds (PVD).

Enhancing intermediaries' performance of their duties and roles, and reducing regulatory arbitrage (i.e., avoidance of, or non-compliance with, rules and regulations):

- Reduced regulatory arbitrage by improving regulations governing the supervision of private fund management services, which generally offer mass-customized portfolios to clients and have characteristics similar to those of mutual fund offerings. Regulatory amendments also covered the supervision of private fund governance. Subsequently, clarifications and confirmations of understanding were made and fine-tune with the business sector.

- Adjusted best-practice guidelines for sales processes to enhance business operators' performance in offering investment products, providing appropriate services, and taking responsibility for the services provided to their clients. A circular letter was issued to business operators on 26 June 2024 to communicate expectations regarding the principles of

supervision, enabling business operators to understand and apply them in their operations. Furthermore, inspections of business operators offering high-yield bonds with high RBA risks were conducted, and those operators were ordered to correct the inspection findings.

Reinforcing SET corporate governance:

- Assessed the SET corporate governance structure to balance its commercial and regulatory roles, as well as support the performance of its roles and responsibilities as a self-regulatory organization to ensure independence and compliance with legal expectations.

- Amended the notification concerning skill matrix requirements for the SET Board of Governors to ensure the Board possesses the necessary knowledge and experience to drive SET's operational policy and that these qualifications align with its legal mandates. The notification was amended on 16 July 2024.

- Signed a revised Memorandum of Understanding (MoU) with the SEC on 29 October 2024 to enhance the collaborative supervision of the capital market for greater efficiency within each organization's legal and regulatory framework. The collaboration efforts this time reiterated both organizations' commitments in supervising the capital market to ensure that it is orderly, fair, and trustworthy, as well as building investors' confidence.



The SEC and SET coordinated their efforts to enhance the performance of their roles and responsibilities in supervising the capital market more efficiently.

Fortifying performance of duties of digital asset business operators:

- Strengthened and enhanced the efficiency of the crowdfunding portals' performance of duties through inspections and adjustments to relevant regulations governing their performance. As a result, the proportion of complaints regarding the crowdfunding portals'¹ performance decreased by 66 percent compared to 2023.

- Enhanced the security and credibility of digital asset business operators by amending regulations capital requirement regulations to strengthen the credibility of the digital assets market and investor protection. Furthermore, amendments were made to the regulations on ongoing capital requirements for securities business operators and derivatives business operators that operate digital assets businesses to ensure consistency with the requirements for digital assets business operators, which have been in effect since 1 November 2024.

- Enhanced supervision of digital assets operators by amending the regulations governing the safekeeping of evidence regarding the operations to ensure that accurate, complete, and up-to-date information is available for efficient inspection and supervision, thereby promoting confidence in Thai digital asset business. The regulation has been in effect since 16 July 2024.

- Developed the performance of duties in market surveillance of digital asset exchanges as a front-line regulator to ensure market orderliness, that their performance meets standards, and that they can coordinate various operations in a timely manner. Digital asset exchanges are required to submit reports on the outcomes of their compliance with amendments to the regulations governing monitoring and market surveillance. Furthermore, yearly inspections of digital asset exchanges were conducted, along with an annual seminar for digital asset exchanges on market surveillance, to ensure effective monitoring and market surveillance.

Empowering investors and enhancing SEC communication efficiency:

- Enhanced investor education and understanding, empowered investors by raising their awareness of investor rights as well as implemented more robust measures for investor protection through various communication channels and topics. Examples include infographics related to bonds—such as how to read the summary of key bond information (factsheet), important financial ratios that investors should know, and the parties involved in bond investment—distributed via the Mao Investor channel to ensure investors understand and are aware of their rights. Furthermore, the SEC strengthened investors' self-protection against investment fraud by ensuring they are aware of, careful with, and thorough in verifying information to avoid falling victim to investment fraud. In doing so, the SEC built upon "Don't invest if it sounds too good to be true" campaign through various publicity channels, both online and offline, to achieve the desired outcome.

- Organized a short video competition to alert investors of investment fraud in the capital market, ensuring proactive communication with investors and fostering public engagement to raise awareness and encourage caution to avoid falling victim to investment fraud. The 117 participants disseminated their videos through TikTok, YouTube, Facebook, and Instagram, achieving a total of 75,350 views.

- Publicized SEC Check First continuously throughout the year to inform the public about the tool for verifying the names of the business operators or products before making an investment decision. The tool was integrated into the SEC's promotional media on various occasions.

- To support proactive communication for further effectiveness while reaching a broader public, the SEC added new channels – such as Line Official Account, Instagram, and Blockdit – and forged alliances with influencers. The SEC also increased the publicity of its whistleblowing channels so investors and the public are familiar

¹ Adjustments to regulations governing crowdfunding portals' performance include guidelines on advertising, information disclosure, and guidelines concerning work systems for assessing the creditworthiness of the crowdfunding portals.

with them and can safely report information or tips regarding any suspicious behavior that might be considered wrongdoings in various matters. The SEC developed short educational video series called “SEC Updates” and “SEC Alerts the Series” along with infographics and set up booths to promote a hotline for reporting investment scams/fraud and issue warnings about investment scams/fraud. Through the SEC Identity Project Phase 3, the SEC enhanced awareness and fostered a proper understanding of its roles and responsibilities, as well as its scope of authority among the investors and the broader public to continuously reinforce its role with its target audience.

- The capital market stakeholder survey indicated that the overall average score improved to 3.87, compared to 3.57 in 2023. Moreover, there were improvements in every aspect, including (1) satisfaction with the services provided by the SEC staff, which scored 3.9 (compared to 3.59 in 2023); (2) satisfaction with the communication and information disseminated by the SEC, which scored 3.89 (compared to 3.49 in 2023); and (3) confidence in the SEC’s operations, which scored 3.82 (compared to 3.64 in 2023).

Improving efficiency of complaint handling and case management:

- Enhanced the efficiency and speed of complaint handling by upgrading the centralized data dashboard for case management and ensuring that all cases are monitored and managed within the specified timeframe. The implementation of the dashboard began in April 2024. The SEC also enhanced the efficiency and speed of case examinations by developing a playbook for coordination and gathering internal information, ensuring faster examinations, and enabling a timely review of preventive measures against market manipulation to curb wrongdoing more quickly.

- Coordinated with government agencies ready to provide information through their own systems or government databases to connect data necessary for case examinations, such as the Revenue Department and the Department of Business Development. This process was completed in July 2024.

- Enhanced the efficiency and speed of digital asset case examinations by developing a clear guideline for examinations that is suitable for digital asset market conditions. The SEC also conducted training and staff development to ensure that staff are able to conduct examinations and perform their roles and responsibilities for each assigned task effectively and address immediate issues in a timely manner.

- Enhanced the efficiency of complaint handling and case examinations comprehensively, which the SEC was able to deliver in 2024 with the following outcomes:

Case examination for securities and derivatives: The SEC was able to finalize cases within an average timeframe of 11.35 months compared to the benchmark of 18.5 months and was faster than the 13.01-month average in 2023. Furthermore, when examining new cases with significant impact or deemed urgent, the SEC was able to finalize them in an average timeframe of 4.77 months. In addition, the SEC finalized 61.47 percent of cases from 2016 to 2023 and completed preliminary financial examinations for a total of 11 cases.

Case examinations for digital assets: A total of 23 cases were completed.

Handling of complaints related to fundraising: A total of 30 cases were completed.

Handling of complaints related to business operators: A total 40 cases, involving securities companies, asset management companies, and LBDUs, were completed.

Handling of complaints related to digital assets: A total of 146 cases were completed.

Supervision of Business Operators

The SEC supervises business operators to ensure they utilize their knowledge, capabilities, and expertise, as well as perform their duties with responsibilities, attentiveness, and professional due care in line with international standards. Furthermore, business operators must have an efficient risk management system, a solid financial status and stability, and provide services honestly prioritizing investors' best interests so they receive quality, fair services and benefit from well-protected and safeguarded assets and information. The SEC ensures that the business operators' personnel adhere to applicable rules and regulations, prevent clients' assets against fraud, as well as avoid offering of inappropriate or improper products. To ensure that the SEC supervision is timely and aligned with the business operators' evolving contexts, the SEC adjusts its supervisory approaches, such as using technology and artificial intelligence for oversight, conducting virtual meetings, and leveraging technologies for information submission and communication. This ensures the SEC remains capable of supervising business operators in a timely manner and in line with the changing conditions. In 2024, the SEC's supervision and inspection of business operators were as follows:

1. Granting License and Considering Readiness of Business Operating Systems:

During the consideration process, the SEC contemplated the readiness of the management structure, business operating systems, and personnel for conducting the business, to ensure that all components from the business operator to its personnel are appropriate and sufficient for conducting the business efficiently and continuously providing services.

1.1 Securities companies and derivatives business operators: In 2024, the SEC granted two securities business and derivatives business licenses and one investment advisory service license.

1.2 Investment management businesses: In 2024, the SEC granted an investment management license to two new business

operators. Furthermore, licensed business operators have requested an expansion of their business undertaking scope: one operator seeks to also operate an investment management business, while two operators seek to offer LBDU services.

1.3 LBDU businesses, such as banks, insurance companies, and Investment unit brokers: In 2024, the SEC granted one LBDU license and approved it for business activation, while one interested party requested a consultation regarding LBDU business operations.

1.4 Digital asset business operators: In 2024, the SEC recommended to the Minister of Finance to consider and grant licenses for undertaking the digital asset businesses, namely, digital asset exchange, digital asset brokerage, digital asset dealing, and digital asset custodial wallet provider, to four business operators. Currently, the business operators are establishing business operating systems to request approval for business activation in accordance with the type of license granted.

2. Supervision and Compliance Inspections on Market Intermediaries were carried out using various supervisory tools, particularly the RBA, with emphasis on significant activities (SA) in a forward-looking manner to remain consistent with the increasing number of business operators and the changing, more complex forms of business undertakings.

2.1 Securities companies and derivatives business operators: The SEC adjusted RBA supervision to be more quantitatively based, communicated the playbook on managing risks to business operators as guidelines for managing risks appropriate for their form of business, and monitored business operators' operations in order to analyze their businesses and assess the risks of each operator according to the SA. In 2024, the SEC's key operations on this front were as follows:

2.1.1 Theme inspection of three significant issues, namely:

1) Naked short selling: To provide reasonable assurance that short selling is conducted in accordance with regulations,

with clients holding securities before placing a sale order of such securities or having borrowed the securities prior to their sale order, as well as adhering to other short-selling criteria.

2) Offering of high yield bonds:

To ensure that the market intermediaries advise, provide information, and sell appropriate products suitable for each type of investor, in accordance with the criteria.

3) Consideration of securities trading limits: To ensure that the market intermediaries comply with the revised regulations governing client securities trading limit.

2.1.2 Special case inspection:

The SEC found that the net capital ratio (NCR) of one market intermediary was volatile. When considered in conjunction with stress test results, it was determined that the market intermediary could not maintain its NCR according to the specified criteria. This issue was due to the concentration of borrowers entering lending transactions with the market intermediary to buy securities. In cases where such market intermediary could not correct the issue, it might decide to cease operations or encounter an event that forces it to cease operation, which could affect client assets. Therefore, the SEC conducted an inspection of the market intermediary's systems for safeguarding client assets to ensure compliance with requirements and that the intermediary had prepared a plan to adequately support its liquidity.

Supervision of Securities Companies' and Derivatives Business Operators' Personnel

In 2024, the SEC conducted legal proceedings against the management of two securities companies for the case of negligence of appropriate monitoring and supervision. This negligence compromised the rigor and efficiency of their operations and was deemed illegal. Furthermore, investment consultants (ICs) were sanctioned according to the severity of their offenses, including revocation or suspension of approval. The identified wrongdoings include:

(1) Soliciting clients to transfer IPO subscription funds into ICs' personal accounts without actual transactions, thus misappropriating client assets;

(2) Contacting, soliciting, and offering debt instruments to investors without thoroughly verifying their qualifications, including preparing documentation that misrepresents their qualifications as high-net-worth investors; and

(3) Failing to record the source of investors' trading orders, potentially using inappropriate channels for order submission.

2.2 Investment Management Business

In 2024, the SEC performed on-site inspections of investment management companies and those conducting high-risk business operations. The SEC also conducted off-site monitoring and SAQs to analyze the adequacy of each company's risks control system in overseeing investment management businesses and communicated the SAQ results on a one-on-one basis to discuss and exchange perspectives with the business operators, emphasizing advice to improve their operating systems.

Moreover, the SEC supported institutional investors, particularly provident funds, in announcing their commitment to the Investment Governance Code (I Code) and implement the principles accordingly. The SEC also monitored investment management companies (30 in total) and securities companies that undertake private-fund business (11 in total), in their roles as institutional investors, ensuring they disclose their I Code policy and report their compliance with it to investors and the public through their websites. Additionally, during on-site inspections of asset management companies, the SEC normally conducted interviews with management and relevant personnel to assess whether the board of directors and top managements prioritized policies and strategies encompassing the ESG aspects, including the extent to which they address climate change issues, as well as whether they implement such strategies and policies in their business operations.

2.3 LBDU Business

The SEC gathered information from each LBDU business operator to conduct SAQs according to their SA to analyze, process, and assess the risks of the business operators. Subsequently, the SEC prepared an overall summary to communicate the key issues identified

to the business operators, which will help to support their self-regulation and the monitoring of their operations.

2.4 Digital Asset Business Operator

2.4.1 The SEC conducted on-site inspections of three digital asset business operators, as well as monitored and carried out off-site inspections of other digital asset business operators. In 2024, the SEC prioritized the following operating systems of digital asset business operators:

- 1) Management structure, roles, duties, and responsibilities to ensure that the business operators have in place good corporate governance by their directors and robust operating and management systems that enable the business to operate efficiently;
- 2) Efficient KYC processes, enabling business operators to verify clients' identities to offer investment-related services aligned with clients' risk profiles, and to help prevent the digital asset market from being used for market misconduct, such as money laundering;
- 3) Solid financial status and stability, adequate to cope with the risks associated with operations and maintain the legally required net capital (NC), particularly for business operators with custody of client assets, who must prepare and submit daily NC maintenance reports to the SEC;
- 4) Custody of clients' assets to ensure that their digital assets are safeguarded and protected from cyberattacks, with 90 percent of the total value of clients' assets being required to be kept in cold wallet;
- 5) Compliance and complaint-handling systems to ensure that business operators have in place efficient internal controls in compliance with legal requirements. This includes preventing any assistance or support for non-compliance conduct and handling complaint cases appropriately;
- 6) Systems for developing advertisement and promotional activities to ensure compliance with relevant regulations;
- 7) Systems for digital asset brokerage services to ensure compliance with relevant regulations, provide fair services to clients, and prioritize client's best interests; and

- 8) Systems for investment management and risk management to ensure compliance with relevant regulations and the provision of efficient client services.

2.4.2 The Criminal Fining Committee imposed fines on eight digital asset business operators and eight related personnel for non-compliance with the applicable rules regarding the custody of clients' assets and for the delayed submission and/or reporting of information to the SEC.

Deterrence of the Unlicensed Digital Asset Business Operations under the Emergency Decree on Digital Asset Businesses B.E. 2561 (2018)

- 1) Conducting examinations at the FinTech event and coordinating with the Economic Crime Suppression Division (ECD) of the Royal Thai Police on relevant matters.
- 2) Filed criminal complaints with the ECD against one offender and one related personnel for undertaking digital asset business without licenses.
- 3) Filed criminal complaints with the ECD against two offenders and two related personnels for non-compliance with the SEC rules and regulations for the case of delayed submission of the annual financial statements for 2022.
- 4) Filed a criminal complaint with the ECD against one individual for making false statements to the public or concealing material facts that should have been disclosed, constituting fraud that resulted in misappropriation of public assets. This included cases involving false statements that were made or consented, or where material information was omitted from company accounts or documents with an intent to deceive.

3. The SEC monitors and investigates cases in which unlicensed business operators conduct business under its oversight, or in cases of fraud, where they falsely claim to be intermediaries or regulated entities. To protect investors from being misled by unlicensed persons or service providers, the SEC will monitor, investigate, and consider placing them in its Investor Alert List on the SEC website to warn the public and investors to exercise caution.

Over the past year, events featuring booths related to financial technology or innovations in the capital market or digital assets were held; consequently, the SEC observed and examined two exhibitions to ensure that there was no solicitation or investment advice from unlicensed persons or service providers.

4. Cultivating business operators' knowledge to promote their understanding of performing duties in accordance with rules and to prevent harm to investors and the capital market's reputation. The SEC participated

as a speaker to provide guidance to business operators, issued circulars, and held meetings to communicate and clarify expectations with the business operators. Furthermore, the SEC organized knowledge-sharing and compliance-relations events to communicate and exchange views with business operators on newly issued or revised regulations, as well as on issues identified through inspections and the SEC's evaluation approach, thereby enabling them to comply with regulations on standard for proper business conduct.

Key Result 2: Capital market is a key driver towards digital economy

Developing an ecosystem that nurtures competition as well as innovation and technologies that benefit the country's economy:

- Promoted fundraising through investment tokens to increase accessibility to funding sources for business operators, support the digital economy, and facilitate the establishment of a clear supporting policy that does not hinder fundraising. In doing so, the SEC cooperated with relevant agencies such as the Thai Digital Asset Operators Trade Association (TDO) by promoting ICO fundraising tools via various SEC channels; with the Revenue Department (RD) to support a clear and appropriate tax collection approach—under which the RD issued Royal Decrees pursuant to the Revenue Code on VAT Exemption (No. 788) B.E. 2567 (2024) and Tax Exemption (No. 789) B.E. 2567 (2024) on 24 September 2024; and with Thailand Federation of Accounting Professions (TFAC) to ensure clarity in accounting records of digital tokens, whereby TFAC established and disseminated a handbook for accounting records of funds received from digital ICO fundraising of the digital asset issuers on 11 October 2024.

- Adjusted the regulations governing the offer for sale of sustainability tokens to ensure comparability with regulations for other

sustainability-related products, to ensure that investors have adequate information for making investment decisions, and to support the Thailand ESG fund (Thai ESG) in investing in a wider types of sustainability related products—thereby supporting the growth of the country's digital economy and achieve the National Strategic Goals for Sustainability. The regulation took effect on 1 June 2024.

Laying the data foundation and market infrastructure:

- Expanded the database to formulate policy for capital market development and organized activities to continuously promote the use of open data. The SEC developed and disclosed additional information from the One Report through an Open API, such as information on board of directors, controlling persons, and management. In 2024, survey results from users indicated a rating from remarkably high to highest satisfaction with both the data format and the open data sets provided on SEC Open Data Services.

- Organized a panel discussion on “Capital Market Datathon Showcase,” at the Digital Government Thailand 2024 seminar hosted by the Electronic Transactions Development Agency on 30 May 2024, to promote SEC Open Data. The panel showcased the further development of innovative ideas into practical applications through two projects:

- The first project involved developing a gamification-based application to provide students with fundamental knowledge about savings and investments, a collaboration among three agencies, the National Savings Fund (NSF), the SEC, and Fiscal Policy Research Institute Foundation.

- The second project aimed to further develop a strategy/approach for preventing investment fraud/scams using artificial intelligence for analysis, with the SEC supporting the effort by providing Open API data containing information on the names of individuals or entities that are not business operators under regulatory oversight.

Reinforcing business operators' cyber resilience:

- Enhanced the quality of business operators in the capital market to ensure they maintain robust oversight of cybersecurity, which meets standards and is ready to deal with cyber threats. In doing so, the SEC utilized on-site and off-site supervisory tools and data-driven oversight, based on information gathered from the IT Audit reports of regulated business operators. Subsequently, the SEC processed the results to measure their readiness to deal with cyber threats and analyze cyber risks in the capital market for use as supervisory tools, as well as encourage business operators' participation in a self-regulatory regime.



The SEC, in collaboration with Association of Thai Securities Companies (ASCO), Association of Investment Management Companies (AIMC), TDO, and SET, organized the Capital Market Cyber Exercise for 2024.

Key Result 3: Capital Market is the key mechanism for sustainability

Steering the capital market towards becoming a contributory key mechanism for attaining the country's sustainable development goals:

- Strengthened support for the business sector and market intermediaries in implementing ESG practices in a concrete and measurable manner, aligned with international standards through continuous training and seminars, ensuring the readiness of listed companies to be aware of and operate their business with due consideration for environmental factors to achieve carbon neutrality and net zero targets. The SEC promoted knowledge and understanding that lead to business operational practices in accordance with the human rights due diligence (HRDD) framework, steering efforts towards sustainable development goals (SDGs).

- Collaborated with relevant agencies to organize training sessions for listed companies, ensuring their readiness to enhance information disclosures in Form 56-1 One Report to be on par with standards of the International Sustainability Standards Board (ISSB) to meet the needs of investors and stakeholders. Satisfaction surveys of seminar participants various topics yielded an average score of over 4 out of 5, and 400 listed companies participated in the seminars. Additionally, the SEC strengthened the capacity of listed companies, emphasizing industry sectors that have the potential to diversify the bond market for greater sustainability.

- Enhanced information disclosures on ESG financial products (bonds and funds) through the establishment of the ESG Product Platform, a centralized database for ESG financial products. The SEC also provided additional information to enhance understanding of transition finance and taxonomy. The survey revealed that 87.6 percent of respondents found the information on the ESG Product Platform useful and applicable for further study and development.

- Enhanced knowledge and understanding among market intermediaries (securities companies and asset management companies) in integrating

ESG factors into their investment analysis and management for practical implementation (ESG in practice) on an ongoing basis. The outcome, as reflected in a survey conducted by the Investment Analyst Association, revealed that 30 securities companies and 16 asset management companies (a total of 46 firms) had integrated ESG factors into their operational practices, representing 66.7 percent of all 69 firms.



The SEC collaborated with the CFA Institute and the CFA Thailand Society to cultivate knowledge for personnel in the capital market to integrate ESG factors into investment analysis and investment advice.

Advancing sustainability initiatives in the Thai capital market

Currently, the country's drive to transition its economic and social systems towards sustainability development, which encompasses ESG aspects, has been embraced by all sectors. In the capital market and financial sectors, ESG has become a mainstream trend in business operations and investments, reflecting awareness of potential future impacts from ecosystem changes, particularly climate change. Consequently, on the demand side, investors are increasingly interested in sustainable investments, incorporating ESG factors alongside the financial information of listed companies into their investment decision-making processes. Meanwhile, on the supply side, listed companies are integrating ESG factors into business operations and extending these practices throughout their value chains.

The SEC prioritized developing and supervising the capital market to foster sustainability in a concrete and continuous manner, playing an important role in cultivating knowledge, understanding, and practical implementation among listed companies, issuers, market intermediaries, capital market personnel, and relevant stakeholders. Moreover, the SEC revised its regulations on information disclosure to ensure alignment with international standards and to steer the capital market to support sustainable financing, facilitate the transition towards a Bio-Circular-Green (BCG) economy, preserve

biodiversity, and achieve Thailand's United Nations Sustainable Development Goals (SDGs), which are directly connected to and accommodated in the National Strategic Plan, the 13th National Economic and Social Development Plan (2023–2027), government policies, and the 4th Capital Market Development Plan (2022–2027).

Overall SEC's performance in 2024

1. Sustainable Business

The SEC continuously encouraged business sectors and listed companies to integrate ESG factors into their operations and value chains, and encouraged market intermediaries to integrate them into their service provisions, such as:

(1) Environmental aspect

The SEC prioritized its involvement in national policies, providing input on international sustainability disclosure standards. The SEC also supported and guided business sectors in the capital market, aiming towards achieving carbon neutral and net zero targets, recognizing biodiversity issues, operating accordingly, and disclosing quality information in line with international standards through various activities and projects including:

- Jointly provided policy-level input on the draft Climate Change Act (B.E.) relating to the Thailand Taxonomy and participated in its public consultation. This law falls under the purview of the Department of Climate Change and Environment, Ministry of Natural Resources and Environment. Additionally, the SEC joined the Thailand Carbon

Neutral Network (TCNN) as a member of its expert committee and subcommittee.

- Encouraged the business sector to aim towards achieving carbon neutral and net zero targets, as well as to disclose information in line with international standards such as the Task Force on Climate-related Financial Disclosures (TCFD) and the information disclosure standards issued by ISSB². The SEC found that the business sector still encountered challenges in understanding the distinctions between “carbon neutrality” and “net zero greenhouse gas emissions”, which impacted the establishment of targets, activities, and KPIs; risk management and potential business opportunities arising from climate change; the measurement of greenhouse gas emission to plan for reduction planning; and the preparation of reports in accordance with rules and regulations in Thailand and international standards. Additionally, the SEC joined the IOSCO Annual Meeting 2024, providing input on the draft report titled “The Use of Sustainability-related Disclosure in Growth and Emerging Market,” addressing the issues related to the direction in enhancing sustainability disclosures towards ISSB standards, which the SEC will apply as part of its effort to drive the capital market sector.



SEC Thailand participated in the 49th IOSCO Annual Meeting in 2024.

- Cultivated knowledge of the carbon credit standard, strengthened knowledge and understanding of greenhouse gas emissions reduction, and provided fundamental knowledge on carbon credits and approaches to choosing a carbon credit standard that addresses the need and trading practices of the business sector. These efforts led to disclosures in Form 56-1 One Report via training activities and collaborative projects with partner organizations, such as Thailand Greenhouse Gas Management Organization (Public Organization) (TGO). The SEC and TGO jointly organized a training session titled “Reduction of Greenhouse Gas Emissions through projects under the Low Emission Support Scheme (LESS)³, and Thailand Voluntary Emission Reduction Program (T-VER)⁴ for the capital-market business sector, with the SEC also supporting both projects. Furthermore, the SEC collaborated with the United Nations Development Programme (UNDP) in organizing training titled “Promoting Businesses with Responsibility Towards Climate Change and Biodiversity” aiming at providing knowledge to the business sector and enabling practical application.

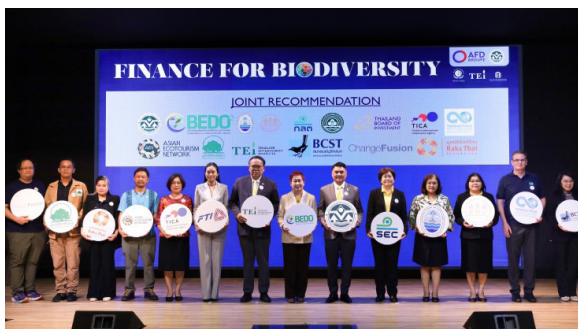
- Provided inputs and recommendations on the National Biodiversity Strategies and Action Plans (NBSAPs) B.E. 2566–2570 (2023–2027), developed by the Office of National Resources and Environmental Policy and Planning of the Ministry of National Resources and Environment, on issues related to targets, KPIs, and responsible agencies in a manner consistent with the SEC mission, such as encouraging listed companies to voluntarily disclose information on their business operations related to biodiversity. Furthermore, the SEC joined in declaring its intention to drive and encourage participation in the conservation and sustainable use of biodiversity at a seminar

² IFRS Foundation established the ISSB (International Sustainability Standard Board) to develop international standards in sustainability information disclosure.

³ Project: Low Emission Support Scheme (LESS) is one of the TGO’s key mechanisms for reducing greenhouse gas emissions, employing a strategy that raises awareness of reduction efforts. The project honors and recognizes participants with certificates and provides support to further encourage emission reduction.

⁴ Project: The Thailand Voluntary Emission Reduction Program (T-VER) is a mechanism designed to reduce greenhouse gas emissions in Thailand, promoting the participation by all sectors in emission-reduction efforts. Corporate and business entities can sell and/or absorb the volume of emission reductions—or sell the carbon credits generated under project T-VER—in the country’s voluntary carbon market. The TGO will act as the registrar and certify the volume of greenhouse gas emissions that have been reduced or sequestered.

titled “Biodiversity Action is Solution,” organized by the Biodiversity-Based Economy Development Office (Public Organization) (BEDO). Further, the SEC disseminated four biodiversity handbooks developed by BEDO on the SEC website as tools for the listed companies to operate businesses in consideration of biodiversity issues. The SEC also undertook a project to cultivate knowledge in collaboration with international agencies, such as becoming a member of the Taskforce on Nature related Financial Disclosures (TNFD Forum member) to stay abreast of developments and incorporate these insights into promoting and enhancing listed companies’ understanding of the importance of nature-related risk assessments in their businesses, as well as collaborating with The Agence Française de Développement (AFD) to support the Finance for Biodiversity Forum (Fin4BIO).



The SEC joined in declaring its intention and participated in the seminar titled “Finance for Biodiversity.”

- Supported the progress of the Thai Listed Companies Association (TLCA)’s waste segregation/sorting project to promote the business sector—particularly small- and medium-sized listed companies—to operate their businesses with environmental consideration, recognize the importance of reducing greenhouse gas emissions, and demonstrate concrete examples of such operations. In 2023, the SEC, together with TLCA, piloted a waste segregation/sorting project called “Ting to Trash” and periodically followed up on its progress, which included conducting surveys and organizing training sessions for listed companies to exchange experiences. The project was completed in 2024, and an event will be held in early 2025 to honor the listed companies that participated.

(2) Social aspect

The SEC focused on addressing the mission assigned under the National Action Plan and strengthening knowledge and understanding within the business sector to consider and participate in matters related to human rights and diversity, as follows:

- Addressed the mission assigned under the National Action Plan on Business and Human Rights (NAP) Phase 2 (B.E. 2566–2570) (2023–2027) by enhancing the business sector’s knowledge and understanding of applying HRDD appropriately throughout its value chains. This was achieved through workshops and the development of HRDD training video clips disseminated via the SEC website, with ongoing support from the Faculty of Law at Chulalongkorn University in implementing the Business and Human Rights project for the business sector in the Thai capital market, with 2024 marking the third phase of the implementation. Additionally, on the issue of migrant labor, the SEC collaborated with UNDP and the International Organization for Migration (IOM) to organize workshops on HRDD in business operations, promote ethical recruitment practices for migrant labor, and conduct a survey of HRDD practices among listed companies as information for developing action plans for the next phase.

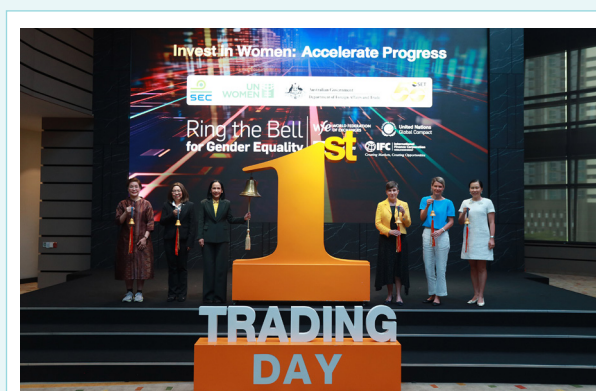


The SEC collaborated with UNDP and IOM to organize a training session titled “Human Rights Due Diligence in Business Operations and the Promotion of Ethical Recruitment Practices for Migrant Labor.”

- Empowering women's roles and gender equality through collaboration with partner organizations, such as joining the United Nations Entity for Gender Equality and the Empowerment of Women (UN Women) in organizing the UN Women 2024 Thailand WEPs Awards to honor organizations in the business sector entities that promote and prioritize gender equality, including by enhancing women's roles based on Women's Empowerment Principles (WEPs). At that event, the SEC received a plaque for the WEPs Exemplary Ally Recognition as one of the public sector organizations partnering with UN Women to drive continuous efforts in promoting the role of women and participated in Ring the Bell for Gender Equality 2024 for the third consecutive year. Additionally, the SEC, together with UNDP, published a handbook—Inclusion Toolkit for Organizations and the Business Sector—to promote the principles of diversity, equity, and inclusions for listed companies.



The SEC received a WEPs Exemplary Ally Recognition plaque as a partner organization collaboratively drives the promotion of gender equality.



The SEC co-hosted the Ring the Bell for Gender Equality 2024 event.

(3) Governance aspect

The SEC supported and cultivated knowledge among listed companies in ESG risk management and anti-corruption efforts, as follows:

- Cultivated knowledge of ESG risk management by supporting TFAC in organizing a workshop titled “ESG Risks Management: Navigating Climate Risks” for listed companies, with an emphasis on small- and medium- sized listed firms.

- Urged listed companies and market intermediaries on an ongoing basis to place emphasis on anti-corruption aspects, such as requiring listed companies to disclose anti-corruption policies and performances in Form 56-1 One Report; encouraging the private sector participation in Thailand's Private Sector Collective Action Coalition Against Corruption (CAC)⁵; and including such disclosures in the listed companies' Form 56-1 One Report, mutual fund factsheet, or securities research analyses by securities companies. The SEC also supported the CAC project by organizing CAC Change Agent Hearing Day and engaged in integrated efforts through information exchange among government agencies and relevant organizations to build collaborative networks and strengthen law enforcement to ensure further effectiveness.

(4) Achievements on the Sustainable Development Goals

The SEC, together with UNDP and partner organizations, developed tools to encourage the business sector to pursue Sustainable Development Goals by establishing platforms such as a resource center; enhancing the appeal of businesses that operate that focus on creating positive impacts on society and the environment by disseminating information to investors; and developing handbooks and tools for the business sector to apply the SDGs in measuring, managing, and disclosing sustainability information, as follows:

- Collaboratively developed with UNDP and TLCA a comprehensive website known as the SDG Resource Center to serve as a one-stop

⁵ As of December 2024, 410 listed companies and market intermediaries had been certified and 69 companies had declared their intention.

knowledge hub for disseminating information on the driving of, and tools to support knowledge and understanding regarding SDGs for the business sector in the Thai capital market. The website is expected to be launched in early 2025.

- Worked together with the UNDP in developing the Thai version of the SDGs Impact Measurement and Management (SDG-IMM) software to serve as a central platform for listed companies and agencies to use in measuring, reviewing, collecting and reporting business impacts from various sectors in a systematic manner, in accordance with international standards, thereby enhancing accountability and transparency for the companies. The platform was introduced and launched for trial use by listed companies.

- Built upon the publication of the SDG Guidebook for Thai Listed Companies and the SDG Impact Standards in 2023, together with UNDP, TLCA, and Global Compact Network Thailand, to ensure that listed companies are able to apply the SDGs in measuring, managing, and reporting sustainability impacts arising from business operations and disclose them in Form 56-1 One Report. In 2024, two training classes for the guidebook were organized, along with a workshop on “SDG-Smart Impact Measurement and Management, Class 4” for listed companies; all were well-received, and the SEC expects to organize both courses in 2025.



The SEC and UNDP jointly organized trainings on the “SDG Guidebook for Thai Listed Companies and the SDG Impact Standards (Class 1/2024 and 2/2024)” to disseminate knowledge related to the SDGs and their importance for business operations.

- After the “SDG Investor Map (Thailand)” was introduced in 2022—compiling information on government and private sector projects in need of fundraising to focus on creating positive impacts and an environment that addresses the SDGs, thereby enabling investors to access such information and periodically promoting recognition of the Map and its utilization among relevant stakeholders—in 2024, the SEC joined UNDP and partner organizations, namely the Board of Investment of Thailand; the Office of Small and Medium Enterprises Promotion; the Small and Medium Enterprise Development Bank of Thailand; the Federation of Thai Capital Market Organizations; the Global Compact Network Thailand; and Thai Startup Association, to organize “SDGs Connect: Sustainable Business Matching Event.” The event promoted SDG integration into business operations, enhanced listed companies’ inclusivity in driving the SDGs, and built on project progress in platform developments. Seven startups and medium-/small- sized companies presented their businesses, and more than thirty listed companies participated in the event.



The SEC and UNDP, together with six partner organizations, organized “SDGs Connect: Sustainable Business Matching Event.”

2. Sustainable Investment

The SEC prioritized raising ESG awareness among business operators by issuing regulations and related handbooks, as well as conducting the following activities:

- (1) Issued regulations to continuously support the issuance of products that emphasize sustainability. On 1 April 2022, the SEC issued regulations to accommodate Sustainable and

Responsible Investing Fund (SRI Fund)⁶ providing asset management companies with guidelines for disclosing information of funds that focus on investing in businesses that prioritize sustainability. Subsequently, on 1 December 2023, the SEC issued regulations related to the establishment and management of the Thai ESG fund⁷, with an investment policy focused on assets with outstanding performance in sustainability or the environment, requiring that the issuer be a government organization or agency, or entity established under Thai law to promote sustainable investment in Thailand. On 16 August 2024, the SEC issued a notification amending regulations related to Thai ESG to increase investment choices and to promote the allocation of investment funds to companies demonstrate outstanding environmental or sustainability performance, as well as to companies with excellent corporate governance that have plans to increase corporate value. The government sector supported long-term investment in Thai ESG funds, by increasing the tax deduction limit from 100,000 to 300,000 Thai Baht per year for investors who invest in Thai ESG funds.

(2) Extended the fee exemption related to the establishment of the SRI Fund and the amended mutual fund scheme to be designated as SRI Fund—including the Thai ESG fund—for a period of one year, ending in December 2025.

(3) Developed and published a handbook “Sample Engagement Questions for Asset Management Companies to Engage Investee Companies in Driving the Management of Opportunities and Risks Related to Climate Change.” The guideline serves asset management companies as a template for formulating engagement questions with investee companies to creatively drive the management of climate-related opportunities and risks. The guideline emphasizes the economic activities of four sectors, namely (1) Energy, (2) Transportation, (3) Manufacturing, and (4) Waste Management—because they are groups with economic activities that generate

a high proportion of greenhouse gas emissions and play a critical role in reducing emissions in line with the Thailand’s Nationally Determined Contribution and its Net Zero Target by 2065 (B.E. 2608).

(4) Thailand Taxonomy: The SEC joined the working group on Thailand Taxonomy Phase 2 (Thailand Taxonomy Phase 2 Working Group) and led the development of the Thailand Taxonomy for the waste management sector in collaboration with the Asian Development Bank (ADB) and the Advisory Committee. Furthermore, the Thailand Taxonomy Phase 2 Working Group sought public comments on the draft Thailand Taxonomy Phase 2 from 28 October 2024 to 10 January 2025 and is currently finalizing the consultation result to amend the draft, the final version of which is expected to be officially published in mid-2025.

(5) ASEAN Taxonomy: The SEC, as a member of the working groups under the ASEAN Taxonomy Boards (ATB), has been continuously involved in developing the ASEAN Taxonomy from the first to third versions, the latest of which was published on 20 December 2024. Furthermore, from July 2024 onward, the SEC strengthened its involvement by officially becoming an ATB member and leading a sub-working group tasked with drafting ASEAN Taxonomy Version 4 for professional, scientific, and technical activities. ASEAN Taxonomy Version 4 is expected to be released for public consultation in 2025.

(6) Asia GX Consortium: The SEC joined the Asia GX Consortium (Consortium), a regional discussion forum established on 2 October 2024 with the objective of promoting transition finance. In 2024, the SEC, as a member of ASEAN Capital Market Forum (ACMF), helped develop the Consortium’s plans—such as the report on “Practical Approach to Transition Finance in Asia”, which outlines the Consortium’s guidelines for advancing transition finance. The report was officially published during the COP29 meetings.

(7) Summarized and gathered information on the development and trends in transition finance and taxonomy at regional and international

⁶ Currently, there are a total of 79 classes of units for SRI funds, with a total net asset value of approximately 50,000 million baht (information as of January 2025).

⁷ Currently, there are a total of 53 classes of units for the Thai ESG Fund, with a total net asset value of 31,760.9 million baht (information as of January 2025).

levels and published this information on the SEC website in November 2024. Furthermore, the SEC prepared and disseminated four articles to strengthen knowledge on transition finance and expects to continue publishing articles to share information and knowledge about ongoing development in 2025.

(8) Fostered sustainable financing for small-sized business operators by amending regulations on the issuance and offer for sale of sustainability-themed bonds, providing opportunities for companies of all sizes—including small-and medium-sized enterprises and startups—to raise funds through such bonds via crowdfunding and private placements, enabling them to accelerate their adaptation and engage in developing their businesses in the sustainability aspect. The regulation came into effect on 1 April 2024.

3. ESG Data & Disclosure

The SEC developed infrastructure and promoted ESG information disclosures by listed companies to ensure they are of quality and consistent with international guidelines, enabling investors to consider sustainability aspects as part of their investment decision-making. The SEC also promoted sustainable investment products and prevented greenwashing as follows:

- Stayed abreast of developments in international sustainability disclosures, including the ISSB Standards. The SEC, together with the ADB, conducted a project called “The technical in-depth analysis and comparison of current sustainability-related disclosure requirements and international standards” to study and compare other countries’ approaches to sustainability information disclosures. The results of this study were applied to develop principles and approaches for sustainability information disclosures in accordance with the ISSB (ISSB Roadmap), enhancing disclosures to align with international standards and promoting the verification of information in a standardized, reliable manner. In this respect, the SEC organized a meeting to inform stakeholders and conducted a public consultation on the ISSB Roadmap from 19 November to 19 December 2024; and is currently summarizing

the consultation results to inform the establishment of regulations and disclosure guidelines. Additionally, the SEC launched a video titled “Key Summary and Differences between Form 56-1 One Report and ISSB Standards, as well as Other Countries’ Approaches Related to ISSB Standards” on its website.

- Collaborated with and supported the SET in developing a database in the form of structured data (ESG Data Platform) to accommodate ESG information disclosures in accordance with Form 56-1 One Report, which was completed in 2022. In 2023, all listed companies began submitting information as structured data. The SEC and SET aim for listed companies to submit Form 56-1 One Report in structured data format throughout the entire report (e-One Report).

- Compiled and screened sustainability data from structured data and relevant external sources for publication on the SEC website (esg - SECOpenData) for public use, enabling stakeholders—including listed companies, investors, and relevant persons—to stay abreast of sustainability developments and trends in the Thai capital market and to apply this information for other purposes.

4. ESG Education & Communication

The SEC promoted collaboration within the capital market sector to raise awareness and cultivate knowledge and understanding of sustainable business operations and investments among relevant target groups, including listed companies, market intermediaries, capital market personnel, and next-generation investors, such as:

- Developed and published articles and infographics related to sustainability via the SEC’s communication channels, such as “G20/OECD Principles of Corporate Governance 2023: International Framework of Corporate Governance That Emphasizes the Importance of Sustainability,” “Direction for Sustainability Information Disclosures and Corporate Governance,” and “HRDD: Tools for Listed Companies to Move Forward with ‘Business and Human Rights’ in a Practically Achievable Way.”

- Jointly organized seminars and training sessions with other organizations, such as
 - A seminar with the ADB titled “Transition Finance: Bridging the Gap to Sustainability,” to cultivate knowledge and in-depth understanding, and strengthen capacity to enable the business sector to reliably raise funds under the transition-finance framework through exchanges of experiences and perspectives from international experts. In this seminar, the SEC also presented a case study of a Thai company that had experience in the transition plan.

- Training sessions with the CFA Institute and CFA Society Thailand for investment analysts and investment consultants, providing knowledge on approaches to integrating ESG into securities analysis research, with an emphasis on communication and the exchange of perspectives through workshops and mini case studies.

- The SEC also joined the panel discussions and presented sustainability topics, such as:

- Direction in supervising and developing the Thai capital market;

- “Driving Transparency Through Sustainability Disclosure and Net Zero Strategies” at the 39th ASEAN+3 Bond Market Forum;

- “Panel Discussion I: Roles of Financial Sector Towards a Sustainable Economy” at the UK-Thailand Financial Conference; and

- “From Commitment to Action: Learning from Perspectives of Various Sectors in Driving Business Responsibly and Respecting Human Rights” at a seminar titled “Business and Human Rights: Creating Opportunities for the Thai Business Sector to Grow Sustainably” under Bangkok Business and Human Rights Week 2024.”



Seminar: “Transition Finance: Bridging the gap to sustainability”



The SEC joined the panel discussion “Roles of Financial Sector Towards a Sustainable Economy,” highlighting its role in promoting businesses in the Thai capital market towards sustainability.



The SEC joined the panel discussion: “From Commitment to Action: Learning from Perspectives of Various Sectors in Driving Business Responsibly and Respecting Human Rights.”

- Organized various activities, such as:

- “Leading the Change: Driving Sustainability Aspiration into Action” for asset management companies’ directors and management, to collaboratively create “Tone from the Top” in driving investee companies to operate their business sustainably and prioritize mitigating ESG risks, including those arising from the impacts of climate change, especially industry sectors with high greenhouse gas emissions.

- New Generation Fund Manager: Being Mindful of the Environment Class 1, designed for fund managers with no more than five years of experience, to receive support in their role as next-generation individuals set to develop into thought leaders in sustainable investing and to be inspired in incorporating sustainability factors into asset management.

- Collaborated with Asia Investor Group on Climate Change (AIGCC)⁸ to publish the Thai version of the Investors' Climate Action Plans (ICAP) Expectations Ladder, an expectation framework for asset management companies' operation at each implementation stage, designed to help plan and efficiently track progress in reducing greenhouse gas emissions of investment portfolios.



Activity: “New Generation Fund Manager: Being Mindful of the Environment Class 1”

Key Result 4: Investors are empowered to achieve financial well-being

Encouraging the public to make appropriate use of the capital market for long-term wealth accumulation according to their needs:

- Promoted quality investing by collaborating with the business sector to organize activities, develop tools, and produce educational materials that engage Thai people's interest and raise their awareness of the benefits and importance of investing, thereby fostering quality investing through portfolio management and mutual fund investments. Results from investor surveys⁹ revealed that investors recognize these benefits and expressed interest in portfolio management, with an average score of 3 out of 5, and that the number of investor accounts with managed portfolios rose by 10 percent compared to 2023.

- Reviewed approaches to enhance the supervision of provident funds by amending regulations on provident fund management, focusing on two main issues, (1) improving the operating system related to the switching between investment policies, and (2) specifying asset custodians to verify the net asset value of provident funds. The SEC further developed search-and-

comparison tool for mutual funds (SEC Fund Check), established a search-and-comparison tool for provident funds categorized as master pooled funds; both tools were launched in November 2024.

Cultivating capital market knowledge and digital literacy:

- Cultivated investors' knowledge of the capital market in terms of investment knowledge, self-protection against investment fraud, adaptability to evolving situations, and securing sufficient retirement savings, through on-site visits to various areas¹⁰ to provide education on financial planning, investing, and vigilance against scams/frauds to students, the workforce, civil servants, investors, and the general public.

- Empowered investors across different life stages—students, working-age adults, and those approaching or at retirement age—to become smart investors who choose to invest in suitable products, diversify their investments, understand their rights, and can protect themselves through various channels¹¹. Results showed over 4.4 million impressions, a reach of at least 1.3 million people, more than 300,000 views, and over 20,000 clicks for further content.

⁸ A non-profit organization that supports institutional investors in Asia in making investments consistent with the net zero target and the Paris Agreement.

⁹ Results from investor surveys conducted at the Investor Week Event and online.

¹⁰ On-site visits in Bangkok and 16 other provinces across five regions.

¹¹ Communication channels include radio broadcasts, educational lectures, educational materials, articles, newspapers, and e-books.

Key Result 5: SEC's capability to carry out its mission

The SEC has sufficient, capable personnel for carrying out its mission:

- Reviewed, modified, and redefined the Strategic Plan for human resource management to retain high-potential staff and redesigned the organizational structure with appropriate job assignments to successfully carry out the organization's mission. The SEC also developed leadership as a culture through workshops—positioning managers as role models—and fostered new-generation leadership via the Talent Development and Successor Development projects. Furthermore, the SEC prioritized cultivating essential knowledge and skills—such as digital technology, information management, and innovation—across all staff levels to ensure they are ready and kept abreast of changes in the capital market.

- Strengthened staff physical and mental well-being through quarterly inspirational talks and by providing mental health counselling to enhance work effectiveness and sustainably build capacity for carrying out the organization's mission.

The SEC is able to enhance efficiency in service provision operations through innovation, digitalization, and information:

- Ensured readiness to become a data-driven organization by assessing the status, analyzing gaps, and planning necessary developments.

- Built an organizational culture that promotes innovation to enhance efficiency in service provision and operations, and to leverage the benefits of artificial intelligence (AI) by establishing AI governance guidelines to drive the organization efficiently and sustainably. The SEC carried out the following actions:

- (1) Promoted individual- and team-level innovation, such as tracking the progress of AI co-pilot tasks for accounting standards to reduce work hours;
- (2) Fostered organizational-level innovation such as a knowledge management system and a centralized contact database to provide useful information and facilitate operations; and
- (3) Promoted collaborative innovation to build shared understanding and create innovations or solutions that truly address stakeholder needs.

3

SEC Strategic Plan





SEC Strategic Plan 2025 – 2027

Strategic Planning Framework

The formulation of the SEC Strategic Plan follows a comprehensive framework and process that incorporates various external factors while considering the following key aspects:

1. Key Challenges and Megatrends Impacting the Capital Market

1.1 Global economic volatility and geopolitical tensions such as economic conflicts between major powers, consequently influencing capital flows and capital market stability;

1.2 An aging society where people aged 60 years and above account for more than 20 percent of the total population. As a result, there is a growing need for financial preparedness for retirement, enhanced financial literacy, and accommodation of shifting investment behaviors where younger generations increasingly prefer self-education through online resources and rely on financial influencers (finfluencers);

1.3 Climate change and sustainability: The growing focus on addressing climate change has accelerated the integration of sustainability factors into business operations. However, there are still gaps in building a suitable ecosystem in various areas. For example, listed companies must comply with multiple standards, resulting in higher costs and burdens. Investors still have concerns about greenwashing. Products lack diversity and liquidity, and there is a general lack of readiness, knowledge, and understanding among various stakeholders;

1.4 Digital economy and technological advancements are playing an increasingly important role in the capital market. However, gaps persist in leveraging digital infrastructure and data. Additionally, legal and tax frameworks for digital assets have yet to enable widespread adoption of digital fundraising;

1.5 Market confidence issues including; a sluggish stock market, a lack of investor confidence, and inappropriate behaviors among market participants.

2. Stakeholder Feedback

2.1 Demand-side: Measures to attract long-term investment from domestic and younger investors;

2.2 Supply-side: Promoting high-potential listed companies, focusing on sustainability, startups, and the new economy, while establishing clear policies for digital assets;

2.3 Ecosystem: Enhancing digital infrastructure in the capital market, improving data exchange mechanisms among market participants, facilitating connections between securities and derivatives business operators and digital asset business operators, simplifying regulatory frameworks, and increasing the efficiency of regulatory enforcement.

3. Research and Academic Papers: Insights include:

3.1 International developments: The US SEC's approval of Bitcoin Exchange-Traded Fund (ETF) highlights Bitcoin's recognition as a regulated asset;

3.2 Regulatory reform: Integrated legal reform to reduce costs and enhance competitiveness;

3.3 Sustainability: Establishing clear sustainability reporting standards and emphasizing the quality of disclosed data, and providing guidelines for consistent understanding;

3.4 Investment behaviors: Offering products tailored to diverse age groups and continuously promoting financial literacy;

3.5 Retirement savings: While most listed companies provide provident funds (PVDs), the proportion of participating members remains low;

3.6 Finfluencers: The rising role of influencers in disseminating financial and investment information presents challenges in setting standards and oversight.

4. Alignment with the National Strategy and the 13th National Economic and Social Plan 2023-2027: Focusing on four areas,

i.e., fairness, orderliness and transparency, strict actions against fraud, promotion of new economic growth, sustainability, environmental and climate management, and lifelong human capital development.

5. The 4th Capital Market Development Plan (2022-2027):

Strategy 1: Competitiveness – Enhancing competitiveness across all sectors of Thailand’s capital market.

Strategy 2: Accessibility – Making the capital market more inclusive for all stakeholders.

Strategy 3: Digitalization – Promoting the adoption of technology and digital tools.

Strategy 4: Sustainable capital market – Supporting long-term sustainability in the economy and market.

Strategy 5: Financial well-being – Improving financial outcomes and creating new investment opportunities with balanced risks.



Key Result 1: Trust and Confidence

1. Fundraising

- Evaluate oversight measures and create a balance between effective oversight and fundraising costs;
- Expedite the issuance of regulations to require executives and directors to report when shares are pledged as collateral, pledged or transferred to custodians;
- Enhance disclosure practices, focusing on performance or corporate value-up programs and sustainability operations;
- Strengthen and promote the role of internal auditors by setting qualifications, issuing good practices, and laying out professional development plans, and requiring IPO companies to have internal auditors who meet SEC-specified qualifications;
- Develop a system to approve financial advisors and enforce legal actions against those who commit violations. This will include issuing regulations and creating an electronic approval system to establish a database that serves as a quality benchmark for financial advisors' work. Standards or operational manuals will be updated, alongside systems to search for the work and history of financial advisors.

2. Securities Trading

- Evaluate implemented measures to maintain a balance between investor protection and market liquidity;
- Promote transparency, fairness, and efficiency in trading orders, addressing issues including short selling and program trading, and summarize the results of implemented measures and review transparency guidelines for omnibus accounts;

- Set expectations for intermediaries to provide responsible services by creating evaluation frameworks for service provision and operations of securities companies;

- Tighten rules on extending credit and loans to clients by amending relevant regulations and promoting the development of a securities bureau for credit information disclosure to provide collateral information for each stock to support credit information provision and monitor securities companies' use of securities as collateral in accordance with their objectives;

- Improve business operators' cyber resilience by addressing and monitoring vulnerabilities found in critical infrastructures and high-risk business operators and establishing a database for supervising business operators' cyber resilience, conducting training to raise awareness and drill capital market business personnel, and preparing industry overview analyses, and coordinating with relevant agencies to establish mechanisms for national IT audit standards;

- Enhance governance and flexibility for subordinate regulations and other business operations of the SET.

3. Financial Information Distributor

- Oversee influencers in a manner consistent with associated risks by specifying clear dos and don'ts, building partnerships, promoting stakeholder education, and building mutual understanding with influencers, businesses, and the media. This includes establishing criteria for supervising businesses engaging with influencers;

Key Result 2: Digital Technology

- Promote the development of capital market infrastructure by fostering collaboration with market participants interested in driving system development and drafting subordinate legislation to support the Electronic Securities Act and cooperating with relevant agencies;
- Enhance investor accessibility through Open Data by: (1) supporting the development of mechanisms for data exchange among business operators in the capital market, (2) promoting systems that provide investors with an overview of their aggregate securities portfolio, and (3) supporting clients' use of cross-institutional financial data;
- Encourage the use of digital tokens to promote digital economy by: (1) revising ICO portal outsourcing regulations, (2) preparing for a seamless transition in overseeing investment tokens under the Securities and Exchange Act, and (3) collaborating with the Revenue Department to establish clear and appropriate tax guidelines, particularly concerning utility tokens, and (4) publicizing fundraising tools via ICOs and digital token exchange.

Key Result 3: Sustainable Capital Market

- Encourage businesses to adopt concrete and context-appropriate sustainable practices within businesses, with measurable and reportable outcomes. This includes issuance of sustainability disclosure standards based on ISSB guidelines and continuously developing and encouraging listed companies to disclose information per the ISSB roadmap, focusing on climate issues while incorporating HRDD to support achieving SDGs;
- Enhance disclosure standards for investment management businesses that adopt responsible investment principles by revising the criteria for SRI funds and requiring funds labelled as “sustainable” or “ESG” to disclose information equivalent to SRI funds to mitigate greenwashing risks. Additionally, the criteria will be revised to expand the investment options of Thai ESG funds and collaborate with the private sector to increase recognition of SRI funds and Thai ESG funds. Efforts will also focus on enhancing asset management companies' capacity to manage climate risks per ISSB standards, including promoting climate action plans for asset management companies to transition toward net-zero goals (transition plans) and evaluating the disclosure of sustainability funds (ESG funds);
- Develop a supporting ecosystem for voluntary carbon credit trading by collaborating with relevant agencies to establish a central carbon credit trading hub and facilitating carbon credit trading under SEC supervision. Moreover, regulations will be introduced to enable digital asset exchanges, brokers, and dealers to offer tokenized carbon credits certified by standards for offsetting greenhouse gas emissions and renewable energy certificates.
- Encourage intermediaries to integrate sustainability factors into investment analysis and recommendations by revising regulations requiring investment consultants to take refresher courses covering sustainability topics. Incentives will be provided to raise knowledge standards and expectations for securities companies to incorporate sustainability factors in SET50 stock analyses. Capacity-building initiatives will also be implemented to expand SET100 stock analyses and enhance securities companies' ability to analyze climate risks per ISSB standards.

Key Result 4: Financial Well-Being/Long-Term Investment

- Conduct a study on developing Thai Individual Investment Accounts (TIIA) for long-term investment. The study will result in policy recommendations. If tax incentives are approved by the Ministry of Finance, the SEC will draft relevant regulations and require businesses to establish support systems;

- Enhance retail investor access to the stock market by concluding initiatives for small-lot shares and revising related regulations as well as monitoring and evaluating effectiveness on a continuing basis;

- Restructure the governance framework for investment management businesses in line with different business types to ensure adequate investor protection, simplicity, efficient implementation, and regulatory improvements;

- Encourage listed companies to attract more employees to participate in PVDs by revising disclosure requirements in the 56-One Report

to promote retirement savings of listed company employees through PVDs, and continue with the efforts to expand listed companies' employee membership in PVDs;

- Establish an Anti-Investment Scam Center by integrating technology for public services and fraud detection. Comprehensive support will be provided to the public and market operators, including enhancing preventive mechanisms for businesses in the capital market and raising public awareness of investment fraud hotlines and alerts;

- Provide targeted investor education for different age groups by expanding e-learning courses to reach students and the general public on a continuing basis;

- Elevate investors' financial literacy by making them smart investors who understand risks, know their rights, and avoid fraud. Continuous educational programs will target individuals nearing retirement and retirees.

Key Result 5: SEC Excellence

- Revise regulations related to securities business operators to make them principle-based, easy to understand, and accompanied by clear guidelines. Comprehensive principles for business operations will be developed, covering governance structures, work systems, service standards, and end-to-end business processes;

- Leverage customer asset data to enhance the capabilities of smart detection systems. Such data will be applied to monitor risks across various dimensions;

- Leverage data and technology to enhance the governance of digital asset operators by issuing regulations and introducing reporting systems for digital asset businesses, including tools for monitoring non-compliance or risks;

- Improve complaint handling efficiency in fundraising, intermediaries, and digital assets by establishing systematic tracking mechanisms and leveraging technology for continuous monitoring.

- Enhance enforcement and investigation efficiency by collaborating with the SET to ensure readily available data for case evaluation and investigations. Technology will be integrated to reduce processing times, and its continued development will ensure sustained improvements;

- Advance as a data-driven organization by implementing a data-driven roadmap covering policy formulation and data management;

- Promote knowledge and support the continued adoption of technology through the following initiatives: (1) enhancing capabilities by organizing AI mini/hackathon projects to encourage the use of artificial intelligence within the SEC, as well as raising awareness and understanding of AI, digital technology, and innovation through communications and workshops; (2) improving process efficiency through AI coaching and the SEC Co-Pilot Playground, which provides a space for employees to practice using prompts for their

own tasks, along with an AI clinic that assists staff in problem-solving and recommends tools for experimenting with AI applications in their work, thereby increasing overall work process efficiency, and (3) applying digital and AI technologies by further developing the SEC Co-Pilot project to support various functions, such as analyzing financial positions and operating results of listed companies, summarizing securities offering information and One Report data;

- Enhance employee capabilities through key knowledge and skill development, while strengthening leadership potential by managing talent groups and succession development to address retirement preparation. Efforts will also focus on promoting wellness, fostering organizational culture, and maintaining a supportive environment that encourages carbon neutrality.

4

Corporate Governance





SEC Board



Mr. Wisit Wisitsora-at

Chair

Appointed
2 July 2024

Experience and contributions

Mr. Wisit Wisitsora-at obtained a Bachelor of Law from Thammasat University and LL.B. (Second Class Honours, Upper Division), University of Wales, United Kingdom. He is Barrister-at-Law, the Thai Bar Association under the Royal Patronage of HM the King, and Barrister-at-Law of Gray's Inn. Previously, he served in several key positions at the Ministry of Justice. For example, Director of the Office of Justice Affairs, Chief of the Ministry Inspector General, Director General of the Legal Execution Department, Director General of the Department of Juvenile Observation and Protection, Deputy Permanent Secretary and Permanent Secretary. Apart from the contributions at the Ministry of Justice, he held positions at other organizations including Director of the Strategic Transformation Office.

Other current role

Permanent Secretary of the Ministry of Digital Economy and Society.



Mr. Lavaron Sangsnit

Permanent Secretary, Ministry of Finance
Ex-Officio Commissioner

Appointed
2 October 2023

Experience and contributions

Mr. Lavaron Sangsnit earned a Bachelor of Arts in Economics from Chulalongkorn University and a Master of Science in Economic Policy and Planning from Northeastern University, USA. Before assuming the role of Permanent Secretary of the Ministry of Finance, he held several prominent positions within the ministry, including Director General of the Revenue Department, Director General of the Excise Department, and Director General of the Fiscal Policy Office.

Other current roles

Chairman of the Board of Directors, the Government Lottery Office, Chairman of the Board of Directors, Krungthai Bank Plc., and Director of the Board of Directors, PTT Plc.



Mr. Vuttikrai Leewiraphan

Permanent Secretary, Ministry of Commerce
Ex-Officio Commissioner

Appointed
4 June 2024

Experience and contributions

Mr. Vuttikrai Leewiraphan obtained a Bachelor of Arts (Political Science) from Chulalongkorn University, and a Master of Science in Administration from Boston University, USA. He had served in several key positions at the Ministry of Commerce. For example, Director General of the Department of Intellectual Property, Director General of the Department of Business Development, Inspector General and Commercial Advisor (Level 10) of the Office of the Permanent Secretary, Member of the Payment Systems Committee of the Bank of Thailand, Member of the Board of Commissioners of the Port Authority of Thailand, Ministry of Transport.

Other current role

Independent Director, PTT Oil and Retail Business Public Company Limited.



Mr. Sethaput Suthiwartnarueput

Governor, Bank of Thailand
Ex-Officio Commissioner

Appointed

1 October 2020

Experience and contributions

Mr. Sethaput Suthiwartnarueput obtained academic degrees in Economics, namely a B.A. (highest honors) from Swarthmore College, and an M. Phil. and a Ph.D. from Yale University, USA. His previous key positions include Director of Osotspa Plc., Director of Puey Ungphakorn Institute for Economic Research, Member of the Monetary Policy Committee of the Bank of Thailand, Independent Director, Chairman of the Risk Management Committee, Member of the Nominating and Remuneration Committee and Member of the Corporate Governance and Sustainable Development Committee of PTT Exploration and Production Plc., Executive Chairman of Thailand Future Foundation, Director of TMB Bank Plc., Executive Vice President of Siam Commercial Bank Plc., President of SCB Asset Management Co., Ltd., Senior Vice President of the Stock Exchange of Thailand, Senior Economist at the World Bank, Washington D.C., and Business Analyst, McKinsey & Co., New York, USA.

Other current roles

Member of the National Economic and Social Development Council, Director of the Board of the Office of Insurance Commission, and Deputy Chairman of the Bank of Thailand Board.



Mr. Subhak Siwaraksa

Commissioner

Appointed

8 May 2019 – 15 April 2021
(the first term)
16 April 2021 onwards
(the second term)

Experience and contributions

Mr. Subhak Siwaraksa obtained a BA in English Literature and Economics from Georgetown University, Washington D.C., an MA in Law and Diplomacy from Fletcher School of Law and Diplomacy, Tufts University, Massachusetts, and a Ph.D. in Economics from University of Pennsylvania, USA. Prior to this appointment, he held various positions, including Member of the Monetary Policy Committee of the Bank of Thailand, Governor and Member of the Audit Committee and the Corporate Governance and Social Responsibilities Committee of the Stock Exchange of Thailand, CEO and President of CIMB Thai Bank Plc. and TMB Bank Plc., and Director of Export-Import Bank of Thailand.

Other current roles

Board Director, Chairman of Risk Oversight Committee, Member of Audit Committee and Member of Financial Institutions Policy Committee of the Bank of Thailand, Independent Director of Siam City Cement Plc., Country Chairman of Jardine Matheson (Thailand) Ltd., Independent Director, Chairman of Audit Committee and Member of Risk Committee of Prudential Life Assurance (Thailand) Plc., Independent Director, Member of Risk Management Committee and Member of Audit Committee of Bangkok Dusit Medical Services Plc., and Independent Director, Chairman of Audit, Risk and Corporate Governance Committee, Member of Nomination and Remuneration Committee, Member of Strategic and Innovation Committee and Member of Sustainability Committee of Thai Wah Plc.



Mr. Krairit Euchukanonchai
Commissioner

Appointed
16 April 2021

Experience and contributions

Mr. Krairit Euchukanonchai obtained a Bachelor's Degree in Science from Chulalongkorn University and a Master of Business Administration (Banking and Finance) from North Texas State University, USA. Previously, he held various key positions, including Chairman of the Board of Directors and Independent Director of PTT Plc., Chairman of the Mass Rapid Transit Authority of Thailand, Chairman and Chairman of the Risk Management Committee of Krungthai Asset Management Plc. and Board Director of Siam Commercial New York Life Insurance Plc.

Other current roles

Chairman of PTT Exploration and Production Plc., Commissioner (Finance) of the Office of Insurance Commission, Vice Chairman of the Board of Directors, Chairman of the Executive Committee and Chairman of the Risk Management Committee of Krungthai Bank Plc., Independent Director and Chairman of the Audit and Risk Committee of Advance Info Service Plc., and Director of the subsidiaries., and Chairman of the Board of Directors of V Group Honda Cars Company Limited and its subsidiaries.



Mr. Viput Ongsakul
Commissioner

Appointed
24 September 2018 – 15 April 2021
(the first term)
16 April 2021 onwards
(the second term)

Experience and contributions

Mr. Viput Ongsakul obtained a Bachelor's Degree in Industrial Engineering from Chulalongkorn University, Master's and Doctorate Degrees in Industrial Engineering from Texas Tech University, USA. He was an Assistant President for Quality Assurance and Dean at NIDA Business School of the National Institute of Development Administration (NIDA) and Member of the Academic Council of Suratthani Rajabhat University.

Other current role

Board Member of Monitoring and Evaluation of the President of Suratthani Rajabhat University.



Mr. Boonyarit Kalayanamit
Commissioner

Appointed
11 May 2023

Experience and contributions

Mr. Boonyarit Kalayanamit obtained a Bachelor of Science in Business Administration from Kasetsart University, Master of Art in Economics from Western Michigan University, USA. Prior to this appointment, he was Permanent Secretary of the Ministry of Commerce, Director General of the Department of Internal Trade and Thai Ambassador to the Permanent Representative World Trade Organization in Geneva.

Other current roles

Independent Director of BJC logistic and warehouse Ltd., Independent Director of Thai Union Feedmill Plc., Independent Director of IMH hospital, Independent Director of Posco-Thainox Plc., and Independent Director of Primo service Solutions Ltd.



Mr. Suphamit Techamontrikul
Commissioner

Appointed
11 May 2023

Experience and contributions

Mr. Suphamit Techamontrikul obtained Bachelor of Accounting from Chulalongkorn University, Master of Accounting and Master of Business Administration from Middle Tennessee State University, USA, and the Joint Doctoral of Business Administration (Accounting) from Chulalongkorn University. Previously, he held various key positions, including Senior Advisor and Chairman of the Board of Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd., Member of the Accounting Profession Supervisory Board of the Ministry of Commerce, Chairman of Accounting Standards Screening Subcommittee of the Federation of Accounting Professions, Member of Audit and Evaluation Committee of the Ministry of Higher Education, Science, Research, and Innovation.

Other current role

Member of University Council of Chulalongkorn University.



Mr. Pakorn Nilprapunt
Commissioner

Appointed
11 May 2023

Experience and contributions

Mr. Pakorn Nilprapunt obtained a Bachelor of Laws from Thammasat University and a Master of Laws from the University of Sydney, Australia. Prior to this appointment, he had held several key positions, including Director of the Strategic Transformation Office, Secretary-General of the Office of the Public Sector Development Commission, Deputy Secretary-General to the Cabinet, and other positions at the Office of the Council of State, including Deputy Secretary-General, Director of the Foreign Law Office, and Director of the Legal Development Department.

Other current roles

Secretary-General and Director of the Council of State, Director of the Legal Development Department, Member of the Legal Reform Commission, Member of the Public Sector Development Commission, Member of the Civil Service Commission, Member of the National Economic and Social Development Council, Member of the Government Pension Fund Board of Directors, Member of Bank of Thailand Board, Director of the State Enterprise Policy, and Member of National Police Policy Board.



Mrs. Pornanong Budsaratragoon
SEC Secretary-General
Commissioner and Secretary

Appointed
18 September 2023

Experience and contributions

Mrs. Pornanong Budsaratragoon holds a BBA in Quantitative Analysis from Chulalongkorn University, Thailand, an MBA in Management of Information Systems from the University of Dallas, USA., and a DBA in Finance from Chulalongkorn University. Prior to this appointment, she had served in other leadership and regulatory role, including Member of the Capital Market Supervisory Board, Chair of the Subcommittee on Consideration of Regulations on Issuance and Offering of Debt Securities, Derivatives, and Structured Products, Chair of the Subcommittee on Consideration of Regulations on Supervision of Business and Market Intermediaries, and Member of the Subcommittee on Consideration of Regulations on Asset Management. Previously, her academic roles included a full-time Professor and Head of the Banking and Finance Department, and Chair of the Committee for the Master of Science Program in Corporate Governance, the Faculty of Commerce and Accountancy, Chulalongkorn University.

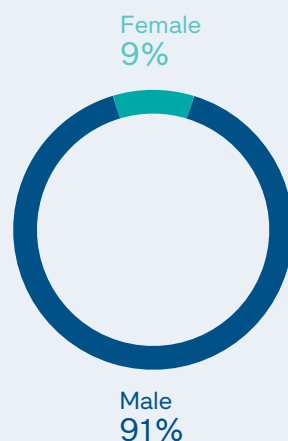
Other current roles

Commissioner and Secretary to the Securities and Exchange Commission Board, Chair of the Capital Market Supervisory Board, Member of the Bank of Thailand Board, Member of the Financial Institutions Policy Committee of the Bank of Thailand, Member of the Office of Insurance Commission and Member of IOSCO Board.

Committee/Subcommittee

- AC Audit Committee
- CG Good Governance and Remuneration Subcommittee
- LC Legal Subcommittee (Consulting)
- LL Legal Subcommittee (Litigation)
- AP Appellate Subcommittee
- ROC Risk Oversight Committee

Gender



Board Skill Matrix



Capital Market Supervisory Board



Mrs. Pornanong Budsaratragoon

SEC Secretary-General
Ex-Officio Chair

Appointed
18 September 2023

Experience and contributions

Mrs. Pornanong Budsaratragoon holds a BBA in Quantitative Analysis from Chulalongkorn University, Thailand, an MBA in Management of Information Systems from the University of Dallas, USA., and a DBA in Finance from Chulalongkorn University. Prior to this appointment, she had served in other leadership and regulatory role, including Member of the Capital Market Supervisory Board, Chair of the Subcommittee on Consideration of Regulations on Issuance and Offering of Debt Securities, Derivatives, and Structured Products, Chair of the Subcommittee on Consideration of Regulations on Supervision of Business and Market Intermediaries, and Member of the Subcommittee on Consideration of Regulations on Asset Management. Previously, her academic roles included a full-time Professor and Head of the Banking and Finance Department, and Chair of the Committee for the Master of Science Program in Corporate Governance, the Faculty of Commerce and Accountancy, Chulalongkorn University.

Other current roles

Commissioner and Secretary to the Securities and Exchange Commission Board, Chair of the Capital Market Supervisory Board, Member of the Bank of Thailand Board, Member of the Financial Institutions Policy Committee of the Bank of Thailand, Member of the Office of Insurance Commission and Member of IOSCO Board.



Mrs. Waratchya Srimachand

SEC Deputy Secretary-General
Ex-Officio Board Member

Appointed
1 October 2023

Experience and contributions

Mrs. Waratchya Srimachand obtained a B.Acc. in Finance & Banking (First-Class Honors) from Chulalongkorn University and M.M. from Kellogg School of Management, Northwestern University, USA. Prior to this appointment, she had served in several positions from Chief Analyst to Deputy Secretary-General overseeing securities offering, mergers and acquisition, corporate governance, securities business supervision, enforcement, legal development, internal affairs, and strategies. Before joining the SEC, she was an analyst at the Bank Supervision Department, the Bank of Thailand and a credit officer at Chase Manhattan Bank, Bangkok branch.

Other current roles

SEC Deputy Secretary-General overseeing policy and supervision of intermediaries, investment management, provident fund, market infrastructure, and Chair of the Governance Subcommittee, the Office of the Equitable Education Fund.



Mr. Pornchai Thiraveja

Director-General, Fiscal Policy Office
Ex-Officio Board Member

Appointed
1 October 2021

Experience and contributions

Mr. Pornchai Thiraveja obtained a Bachelor of Accounting from Thammasat University, a Master of Business Administration (Finance) from College of Notre Dame, USA, a Master of Political Science (Public Administration) from Thammasat University, a Doctor of Management (Public Management) from Suan Dusit University and a Doctor of Philosophy Program in Non-Formal Education from Chulalongkorn University. He had served in significant positions, including Director of Krungthai Asset Management Plc., Director of MFC Asset Management Plc., Director of PTT Regional Treasury Center Pte. Ltd. (PTTRTC), Vice Chairman of Thailand Post Company Limited and Director of Islamic Bank of Thailand, Vice Chairman of Aeronautical Radio of Thailand Ltd. Director of Esso (Thailand) Plc., and Director of Electricity Generating Authority of Thailand.

Other current roles

Chairman of the Deposit Protection Agency, Plan Administrator of Thai Airways International Plc., Director of Don Muang Tollway Plc., and Director of IRPC Plc.



Mrs. Saranya Chindavanig
Board Member

Appointed

18 January 2016 – 18 August 2020
(the first term)

19 August 2020 onwards
(the second term)

Experience and contributions

Mrs. Saranya Chindavanig obtained a BBA in Accounting from Thammasat University, and an MBA from Eastern Michigan University, USA. She had served in key positions, including Advisor to the Thai Listed Companies Association and the Thai Institute of Directors Association, Member of the Audit Committee of Thai Wacoal Plc. and Zen Corporation Group Co., Ltd., Director of the Corporate Finance Department and the Accounting Supervision Department of the SEC.

Other current roles

Chair of the Subcommittee on Consideration of Regulations on Issuance and Offering for Sale of Equity Instruments, Governance of Securities Issuing Companies and Securities Acquisition for Business Takeovers, and Member of the Subcommittee on Consideration of Regulations on Supervision of Intermediaries and Market and Sales of Investment Product and Provision of Investment Advice, the SEC.



Mr. Ekachai Chongvisal
Board Member

Appointed

18 January 2016 – 18 August 2020
(the first term)

19 August 2020 onwards
(the second term)

Experience and contributions

Mr. Ekachai Chongvisal obtained a bachelor's degree in Engineering (Honors) from Chulalongkorn University, an MBA in Finance with Beta Gamma Sigma (honor society) from Indiana University, Bloomington, USA. He held various key positions, including Chief Executive Officer and Director of the Association of Investment Management Companies, Member of the Capital Market Committee of the Bank of Thailand, Independent Director of the Thai Bond Market Association, Director of Fitch Rating (Thailand) Co., Ltd., Director of TISCO Asset Management Co., Ltd., Director of SCB Asset Management Co., Ltd., and Director of Home Product Plc.

Other current roles

Chair of the Subcommittee on Consideration of Regulations on Asset Management, and Member of the Subcommittee on Consideration of Regulations on Property Funds, Infrastructure Funds and Real Estate Investment Trusts, the SEC.



Mr. Ayuth Krishnamara
Board Member

Appointed

25 July 2018 – 30 October 2022
(the first term)

31 October 2022 onwards
(the second term)

Experience and contributions

Mr. Ayuth Krishnamara obtained a BSC in Chemical Engineering from Lehigh University, Bethlehem, and an MBA from Pepperdine University, Los Angeles, USA. He held various positions at Bangkok Bank Plc., including Member of the Risk Management Committee and Secretary, Executive Vice President in charge of Accounting and Finance Division and Manager of Risk Management Division. In other organizations, he was Director of Bualuang Ventures Co., Ltd., Director of the Asian Bankers Association (ABA), Taiwan. Vice Chairman of BBL Asset Management Co., Ltd., Chairman of the Basel Club, the IFRS Club and the Thai Forex Club of Thai Bankers Association and Expert Member of the Steering Committee for the Corporate Bond Stabilization Fund.

Other current roles

Chair of the Subcommittee on Consideration of Regulations on Property Funds, Infrastructure Funds and Real Estate Investment Trusts, Member of the Subcommittee on Consideration of Regulation on Issuance and Offering of Debt Securities, Derivatives and Structured Products, and Expert Member of the SEC Auditing Advisory Committee. Other key positions include Expert Member of the Financial Institutions Policy Committee, External Expert on Risk Management Standards for Financial Institutions and Companies under Commercial Bank Financial Business Group of the Bank of Thailand and Member of the Subcommittee on Screening Accounting Standard, Federation of Accounting Professions.



Mrs. Jantima Phienveja
Board Member

Appointed

6 May 2022 – 30 October 2022
(the first term)
31 October 2022 onwards
(the second term)

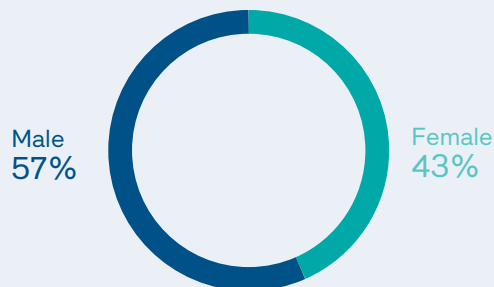
Experience and contributions

Mrs. Jantima Phienveja obtained an L.L.B from Thammasat University, Barrister at Law from the Thai Bar under the Royal Patronage, and an L.L.M from Thammasat University. Prior to this appointment, she was Managing Director and Deputy Managing Director of Krungthai Law Company Limited, Legal Officer of the Bank of Thailand, Director of Regulation Development Department and Legal Expert of the Subcommittee on Consideration of Business Takeovers, the SEC.

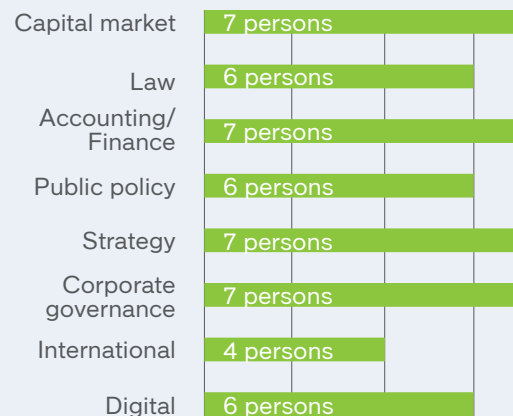
Other current roles

Chair of the Subcommittee on Consideration of Regulation on Issuance and Offering of Debt Securities, Derivatives and Structured Products, Chair of the Subcommittee on Consideration of Regulations on Supervision of Intermediaries and Market and Sales of Investment Product and Provision of Investment Advice, Member of the Subcommittee on Consideration of Regulations on Issuance and Offering for Sale of Equity Instrument, Governance of Securities Issuing Companies and Securities Acquisition for Business Takeovers, the SEC.

Gender



Board Skill Matrix



Executive Officers



Mrs. Pornanong Budsaratagoon
Secretary-General



Mrs. Waratchya Srimachand
Deputy Secretary-General



Mr. Thawatchai Pittayasophon
Deputy Secretary-General



Miss Jomkwan Kongsakul
Deputy Secretary-General



Mr. Anek Yooyuen
Deputy Secretary-General



Mrs. Nataya Niyamanusorn
Assistant Secretary-General



Mrs. Charuphan Intararoong
Assistant Secretary-General



Miss Archinee Pattamasukhon
Assistant Secretary-General



Mr. Wiboon Phatrapiboon
Assistant Secretary-General



Miss Areewan Aimdilokwong
Assistant Secretary-General



Mrs. Pattanaporn Tripipat
Assistant Secretary-General



Miss Sucha Boonyanate
Assistant Secretary-General



Mr. Pailboon Dumrongwaree
Assistant Secretary-General



Miss Nopnuanpam Pavasant
Assistant Secretary-General



Miss Rachamarn Suchitchon
Assistant Secretary-General



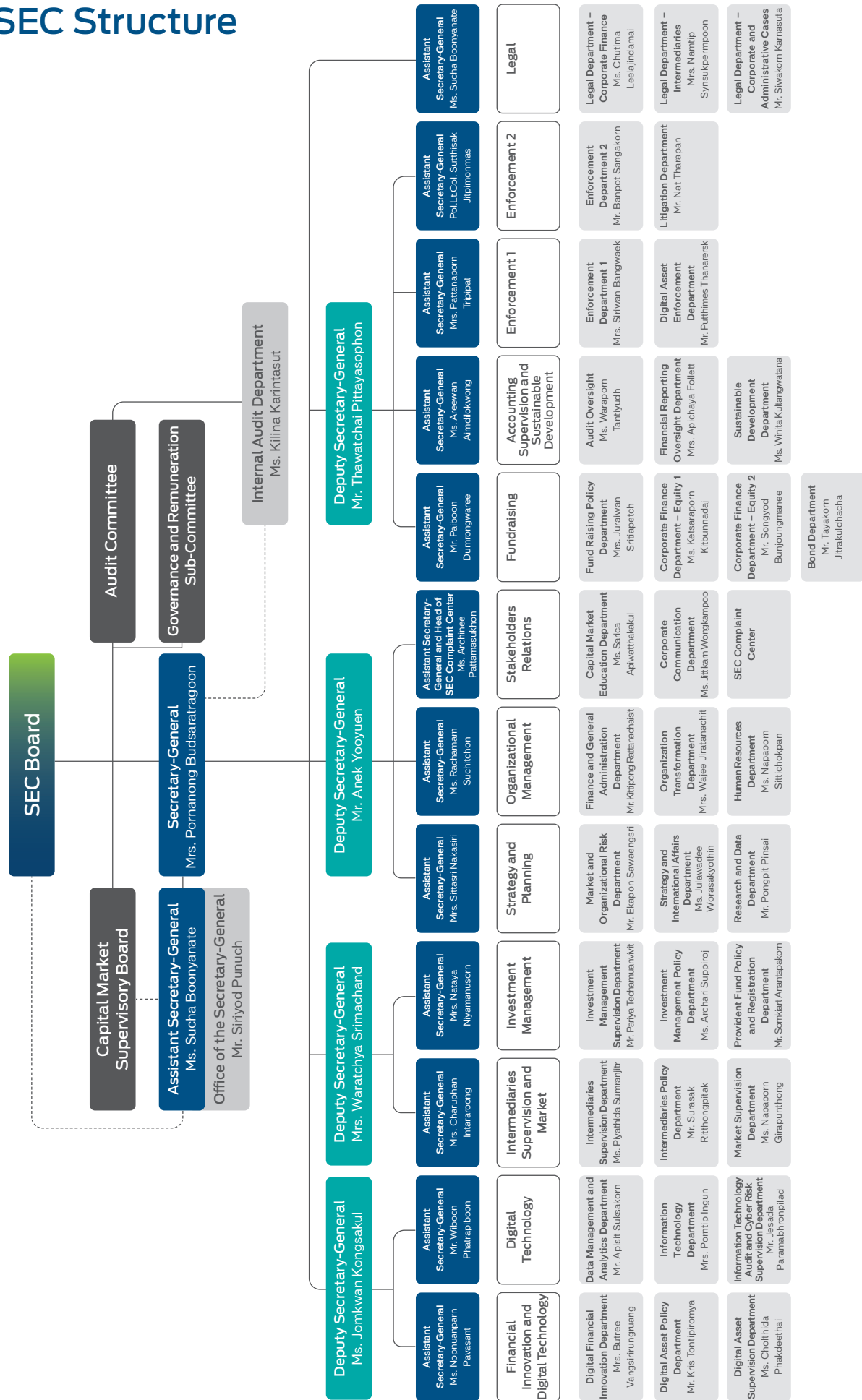
Mrs. Sittasri Nakasiri
Assistant Secretary-General



Pol.Lt.Col. Sutthisak Jitpimonmas
Assistant Secretary-General

As of 31 December 2024

SEC Structure



---- Internal Management and Business Affairs

Effective Date : 1 February 2024

Formation, Roles, and Practice Guidelines of the Boards and Committees

1. Board Structure

Pursuant to the Securities and Exchange Act B.E. 2535 (1992), the SEC comprises two boards, namely :

- **The SEC Board** is entrusted with policymaking for overall market supervision and development including appointment of various subcommittees to support the operation of the SEC Board.

- **The Capital Market Supervisory Board (CMSB)** is in charge of issuance of rules, regulations and orders pertaining to securities offering and business undertaking in the capital market, appoints subcommittees to support CMSB's work and reports the performance to the SEC Board.

The SEC Office operates in accordance with policies assigned by the SEC Board and the CMSB with Secretary-General as the highest chief executive.

1.1 SEC Board

The SEC Board structure as stipulated in the Securities and Exchange Act consists of (1) Chair appointed by the Cabinet, (2) Three ex-officio members comprising the Permanent Secretary of the Ministry of Finance, the Permanent Secretary of the Ministry of Commerce and the Governor of the Bank of Thailand, (3) Four to six expert members by the nomination of the Selection Committee and appointed by the Minister of Finance, at least one each in the legal, accounting and finance fields, and (4) SEC Secretary-General as Board member and Secretary. The Chair, the expert members and the Secretary-General shall hold office for a four-year term and may be re-appointed, but not for more than two consecutive terms.

1.2 CMSB

The CMSB as stipulated in the Securities and Exchange Act consists of (1) SEC Secretary-General as Chair, (2) SEC Deputy Secretary-

General appointed by Secretary-General, (3) Director-General of the Fiscal Policy Office or the appointed Deputy Director-General, and (4) not more than four expert members appointed by the Minister of Finance upon the Selection Committee's recommendation. At least two of the expert members must have experience managing listed company or securities company. The expert members shall hold office for a four-year term and may be re-appointed, but not for more than two consecutive terms.

2. Check and Balance Mechanism

To support the operation of the SEC Board to ensure transparency, fairness and integrity, the SEC Board has appointed committees and subcommittees to be an important mechanism of check and balance.

2.1 Audit Committee

The Audit Committee is responsible for supervising and reviewing the SEC Management in accordance with the Securities and Exchange Act, other laws related to the capital market, other applicable laws and regulations and the SEC Governance, including the Code of Ethics and the Anti-corruption Policy. The Audit Committee also provides independent recommendations on good governance, risk management and internal control. This is to ensure the SEC operation is appropriate, efficient and effective.

The Securities and Exchange Act stipulates that the Audit Committee shall consist of not less than three but not more than five members. Of this total, at least two members shall be expert members of the SEC Board, and the appointed members shall be competent or have experience in accounting, finance, law or capital market. The term of office for the Audit Committee shall be as follows:

(1) Audit Committee members who also serve on the SEC Board including expert members shall have a term of office identical to their term on the SEC Board.

(2) Other members excluding the SEC Board shall hold office for a four-year term and may be re-appointed, but not for more than two consecutive terms.

2.2 Good Governance and Remuneration Subcommittee

The Good Governance and Remuneration Subcommittee's duty is to suggest policy and guidelines for development of good governance of the organization, including guidelines or criteria for the nomination, remuneration and evaluation of the SEC Board, the CMSB, the Subcommittees and the SEC Secretary-General. The Good Governance and Remuneration Subcommittee comprises three members of the SEC Board, each serving a term of four years, with a maximum of two consecutive terms.

3. Assessment on Duty Performance of the SEC Board and the CMSB

Assessment on duty performances of the SEC Board and the CMSB is conducted annually, both on the group and individual levels, to review their respective duty performances and improve further development under good governance principles.

4. Ongoing Board Development

The SEC Board and the CMSB prioritize obtaining sufficient and essential information on new rules and regulations, emerging developments and the application of technologies in the capital market to benefit the oversight of businesses therein. In 2024, the SEC invited Board members

to participate in various events and activities hosted by the SEC. For example, (1) the annual Board retreat, (2) the participation in Singapore FinTech Festival 2024, and (3) the SEC Capital Market Symposium 2024.

5. The Meeting Attendances of the Boards and Subcommittees

The SEC Board holds meeting at least once a month according to the pre-scheduled annual meeting calendar. The SEC Secretary-General presents draft meeting agendas to the Chair for approval. Once approved, the meeting agenda will be submitted to the SEC Board for consideration not less than seven days prior to the meeting. In order to make careful and prudent decisions, the SEC Board may ask for additional information from the Board's Secretary.

Chair of the SEC Board shall chair the monthly meetings. In the case where the Chair is unable to attend any of such meetings, the Permanent Secretary of the Ministry of Finance shall assume the duties of chairing the meeting.

To constitute a quorum, not less than half of the total members shall attend each meeting. Members of the SEC Management may attend the meetings with relevant topics. Any member of the SEC Board having a conflict of interest in any agenda item is required to declare such conflict and thus shall be excluded from participating in the consideration of such agenda item.

In this respect, the meetings of the CMSB, the Audit Committee and the appointed Subcommittees shall follow similar guidelines.

In 2024, the meetings of important Boards and Subcommittees, namely the SEC Board, the CMSB, the Audit Committee, the Appellate Subcommittee, and the Good Governance and Remuneration Subcommittee, are as follows:

5.1 SEC Board

| Positions | Names | Total Attendances/No. of Meetings | | | | Remarks |
|----------------------|---|-----------------------------------|-----------------|------------------------|---|--|
| | | SEC Board | Audit Committee | Appellate Subcommittee | Good Governance and Remuneration Subcommittee | |
| Chair | Mr. Pichit Akrathit | 6/7 | - | - | - | Serving term until 1 July 2024. |
| | Mr. Wisit Wisitsora-at | 8/8 | - | - | - | Serving term from 2 July 2024. |
| Ex-officio Members | Permanent Secretary, Ministry of Finance Mr. Lavaron Sangsnit | 12/15 | - | - | - | Mr. Chanvit Nakhburee attended Meeting No. 6 as representative. |
| | Permanent Secretary, Ministry of Commerce Mr. Keerati Rushchano Mr. Vuttikrai Leewiraphan | 11/15 | - | - | - | - Mr. Keerati Rushchano assigned Mr. Vuttikrai Leewiraphan to perform duties as his representative from 28 September 2023. - Mr. Vuttikrai Leewiraphan assumed the position from 4 June 2024. - Mrs. Sorada Lertharpachit attended Meeting No. 13 as representative. |
| | Governor of the Bank of Thailand Mr. Sethaput Suthiwartnarueput | 15/15 | - | - | - | Attending meetings as representatives: - Mr. Tharith Panpiemras (Meeting No. 1 and 2) - Mr. Somchai Lertlarwasin (Meeting No. 5 and No. 8-13) - Mrs. Roong Mallikamas (Meeting No. 14 and 15) |
| | | | | | | |
| Expert Members | Mr. Subhak Siwaraksa | 15/15 | - | 2/2 | - | |
| | Mr. Krairit Euchukanonchai | 15/15 | 12/12 | - | - | |
| | Mr. Viput Ongsakul | 15/15 | 12/12 | - | 2/2 | |
| | Mr. Boonyarit Kalayanamit | 15/15 | - | 2/2 | 2/2 | |
| | Mr. Suphamit Techamontrikul | 15/15 | 12/12 | - | 2/2 | |
| | Mr. Pakorn Nilprapunt | 15/15 | - | - | - | |
| Member and Secretary | SEC Secretary-General Mrs. Pornanong Budsaratragoon | 15/15 | - | - | - | |

5.2 CMSB

| Positions | Names | Total attendance/ No. of meetings | Remarks |
|--------------------|--|--------------------------------------|---------|
| Chair | SEC Secretary-General Mrs. Pornanong Budsaratragoon | 12/12 | |
| Ex-officio Members | SEC Deputy Secretary-General Mrs. Waratchya Srimachand | 12/12 | |
| | Director General, Fiscal Policy Office Mr. Pornchai Thiraveja | 11/12 | |
| Expert Members | Mrs. Saranya Chindavanig | 11/12 | |
| | Mr. Ekachai Chongvisal | 11/12 | |
| | Mr. Ayuth Krishnamara | 11/12 | |
| | Mrs. Jantima Phienveja | 12/12 | |

6. Remuneration of the Boards and Management

6.1 Details of the remuneration of the Boards and Subcommittees

The Securities and Exchanges Act contains provisions that the SEC Board and the

subcommittees appointed by the SEC Board shall receive remuneration as specified by the Minister of Finance. The CMSB and the subcommittees appointed by the CMSB shall receive remuneration as specified by the SEC Board. The details of the remuneration are as follows:

Remuneration of the Boards and Subcommittees

| Remuneration | Unit : Baht | | | | | | | | | |
|--|-------------|--------|---|---------|-----------------|--------|---|--------|--|--------|
| | SEC Board | | Capital Market Supervisory Board (CMSB) | | Audit Committee | | Legal Subcommittee/ Good Governance and Remuneration Subcommittee/ Appellate Subcommittee | | Draft Regulation Considering Subcommittee /Other Subcommittees | |
| | Chair | Member | Chair | Member | Chair | Member | Chair | Member | Chair | Member |
| Monthly stipend ^{1/} | 56,250 | 45,000 | 50,000 | 40,000 | 56,250 | 45,000 | - | - | - | - |
| Attendance fee/ meeting ^{1/} | 31,250 | 25,000 | 25,000 | 20,000 | - | - | 15,000 | 12,000 | 5,000 | 4,000 |
| Additional monthly remuneration paid to expert members of the CMSB who have the specified characteristic ^{2/} | - | - | - | 140,000 | - | - | - | - | - | - |

Remark:

^{1/} According to the Ministry of Finance's Letter No. Gor Kor 1007/3874 regarding Improvement of Remuneration of the SEC Board and the Subcommittees Appointed by the SEC Board, effective from 27 February 2017.

^{2/} The specified characteristic means being an expert member who has been affected by the restriction of working in any company or organization under the supervision of the SEC, in which case such expert member must be able to perform additional work under the prescribed conditions.

Remuneration of the SEC Board in 2024

| | | | | | Unit : Baht |
|--|-----------|------------------------------|-----------------|---------------------|---------------------|
| Names | Positions | Remuneration as Chair/Member | | | Total ¹² |
| | | SEC Board | Audit Committee | Other Subcommittees | |
| Mr. Pichit Akrathit | Chair | 526,814.52 | - | - | 526,814.52 |
| Mr. Wisit Wisitsora-at | Chair | 585,685.48 | - | - | 585,685.48 |
| Mr. Lavaron Sangsnit | Member | 815,000.00 | - | - | 815,000.00 |
| Mr. Chanvit Nakburee Representative of Permanent Secretary of the Ministry of Finance | - | 25,000.00 | - | - | 25,000.00 |
| Mr. Vuttikrai Leewiraphan | Member | 790,000.00 | - | - | 790,000.00 |
| Mrs. Sorada Lertharpachit Representative of Permanent Secretary of the Ministry of Commerce | - | 25,000.00 | - | - | 25,000.00 |

¹² Including only the Subcommittees disclosed under the topic: List of Subcommittees and Their Work Performance.

Remuneration of the SEC Board in 2024 (Continued)

| Names | Positions | Remuneration as Chair/Member | | | Total ¹² |
|---|----------------------|------------------------------|-----------------|---------------------|---------------------|
| | | SEC Board | Audit Committee | Other Subcommittees | |
| Mr. Sethaput Suthiwartnarueput | Member | 640,000.00 | - | - | 640,000.00 |
| Mr. Tharith Panpiemras Representative of BOT Governor | - | 50,000.00 | - | - | 50,000.00 |
| Mr. Somchai Lertlarpsasin Representative of BOT Governor | - | 175,000.00 | - | - | 175,000.00 |
| Mrs. Roong Mallikamas Representative of BOT Governor | - | 50,000.00 | - | - | 50,000.00 |
| Mr. Subhak Siwaraksa | Member | 915,000.00 | - | 60,000.00 | 975,000.00 |
| Mr. Krairit Euchukanonchai | Member | 915,000.00 | 675,000.00 | - | 1,590,000.00 |
| Mr. Viput Ongsakul | Member | 915,000.00 | 540,000.00 | 24,000.00 | 1,479,000.00 |
| Mr. Boonyarit Kalayanamit | Member | 915,000.00 | - | 105,000.00 | 1,020,000.00 |
| Mr. Suphamit Techamontrikul | Member | 915,000.00 | 540,000.00 | 24,000.00 | 1,479,000.00 |
| Mr. Pakorn Nilprapunt | Member | 915,000.00 | - | 150,000.00 | 1,065,000.00 |
| Mrs. Pornanong Budsaratragoon | Member and Secretary | 915,000.00 | - | - | 915,000.00 |

Remuneration of the CMSB in 2024

| Names | Positions | Remuneration as Chair/Member/ Additional Remuneration | | | Total ¹³ |
|-------------------------------|-----------|--|---------------------|-------------------------|---------------------|
| | | CMSB | Other Subcommittees | Additional Remuneration | |
| Mrs. Pornanong Budsaratragoon | Chair | 900,000.00 | - | - | 900,000.00 |
| Mrs. Waratchya Srimachand | Member | 720,000.00 | - | - | 720,000.00 |
| Mr. Pornchai Thiraveja | Member | 700,000.00 | - | - | 700,000.00 |
| Mrs. Saranya Chindavanig | Member | 700,000.00 | 22,000.00 | 1,680,000.00 | 2,402,000.00 |
| Mr. Ekachai Chongvisal | Member | 700,000.00 | 49,000.00 | 1,680,000.00 | 2,429,000.00 |
| Mr. Ayuth Krishnamara | Member | 700,000.00 | 13,000.00 | 1,680,000.00 | 2,393,000.00 |
| Mrs. Jantima Phienveja | Member | 720,000.00 | 38,000.00 | 1,680,000.00 | 2,438,000.00 |

6.2 Remuneration of the Management

In 2024, the SEC Management consisting of Secretary-General, Deputy Secretary-Generals, and Assistant Secretary-Generals, altogether 17 persons, received compensation, for example, salaries, provident fund contribution, special remuneration, car allowance, petrol expenses and medical expenses totaling 128,432,292.17 baht.

6.3 Remuneration of the auditor

The remuneration of the auditor for the audit of the financial statements for the financial year 2024 was 800,000 baht.

^{12 13} Including only the Subcommittees disclosed under the topic: List of Subcommittees and Their Work Performance.

Human Resources Management

In 2024, the SEC's Innovative Organization Plan focused on positioning the SEC as an innovative and digital organization with personnel capable of driving its mission forward. The plan emphasized the development and empowerment of innovators by fostering a culture of continuous learning among employees. It also promoted the use of digital tools to meet the needs of stakeholders, enhance the efficiency of law enforcement, and reinforce trust and confidence among stakeholders in the capital market. Additionally, the plan prepared the organization to operate effectively in a changing environment. The implementation results in each area are as follows:

Organizational Structure

The SEC Board approved an increase in staffing by 25 positions (from 860 to 885 positions) to enhance the efficiency of law enforcement operations. As of 31 December 2024, the total workforce was 806, consisting of 16 persons in the top management level (2 percent) and 790 persons in the operational level (98 percent). The workforce can be categorized by core functions as follows:

| Core Functions | Number of Persons |
|--|-------------------|
| Legal Development | 52 |
| Investment Management Policy and Supervision | 69 |
| Intermediaries Policy and Supervision and Market Supervision | 73 |
| Accounting Supervision and Sustainable Development | 61 |
| Digital Technology | 48 |
| Financial Innovation and Digital Technology | 66 |
| Organizational Management | 70 |
| Enforcement 1 | 58 |
| Enforcement 2 | 40 |

| Core Functions | Number of Persons |
|-------------------------|-------------------|
| Strategy and Planning | 39 |
| Fundraising | 109 |
| Corporate Communication | 46 |
| Others | 59 |
| Total | 790 |

Employment and Recruitment

In 2024, there were 83 new recruits who had gone through the 4-step recruitment process which adheres to the principles of fair and equal treatment for all applicants, without discrimination against their birthplace, ethnicity, gender, language, age, disabilities, physical appearance and health, personal status, economic or social status, religious beliefs, education and trainings or political views on the condition that they do not contradict the Constitution. The 4-step recruitment process is as follows:

1. Screening and interview. The Human Resources (HR) Department conducts the screening process and preliminary interviews, beginning with the HR Recruitment Team considering the overall qualifications of the applicants in comparison to the requirements of the job openings such as educational background, qualifications, work experiences, and English language proficiency scores, etc. If the applicant meets the preliminary criteria, the HR Department will coordinate with the supervisor of the open position to schedule an interview with the applicant;
2. Interview and selection. The HR Department will schedule an aptitude and ability test as well as an interview with the relevant departments, in which the HR Recruitment Team will also participate. In the interview, the HR Recruitment Team will take into consideration the factors in relation to the applicant's knowledge, skills, attitudes and

qualifications based on the SEC's core values, i.e., Openness, Insight, Cooperation and Integrity, as well as adaptability to technologies, etc.;

3. Hiring. Once the applicant passes the selection process, the HR Department will collect necessary documents including academic certificates, work and qualification certifications, English proficiency test results to decide on the remuneration package and inform the candidate of the remuneration details for acknowledgement before proposing for the Secretary-General's approval on the hiring.

4. Reporting for duty and starting work. After obtaining the hiring approval, the HR Department will inform the candidate of the selection result in writing and subsequently set the reporting date and the starting date.

Human Resources Development

In 2024, the SEC developed a training and human resource development plan aimed at developing staff to have genuine and comprehensive knowledge, as well as essential skills in leadership, communication, coordination, and innovation- and data-driven approaches. This included building a culture of continuous learning among employees. The key components are as follows:

1. Capabilities for the future, emphasizing the abilities to adopt framework thinking, skills and work competencies in line with the new-age work environment with concentration on the skills of "analytical thinking, systematic connection, logical and rational communication, complex problem solving, and effective decision making." The development approach consisted of mandatory training courses for employees at each position level. Key courses included systematic thinking and analytical thinking, Master of One Page Summary for entry-level employees, and decision-making through critical thinking, and effective communication for senior-level employees.

2. Information, innovation and digital technologies

The SEC aims to enhance service efficiency and work performance through innovation, digital technology, and data to align with Thailand's national policy of elevating the Thai public sector to digital standards. The focus is on skills in data management and analysis, applying artificial intelligence technology to work processes, and using tools for innovation development. The implementation is carried out in alignment with the development of digital capability roadmaps, with key development courses organized according to position categories.

2.1 Executive level: Focus was given to developing leadership skills in the digital age which involves development of knowledge as well as networks with executives of other organizations through participation in the knowledge development programs for public sector executives;

2.2 Employee level: Focus was given to developing knowledge and skills for the effective and secure use of digital technologies and data. This included training on data analysis and presentation tools to improve work efficiency. In addition to training, activities were organized to raise awareness of the importance of technology and to encourage continuous learning of its application;

2.3 Digital and IT employees: Focus was given to developing knowledge and skills in relation to advanced digital technologies, cyber threat prevention, system and application building, as well as those for the oversight, advice giving and utilization of technologies for innovations at work.

In addition, recognizing the importance of enhancing the use of data through artificial intelligence and technology, the SEC took steps to build broad-based understanding among employees by organizing a special lecture series titled "AI Mini Series." The aim was to foster understanding of artificial intelligence technology and to showcase practical examples of how AI can be applied to work processes, enabling employees to further develop and innovate in their respective areas.

3. Capital market developments (focus on digital assets)

The SEC has developed a set of online digital asset learning modules through the “SEC Academy” learning management system to prepare new employees working in the digital asset sector and interested staff. Additionally, employees were sent to attend training courses with external institutions that have expert instructors, furthering their knowledge through active learning. This allows staff to gain hands-on experience and apply it effectively in supervision and policy making.

4. Leadership skills

Emphasis was given to developing leadership skills and building collaborative relationships with relevant parties, in line with the training roadmap of each level of executive position category, as well as preparing successors for key management positions, as follows:

4.1 Top management: Focus was given to developing leadership skills and fostering positive work culture to drive and implement organizational change. Efforts also include building collaborative networks with executives in the capital market and related agencies;

4.2 Middle and first-line managements: Focus was given to developing knowledge on their roles and understanding of diversity including various techniques applicable to their work and human resource management;

4.3 New team leaders: Focus was given to building understanding of HR policy and management approaches, developing core competencies for team managers including the roles of self-leadership and leading others to enhance personal and team capabilities and build relationships, credibility and team engagement.

5. Work techniques

Departments were given autonomy to plan and manage their staff development plans in line with the objectives, action plans and job-specific competencies, while managing their budgets independently.

6. International perspective competencies

The SEC supported staff education and training overseas and nurtured their opportunities for work experience with the international institutions through inter-agency staff secondment programs as follows:

6.1 Overseas training, scholarships and training grants

The SEC sent its staff to attend overseas training courses to broaden their global perspectives. Key training hosts included the International Organization of Securities Commissions (IOSCO), the Monetary Authority of Singapore (MAS) and Japan Financial Services Agency (JFSA). The SEC also promoted further education at master’s degree level at local and international institutions and supported employees in seeking training grants from third parties – efforts which have been continuously implemented.

In 2024, a new initiative was launched to provide short-term training scholarships organized by international institutions, with full financial support. These scholarships included both training programs and institutions specified by the SEC, focusing on fields in demand such as Data Science/Machine Learning, FinTech courses, and Digital Asset courses. There were also scholarships that allowed employees to choose courses based on their interests, whether online, overseas, or in a hybrid format, in order to broaden learning opportunities for staff. First of all, employees would be required to submit an application with details and enter the SEC’s selection process.

6.2 Secondment programs

In cooperation with the IOSCO, the SEC has taken part in the secondment program at the IOSCO Headquarters in Madrid, Spain to broaden staff perspectives and work experiences and to enhance mutual cooperation between the organizations.

Currently, two SEC employees with high potential are on a two-year secondment program with the IOSCO General Secretariat in Madrid, Spain. In 2024, one employee completed her secondment term and resumed work at the SEC.

7. Self-development and learning management system (SEC Academy)

Requiring employees' competency evaluation by supervisors for development purposes once a year as well as discussions, between supervisors and staff, for an individual development plan with targeted development objectives. In this connection, sets of development courses according to the competency frameworks were provided to facilitate and support employees' participation in the training courses that meet their needs more effectively. In addition, online course platforms, both domestic and international, were provided as an additional channel to promote learning and capability development. This aimed to help staff keep pace with rapid changes in the digital era and the evolving nature of work, while being able to choose courses based on their individual needs and interests.

8. Employees' career path

To mitigate the risks of shortages of personnel with specific skills and those in the line departments and to help the employees visualize their career prospects and growth path so that they can prepare for self-development in the areas of their professional interest, the HR Department continued with the 2022 project on career path building for the personnel in each core function. In 2024, the project continued with career clinics organized to provide consultation on career goal setting and self-development to achieve the set goals. In addition, new employees were provided with guidance on career advancement opportunities. Over the year, the voluntary job rotation rate was 7.4 percent of the total workforce. A total of 62 employees were granted level promotions and 27 employees were promoted to managerial positions, namely Assistant Director, Deputy Director, Director and Executive Officers. Altogether, 89 employees, or 11.1 percent of the total workforce, received promotions.

9. Preparing Future Leaders and Successors for Key Positions

The SEC supported employee learning and growth to retain high-potential talents and develop them into future leaders who can continuously

drive the organization forward. In 2024, three key human resource development programs focusing on management and leadership were implemented, as follows:

9.1 MAP (Management Acceleration Program): Designed to prepare staff-level employees for leadership roles as team leaders;

9.2 LAP (Leadership Acceleration Program): Aimed at preparing team leaders for mid-level management positions;

9.3 LDP (Leadership Development Program): Intended to prepare department heads and division management.

Employees and managers participating in these programs gained essential competencies required for higher-level positions. They also collaborated on group projects and presented their work, providing a platform to demonstrate their potential and to experience cross-functional teamwork that fostered future collaboration.

10. SEC core values and culture promotion

The SEC continued to instill and promote its core values (Openness, Insight, Cooperation and Integrity) and the corporate working culture that focuses on the public interest. A clear approach was adopted to translate the organizational values—Open-mindedness, Insight, Cooperation, and Integrity—into tangible actions, with the goal of fostering a strong, unified SEC culture. The initiative encourages leaders to serve as role models by demonstrating exemplary behaviors that reflect these core values and by engaging positively across a diverse workforce, and striving to make the organization a happy workplace that employees can be proud of. Ongoing activities are organized to reinforce positive behaviors in line with these core values and to build a strong sense of unity within the organization. These activities provide opportunities for executives and staff to engage in open dialogue, exchange perspectives on work, listen to one another, and collaboratively resolve issues. This helps foster mutual trust and confidence, respect for one another, unity in working towards maximum efficiency based on good relationships, trust, mutual support, dedication, and commitment to achieving the organization's goals together.

11. Promotion of the Ethical Standards for State Agencies

Activities to promote ethical standards for state agencies were organized for executive officers, employees, workers and related operators on a continuous basis, such as:

11.1 Providing channels for receiving complaints, grievances, discussions of problems or concerns regarding moral and ethical issues by setting up a working group to provide ethical consultation, respond to ethical inquiries, and drive ethics initiatives, with contact channels via email: HRDirector@sec.or.th and Line Official. In 2024, individual consultation was provided to employees on various issues related to conflicts of interest as stipulated in SEC regulations or orders, such as criteria for prohibiting employees from purchasing securities as determined by the SEC, participation in reception events, receiving gifts on various occasions, and engaging in professions or working overtime in their capacity as SEC employees, etc. Additionally, Coffee Monday activities were organized, providing opportunities to be heard by and ask for advice or guidance directly from the Secretary-General;

11.2 Organizing lectures on ethical standards for state officials in 2024:

11.2.1 Lecture on “Ethics and Morality of Workers and Building Trust and Confidence in the Organization” on 15 March 2024;

11.2.2 Lecture on “ITA 2024 for SEC Staff” to promote ethics and transparency with firm commitment to the SEC’s core value of “Integrity” and the No Gift Policy. The lecture provided employees with knowledge about performance evaluation criteria, procedures for handling complaints, the policy of not accepting any gifts or gratuities in the course of their duties, measures to prevent fraud and misconduct within the SEC, and the proper use of government property, etc. The event took place on 5 June 2024;

11.2.3 Lecture on “Good Financial Planning Can Change Your Life” to encourage employees to make a financial plan, manage their income and expenses including personal debts to be able to live simply and frugally, present a good role model and preserve the SEC’s image, on 28 June 2024;

11.2.4 Lecture for the “Knowledge on Corruption Prevention and Suppression for Government Officials” course on 2 August 2024.

11.3 Organizing ethics and morality promotion activities in 2024:

11.3.1 Pledging allegiance towards the Monarchy:

- 1) Organizing a merit-making ceremony on Navamindra Maharaj Day (13 October 2024) in remembrance of His Majesty the late King Bhumibol Adulyadej the Great on 11 October 2024;
- 2) Organizing an homage-paying and well-wishing ceremony to celebrate Her Majesty Queen Sirikit The Queen Mother’s Birthday Anniversary on 9 August 2024;
- 3) Inviting executives and employees to wear yellow shirts with royal insignia on Mondays or on appropriate occasions to express profound gratitude for His Majesty’s boundless benevolence and demonstrate loyalty, on the auspicious occasion of His Majesty the King’s 72nd Birthday Anniversary;
- 4) Organizing a volunteer mangrove reforestation activity at Bangpu Nature Education Center in Samut Prakan Province on 17 July 2024. Executives and employees planted 7,200 mangrove saplings in celebration of His Majesty the King’s 72nd Birthday Anniversary on 28 July 2024;



5) Organizing a royal tribute and oath of allegiance ceremony to reaffirm the sense of being His Majesty the King’s civil servants and state officials, on the auspicious occasion of His Majesty the King’s 72nd Birthday Anniversary on 28 July 2024. The event took place on 26 July 2024;



6) Organizing a well-wishing ceremony to celebrate Her Majesty Queen Suthida Bajrasudhabimalalakshana’s Birthday Anniversary on 5 June 2024.



11.3.2 Ethics and morality promotion activities to build SEC Culture in 2024:

- 1) Organizing a merit-making ceremony on the New Year’s Day occasion on 4 January 2024;
- 2) Organizing Songkran Day activities including merit-making alms offering ceremony, bathing Buddha statues, water blessing ceremony for elders, Songkran Couple Contest with Thai traditional costume theme to preserve culture, customs, and traditions, as well as incorporating Q&A activities related to all seven aspects of the

Code of Ethics to receive the “SEC Role Model” Award. Additionally, executives and employees were invited to make a donation to the Ramathibodi Foundation for the Ramathibodi Hospital Building and Yothi Innovation District Project on 5 April 2024.

3) Inviting executives and employees to make a donation to the May 30th Fund at King Chulalongkorn Memorial Hospital to be used as reserve funds for royal medical care and assistance to indigent patients, on the occasion of the 32nd Anniversary of the SEC’s establishment.



4) Organizing a merit making and alms offering ceremony on the occasion of the SEC’s 32nd Anniversary on 16 May 2024.



Employee Performance Evaluation

The SEC has in place a management system for evaluating the personnel's work performance, which involves a dialogue between staff and supervisors to produce the key performance goals or achievement indicators to assure mutual understanding. The process ensures that performance evaluations are clear, transparent, and linked to the work objectives in line with the SEC Strategic Plan, as cascaded down to the individual staff level. This alignment enables individual contributions to support the organization's overall achievements. The performance evaluations are conducted twice a year, or every six months, with the first evaluation taking place in June. This mid-year evaluation provides an opportunity for feedback, suggestions and communication between supervisors and employees, for performance improvements and identification of strengths and weaknesses for further personal development. The second evaluation is conducted in December for consideration of the annual salary increase.

Salary and Remuneration Management

The SEC has the employee remuneration policy that takes into consideration the criteria of appropriateness in terms of knowledge, skills, fairness and work performance of each employee. The remuneration structure includes (1) basis salary based on employee's position level, experience and job complexity as well as the local labor market conditions, with strict adherence to internal and external fairness, (2) other remunerations according to job characteristics such as professional fees, and (3) other benefits, i.e., the employer's contribution to the Provident Fund at the rate of 12 percent of the employees' salary, transportation allowance, etc. In any case, in determining employee remunerations, benefits or job promotions, there is no discrimination against their differences or diversity in terms of gender, age, nationality, religion, etc.

In 2024, the SEC remuneration structure was reviewed to be consistent with the current economic and social conditions, labor market

demand trends in the present era and to ensure that remuneration is at a level that is comparable and competitive with regulatory agencies with similar work characteristics. Additionally, the criteria for professional allowances have been improved for academic fields that are necessary and beneficial to the SEC's work, in order to retain existing employees and attract new employees.

Annual Salary Increment Policy

The SEC sets the annual salary increment for employees and workers in January every year, with the decisions made based upon the results of individual performance assessments in accordance with the SEC's criteria and procedures under the budgetary framework approved by the SEC Board.

In determining the organization's annual budgets, the SEC Board takes into account the results of the organization's performance evaluation according to the SEC Strategic Plan, the comparability with salary increment budgets of the overall labor market and other organizations of similar characteristics and not lower than the inflation rates. The Human Resources Management Committee then considers and sets the criteria and procedures for the annual salary increment for each individual employee for fairness and transparency. The SEC has established salary increments based on the results of individual performance assessments. Employees under disciplinary sanctions or penalties at the probation level or worse or those with unsatisfactory, incomplete or inattentive performance evaluated will not be eligible for any annual salary increase. Partial-year employees, e.g., those starting work during the year and those receiving scholarships or on leave for further studies abroad will receive prorated salary increments based on the time worked.

Employees' Benefits and Welfare

In 2024, the SEC adjusted medical treatment benefits to keep pace with economic needs by adding outpatient coverage plan options that can be selected appropriately in line with modern lifestyle patterns, starting with plan selection for group health insurance in the 2024 policy

period (1 July 2024 – 30 June 2025), including increasing medical treatment costs for employee and employee family room rates, adding vaccines that the SEC reimburses for disease prevention and reducing serious disease impacts. Additionally, hybrid work arrangements were implemented, which is a work format that allows employees to work at the office alternating with working from home, giving employees greater work flexibility.

Furthermore, retirement savings knowledge was promoted for SEC employees who are provident fund members, so that employees have knowledge about saving, investing, and investment portfolio management, and can effectively apply provident fund tools including various financial products. Understanding investment by providing life path provident funds with age-balanced policies that automatically adjust investments according to member age, so that employees can have appropriate financial quality of life in retirement. Training programs were also organized in collaboration with various agencies to provide provident fund knowledge to employees.

Staff Relations and Recreational Activities

The SEC is committed to fostering a positive and supportive work environment that promotes employee happiness, well-being, and a lifestyle-aligned workplace culture. This policy aims to strengthen the bond between personnel and the organization, while encouraging meaningful relationships and a sense of community. To relieve work-related stress and cultivate a spirit of social responsibility, employees are encouraged to participate in a variety of activities that benefit society and support environmental conservation. These Staff Relations activities include paying a tribute to honor royal benevolence and express loyalty to the Monarchy on significant royal occasions, Songkran celebrations to preserve Thai traditions and culture, and SEC anniversary celebrations, Sports Day and ongoing activities organized by various clubs such as healthy

walking and running, cycling, golf, badminton, and football. Recreational activities include Photography Club events and photography technique workshops, held regularly in Bangkok and other provinces. Volunteer and community engagement initiatives featured the Volunteer Community and Environmental Development Club to support local communities and environmental sustainability.

In terms of social welfare, executives and employees are invited to make a donation to Ramathibodi Foundation and Chulalongkorn Memorial Hospital. The SEC also supports policies aimed at improving the quality of life for disadvantaged or vulnerable groups and their families by providing opportunities for visually impaired individuals to offer massage services to staff, helping relieve office syndrome symptoms – a program in place since 2019, as well as supporting products from the Disability Vocational Promotion Center in Pak Kret, Nonthaburi province, for use in Staff Relations activities, thereby preserving Thai wisdom in a sustainable manner.



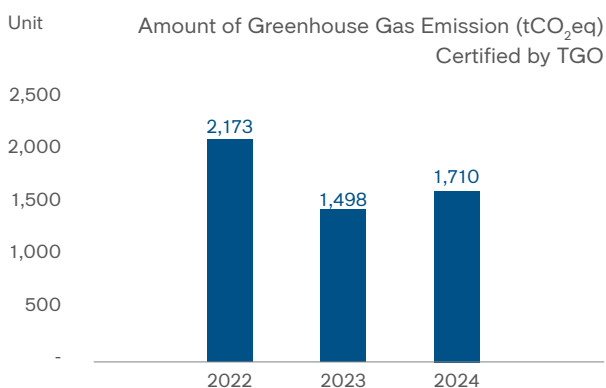
Organizational Sustainability Development

Environmental Sustainability Management

1. Greenhouse Gas Management: The SEC has declared its intention to take part in and support the drive towards Thailand's goal of carbon neutrality and net-zero greenhouse gas (GHG) emissions by 2050, the global community coalition commitment under the Paris Agreement. One of the activities in this regard is the monitoring of the organization's operation-generated GHG emissions and consideration for carbon crediting and compensation to promote sustainability development and contribute to the endeavor to become a carbon neutral organization. On this front, the SEC received a plaque of honor, Silver level, in recognition of being a Climate Action Leadership Organization (CALO), during the 2024 annual announcement of achievements event organized by Thailand Carbon Neutral Network (TCNN). The amount of SEC greenhouse gas emissions of 1,710 tons carbon dioxide equivalent was certified by Thailand Greenhouse Gas Management Organization or TGO in 2024.

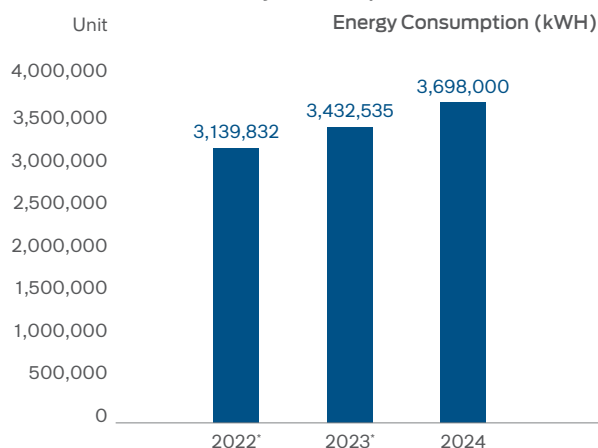


Greenhouse Gas Emission – Carbon Dioxide Equivalent



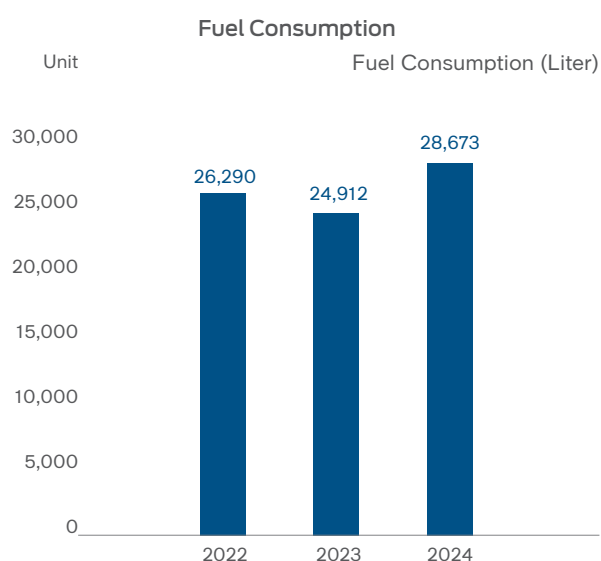
2. Energy Management: The SEC Office Building has been registered, since 2021, as an energy-conserving building pursuant to the Energy Conservation Promotion Act B.E. 2535 (1992), as amended in 2007. In line with the said commitment, the SEC has set forth the Energy Conservation Policy and established the Energy Management Committee to supervise energy management in compliance with the Act. In 2024, the SEC organized the Energy Week 2024 activities for the employees to promote energy conservation within the organization. Moreover, to ensure cost-effective energy consumption, the SEC controlled and consumed energy based on necessities by implementing measures, such as adjusting air-conditioning hours and temperatures, consistent with the number of employees working in the SEC Building. In this regard, as the number of employees working in the SEC Building increased from 2023 by 39.2 percent and the Building was still under renovation during which the inspections and testing of newly installed electrical lighting and air-conditioning systems had to be carried out, the SEC's electricity consumption in 2024 escalated by 7.73 percent from the year before. Fuel consumption in 2024 also rose by 15.1 percent from the previous year. In 2024, the SEC continued to replace the Office's petrol cars by electric cars (EV).

Electricity Consumption

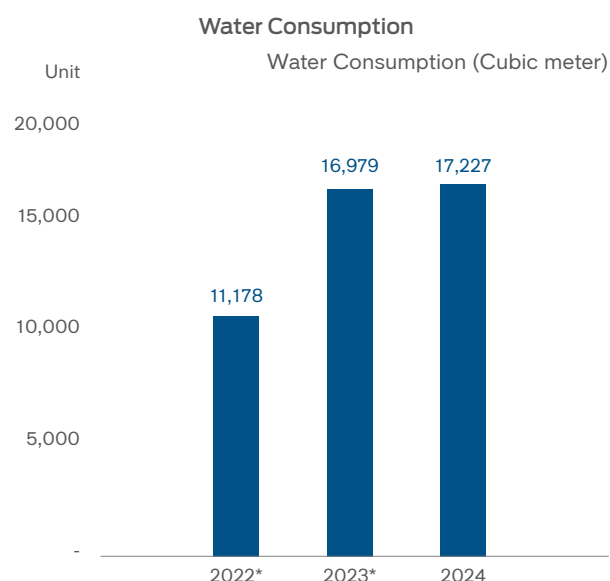


* Combining electricity consumption in the SEC building and a temporary rental building.

Energy conservation study visit of SEC staff at the Electricity Generating Authority of Thailand (EGAT) Learning Center, Nonthaburi



3. Water Management: In 2024, the SEC proceeded with the implementation of the Wastewater Management and Water Saving Policies, promoting water conservation and reuse of the leftover water for other purposes on a continuous basis. In this connection, the SEC has gradually replaced conventional faucets with automatic, touchless ones on every floor to reduce bacterial residues and water usage. Nevertheless, as the number of employees working in the SEC Building in 2024 increased as compared to last year, water consumption also rose accordingly.



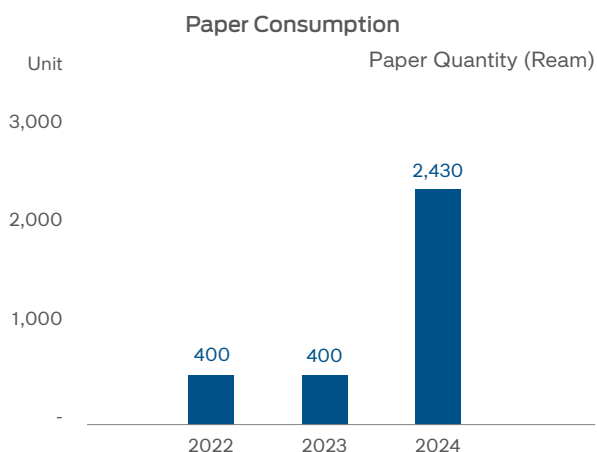
* Combining water consumption in the SEC building and a temporary rental building.

Currently, the Activated Sludge wastewater treatment, a biological treatment process, is employed at the SEC Building. The system can treat the wastewater efficiently, as evidenced by the results of water quality testing conducted in 2024, which indicated that the SEC Building's wastewater quality met the legally required standard levels, as follows:

| Sampling location | Potential of Hydrogen ion (pH) | Biochemical Oxygen Demand (BOD) | Suspended Solids (SS) | Sulfide | Total Dissolved Solids (TDS) | Oil and Grease | Total Kjeldahl Nitrogen (TKN) |
|-------------------|--------------------------------|---------------------------------|-----------------------|---------|------------------------------|----------------|-------------------------------|
| Discharge Waste | 6.8 | 5.1 | 18.6 | 0.5 | 339.9 | ≤5 | 6.83 |
| Standard level | 5-9 | 30 | 40 | 1 | 500 | 20 | 35 |

4. Garbage, Waste and Pollution Management:

- Proceeding, on a continuous basis, with the paper consumption reduction campaign through the activities, such as sending seminar documents via electronic files, using both sides of the paper, accepting e-signatures for authorization, and using paper efficiently.



- Managing waste in the SEC Building for optimal use of resources and waste reduction through recycling and reuse approaches to reduce greenhouse gas (GHG). Reducing food waste sent to landfills can notably contribute to a reduction in GHG emissions. In 2024, the SEC produced 1.1472 tons of organic fertilizers, using a food waste composting machine, which were further distributed to employees and visitors for nourishing their plants. Such efforts could reduce the amount of food waste sent to landfills by 1.8182 tons, translating into a reduction in GHG emissions in the amount of 888.93 kilograms of carbon dioxide equivalent.

Social Sustainability Management

- In recognizing the important issues of gender diversity and women's rights, the SEC has strived to promote the culture of gender equality, in terms of gender identities and expressions, through the adoption of practical guidelines for promotion of gender equality and elimination of gender discrimination which provide a direction for prevention of unfair gender discrimination in the organization. Examples of practices under such guidelines are: the SEC employees should

be allowed to dress in alignment with their gender identities or expressions, gender-specific criteria should be avoided in the consideration of candidates' qualifications in the new employee recruitment and selection processes, and the employees' gender expressions which differ from the gender they were assigned at birth should not be considered as a criteria limiting their career advancement. Furthermore, practical guidelines on the prevention of and solution to sexual abuse or harassment in the workplace were also adopted to ensure that the SEC employees are treated respectfully, without being abused or harassed sexually. In line with the said guidelines, enabling working environments and measures were put in place, e.g., increasing lighting in the dark areas of the working space to be clearly seen from outside, installing additional closed-circuit television cameras in blind spot areas, installing emergency notification systems in the areas at risk, e.g., fire escapes and parking areas on every floor, and having security guards on surveillance days and nights, etc. In 2024, human resource rules in relation to the employees' annual salary increments were revised, cancelling the pro-rated salary reduction based on the maternity leave. The SEC would also keep track of the amendments to the Civil and Commercial Code in relation to the Marriage Equality laws, which will come into effect after promulgation in the Royal Gazette in 2025 and be prepared to make revisions to the related rules and regulations accordingly.

- The SEC joined the National Children's Day 2024 event, providing educational activities to promote awareness and knowledge, for children and youths, about the importance of savings and income-expense self-monitoring. In this regard,



the SEC received an award plaque in recognition of its contribution to the network of support for children under the care of the Ministry of Social Development and Human Security (MSDHS).



- The SEC, in collaboration with the Federation of Thai Capital Market Organization (FETCO) (consisting of the Stock Exchange of Thailand (SET), the Thai Listed Companies Association (TLCA), the Association of Thai Securities Companies (ASCO), the Association of Investment Management Companies (AIMC), the Investment

Analysts Association (IAA), the Thai Investor Association (TIA), and The Thai Bond Market Association (ThaiBMA)), and the Thai Digital Asset Operators Trade Association (TDO), co-organized the “Capital Market Blood Donation Campaign in Honor of His Majesty the King on the Auspicious Occasion of His Majesty the King’s 72nd Birthday Anniversary on 28 July 2024”. The initiative aims to express loyalty and deep gratitude for His Majesty’s benevolence through blood donation activities to contribute to the society and the patients in need as well as to promote social responsibility among the business operators to become a significant force in providing social contributions for the benefit of the public, which could subsequently bring about sustainable development of the business sector. The campaign, with three blood donation events, took place on 22 March, 8 July and 20 November 2024.



The 1st blood donation event under the Capital Market Blood Donation Campaign in celebration of His Majesty the King’s Birthday Anniversary.



The 2nd blood donation event under the Capital Market Blood Donation Campaign in celebration of His Majesty the King’s Birthday Anniversary.



The 3rd blood donation event under the Capital Market Blood Donation Campaign in celebration of His Majesty the King’s Birthday Anniversary.



- The SEC donated cooked food boxes and drinking water to the Chatuchak District Office to support the “Volunteering for Tree Planting” activities on the auspicious occasion of Her Majesty Queen Suthida Bajrasudhabimalalakshana’s Birthday Anniversary on 3 June 2024.



- The SEC took part in the Royal Volunteer activity to provide public services in honor of Her Majesty Queen Sirikit The Queen Mother on the auspicious occasion of Her Majesty Queen Sirikit The Queen Mother’s Birthday Anniversary on 12 August 2024. The activity involved cleaning and improving the areas around drainage ditches along Tung Canal, Vibhavadi Rangsit Road, in Chatuchak District.



- The SEC made a 200,000-baht donation to the Thai Red Cross Society to help flood victims in the northern region, and procured supplies and necessities for people in Chiang Rai province to help alleviate their hardships and facilitate their return home, under the initiative “Thai Capital Market United in Flood Relief, totaling 341,100 baht. This amount consisted of the SEC donation of 300,000 baht and employee contributions of 41,100 baht.



- The SEC donated necessary items to the Fueng-Fah Home for Persons with Disabilities Protection and Development in Nonthaburi Province. The donation was part of the volunteering activities for public benefit and welfare initiative on the occasion of Navamindra Maharaj Day (13 October 2024) and King Chulalongkorn Memorial Day (23 October 2024).



- The SEC made a 320,000-baht donation to the Friends in Need (of “Pa”) Volunteers Foundation, the Thai Red Cross Society to support the 2024 Automated Telemetry Station Maintenance Project. The contribution aims to assist communities in disaster prevention, monitoring, and preparedness to efficiently respond to potential disasters.



- The SEC arranged for a volunteer activity, providing lunchboxes for students at Setsatian School for the Deaf under the Royal Patronage. The activity was part of the volunteering activities for public benefit and welfare initiative, in remembrance of His Majesty King Bhumibol Adulyadej the Great on the occasion of his Birthday Anniversary, National Day, and Father’s Day on 5 December 2024.



- The activities of SEC Community and Environmental Development Volunteers Club to assist, support, develop and enhance people's quality of life in the society and community as well as the environmental quality include the following:



Giving educational funds and school supplies to the Baan Nong Phai and Suan Kwan schools in Uthai Thani Province.



Providing educational funds, school supplies and sports equipment to the Pak Khlong school and community in Phatthalung Province.



Carrying out the "Knowing More, Conserving More" Campaign for community development, a solar cell-powered boat canal cruise to collect garbage in the Phasi Charoen canal.



Donating supplies, educational funds, water filtering substances, and necessary things to Mae Wak School, Mae Chaem District, Chiang Mai Province.



Sponsoring a dinner and donating goods for children and youths, as part of the New Year activities, at the House of Blessing Foundation, Bangkok.

Governance Sustainability Management

- Working Group on Transparency: Chaired by the Secretary-General, the Working Group on Transparency aims to work proactively to instill and promote transparency within the organization. In 2024, the Working Group convened to prepare for the Integrity and Transparency Assessment (ITA) for public sector agencies and to lay out operational development and enhancement plans in accordance with the objectives and expectations set by the Office of the National Anti-Corruption Commission (NACC). In 2024, the SEC received the overall score of 90.08 from the NACC's ITA assessment, an increase from the previous year, as a result of improvements and reinforcements in the following areas, i.e., budget spending, operational quality, exercise of authority, combating and prevention of corruptions, etc. The assessment results would be taken into account for the SEC's further developments to achieve enhanced operational efficiency, prudence, reliability, and fairness for the public as well as the stakeholders.

- Strengthening the SEC's enterprise risk management frameworks to encompass the compliance of related laws and regulations, including impacts of corruption assessments, through the revisions to the definitions of corruption and impacts, to be in line with those stipulated by the Office of Public-Sector Anti-Corruption Commission (PACC) and the NACC.

- Revising the SEC Governance Guidelines (the 6th Amendment in 2024) in alignment with the practical guidelines and increasing emphasis on sustainability factors, in line with the latest international corporate governance standards,

e.g., the 2023 OECD Principles of Corporate Governance, The Governance of Regulators as well as the corporate governance standards of capital market participants, i.e., listed companies' CG Code. The salient features of the revisions, with the focus on ESG, enhanced transparency, and consideration of stakeholders' interests, aim to enhance consistency, conciseness, appropriateness, and practicality.

- Reviewing the No Gift Policy practical guidelines for improved clarity, in accordance with the legal requirements as well as the rules and regulations of related agencies. Such guidelines were communicated comprehensively at the Board and the Office levels to ensure their understanding and proper implementation as well as to cultivate ethical conscience in the SEC employees at all levels to make sure that they are able to perform duties with transparency and integrity for the benefit of the organization and the public. In addition, ethics promotional activities were also undertaken, e.g., a lecture by external guest speakers to provide knowledge about employees' ethics and morals and the organization's trust building, etc. Also, various practical guidelines were continuously conveyed to the SEC employees all year round through Human Resource Department's Staff Relations, e.g., practical guidelines on the Code of Conduct and Code of Ethics, and the reporting of possible cases of staff's contravention of ethics through the Internal Audit Department.

- Organizing events and participating in activities of other organizations to promote the reinforcement of capital market good governance and reaffirm intention to combat corruptions on an ongoing basis, e.g., a public talk, under the "Capital Market United against Corruption" project, to provide knowledge on the topic "CAC (the Thai Private Sector Anti-Corruption Coalition) and Corruption Prevention for Listed Companies in the Stock Exchange", held during 14-15 March 2024.

- Participating in the "Anti-Corruption Day 2024" event on 6 September 2024, which was organized under the theme "Transparent Corruption: ESG ... Governance (G) Is There but Can't Be Seen".



- Joining the "International Anti-Corruption Day (Thailand) 2024", organized by the government in collaboration with the NACC, the PACC, the Anti-Corruption Organization of Thailand (ACT), and various stakeholders to demonstrate collective commitment to fighting corruptions. The event was held on 9 December 2024.



- Having received a certificate from the PACC on 15 July 2024, for achieving an excellent score in the Corruption Risk Management Systems (CRMS) Assessment 2024 in the areas of approval-related operations, which reflected the SEC's commitment to driving and prioritizing the organization's corruption risk assessment.




Meeting the Demands and Managing the Impacts on Stakeholders



1. Investors

|  Demands |  Key Actions |  Policies and Principles |
|---|--|---|
| <ul style="list-style-type: none"> • Confident investment in the capital market based on fair and equitable treatment, diverse product choices suitable for personal demands. • Knowledge and advice on investment and value added asset management. • Accurate, complete and timely information. • Complaint channels in case of having problems and complaint handling without delay. • Appropriate protection for investors of different types. | <ul style="list-style-type: none"> • Study and develop investment products that offer returns with risk level suitable for each group of investors. • Enforce and amend regulations on work procedures and business operator inspection in appropriate and timely response to situations. • Provide investment education via various media platforms, both traditional and online, organize on-ground investor events, require dissemination of product fact sheets to facilitate investors' decision making, and encourage investors to thoroughly review risk factors and impacts before making investment decisions. • Disclose open data, statistical market overview in easy-to-understand formats. • Open 24-hour SEC Help Center as a contact point for investors, seven days a week, and add complaint tracking channels for investors' direct use. • Manage complaints within specified timeframes and notify complainants of case progress updates/ consideration results according to the complaint handling process. | <ul style="list-style-type: none"> • The capital market shall meet the public's investment expectations with reasonable costs. • The capital market and market participants shall build trust and confidence in the capital market. |

2. Fundraisers/ Securities Issuers/ Listed Companies

| | | |
|---|--|---|
|  <p>Demands</p> <ul style="list-style-type: none"> • Having fundraising channels that respond to the demands and business contexts with reasonable costs. • Gaining knowledge and appropriate advice on fundraising and the duties of personnel involved with securities companies as well as the duties of ICO issuers. • Opportunity to offer securities for sale in a timely manner. • Regulations without excessive burdens. • Opportunity to share opinions or be informed of new regulations before they become effective. |  <p>Key Actions</p> <ul style="list-style-type: none"> • Specify concise yet cautious and succinct procedures for consideration of securities offering applications. • Review regulations and streamline duties to eliminate unnecessary burdens. • Conduct public/stakeholder hearings prior to issuing or amending regulations. • Give advice and appropriate communication channels to encourage personnel involved with securities and ICO issuers to be aware of their roles and responsibilities and to comply with rules and regulations properly. • Organize meetings with relevant stakeholders to listen and share views and opinions with one another. |  <p>Policies and Principles</p> <ul style="list-style-type: none"> • The capital market shall be a funding source accessible for all types and sizes of business and in all areas, while maintaining market confidence and preventing unsuitable companies from public fundraising. • Listed companies shall operate under good corporate governance for the benefit of shareholders, while considering the impacts on the society, the environment and stakeholders. • Securities and ICO issuers shall disclose full, accurate and timely information for the benefit of investors' effective decision making. • Encourage personnel involved with securities issuers to be aware of their roles and responsibilities to perform their duties correctly and in accordance with laws or regulations. |
|---|--|---|

3. Securities and Derivatives Business Operators



| | | |
|---|--|--|
| <ul style="list-style-type: none"> • Fair and equitable competition • Reduction of unnecessary costs to increase competitive efficiency. • Strength and capability of operating business according to expertise, with responsibility towards all sectors. • Ability to offer a broad range of products and services according to customers' needs. • Regulators are aware of and understand business directions shifting in line with changing environments. • Knowledge and understanding of the regulators' expectations and an opportunity to share opinions or be informed of new regulations before they become effective. • Convenient contact and cooperation with regulators. • Stakeholders have trust and confidence in the Thai capital market. • Sustainable growth of the capital market. | <ul style="list-style-type: none"> • Study foreign business trends and collaborate with relevant associations to lay out directions for securities and derivatives businesses. • Hold meetings with relevant associations to exchange information and opinions. • Review regulations to be in line with situations and streamline requirements and duties that cause unnecessary burdens and increase flexibility of business operation while maintaining investor protection principles. • Conduct public/stakeholder hearings prior to issuing or amending regulations, and disclose hearing results. • Clarify new regulations and organize workshops/training sessions for company officials to ensure their understanding of the intention and expectations of the new regulations to ensure proper and consistent compliance. • Create good relationship to promote efficient cooperation. • Enhance guidelines for supervising and assessing risks, with a focus on critical business transactions, and forward looking scenarios, and provide a risk management manual to serve as a roadmap for effective risk management. | <ul style="list-style-type: none"> • Intermediaries have good governance culture, operate and provide services for the best interest of their clients, while managing all core risks efficiently and appropriately for business operation to prevent damage to investors and the overall market system. • Businesses shall compete creatively and fairly, with responsibility towards all sectors, as well as mutual cooperation in developing the industry towards advancement and sustainable growth. • Regulations shall be issued with flexibility, while promoting competitiveness. • Implement diverse supervisory tools. • Develop service procedures that are useful and convenient for business operators. • Intermediaries have good governance culture that is efficient and appropriate. |
|---|--|--|

|  Demands |  Key Actions |  Policies and Principles |
|---|--|---|
| | <ul style="list-style-type: none"> • Promote knowledge building and understanding and communicate expectations in key work systems as well as roles and responsibilities of company directors to strengthen self-discipline. • Provide a one-stop service center for inquiries, communication, cooperation and tracking updates. • Require intermediaries to put in place an appropriate system for providing services and advice to ensure that investors receive complete, accurate and updated information. • Extract lessons from crisis situations and devise measures to address and prevent problems. • Provide capacity building for businesses and staff to enhance their knowledge of ESG issues. • Disclose open data held by the SEC for the benefit of investor convenience or business policy decision-making. | <ul style="list-style-type: none"> • Have risk management system that is efficient and appropriate for business operation, as well as operate business essentially for the best interest of investors. • Executives and directors lead the drive to transform ESG policy into implementation and incorporate ESG factors into business operation processes. |

4. Crowdfunding Portals/ ICO Portals/ Digital Asset Business Operators

| | | |
|--|---|---|
| <ul style="list-style-type: none"> • Fair and equitable competition. • Regulators recognize and understand business directions and developments of digital assets. • Regulators create an ecosystem that is appropriate and conducive to business operation for the industry to grow and is able to compete with foreign counterparts. • Having knowledge and understanding of the regulators' expectations and participate in the sharing of opinions on the formation or revision to policies and regulations. | <ul style="list-style-type: none"> • Study business trends and regulatory guidelines in foreign markets to ensure that supervision aligns with international standards and keeps pace changing circumstances. • Seek stakeholders' comments and suggestions to acknowledge obstacles and suggestions before issuance or amendment to regulations. • Amend regulations to develop, enhance quality and efficiency in providing services of business operators as well as to ensure alignment with the risks and the nature and size of business. • Review regulations that hinder the overall development of the digital asset market, and introduce a regulatory sandbox to promote the adoption of innovation in service provision, including investor protection. • Impose legal enforcement against unlicensed business operators, especially foreign business operators. • Hold meetings and provide clarifications on new regulations and disseminate information through various channels to relevant parties to ensure understanding of the intent and proper compliance. • Disclose open data held by the SEC to allow its use to enhance the creation of services for investors or business policy decision making. | <ul style="list-style-type: none"> • Business shall have stability, operate and provide good services to clients, and perform duties responsibly, while managing core risks to prevent damage to investors and the overall market system. • Businesses shall compete creatively and fairly and cooperate to develop the industry towards sustainable growth. • Regulations shall be issued with flexibility and without obstacles to business operation and application of technologies to generate real benefits. |
|--|---|---|




5. Market Professionals (Ex. Auditors, Financial Advisors, Asset Appraisers, Credit Rating Agencies, Investment Consultants, Investment Planners and Securities Analysts, etc.)

|  Demands |  Key Actions |  Policies and Principles |
|--|--|--|
| <ul style="list-style-type: none"> • Convenient and speedy process for applying for a license, approval or renewal. • Regulations are practical and written in an intelligible language, with manuals or guidelines for proper compliance. • Opportunity to share opinions or be informed of new regulations before they become effective. • Skill and knowledge development is appropriate to their roles and responsibilities. | <ul style="list-style-type: none"> • Conduct public/stakeholder hearings before issuing or amending regulations, and disclose hearing results. • Review regulations to ensure they are appropriate, aligned with current circumstances, and consistent with roles and responsibilities. • Clarify new regulations to ensure the understanding of the intention thereof and proper compliance. • Closely and continuously cooperate to acknowledge problems and give advice in support of prompt solutions. • Organize workshops/training sessions regularly and introduce appropriate communication channels. | <ul style="list-style-type: none"> • Market professionals shall be knowledgeable and aware of their roles and responsibilities. They shall also apply their expertise to the fullest, perform their duties ethically, maintain professional standards, and take responsibilities as expected of a professional. |

6. Relevant Associations and Organizations (Ex. Association of Thai Securities Companies (ASCO), Association of Investment Management Companies (AIMC), Thai Digital Asset Operators Trade Association (TDO), Federation of Thai Capital Market Organizations (FETCO), and Thai Capital Market Computer Emergency Response Team (TCM-CERT), etc.)

| | | |
|---|---|--|
| <ul style="list-style-type: none"> • Support for their role as member representative in enhancing understanding and voicing the needs and opinions to regulators, while promoting members' IT security and enhancing their readiness to handle cyber threats. • Enhance supervision to ensure that members operate their businesses in accordance with established standards. • Support for activities of associations. • Trust and confidence of relevant parties. | <ul style="list-style-type: none"> • Hold joint meetings with relevant associations and members to exchange information and opinions. • Support associations' activities in terms of personnel, data and budget (as the case maybe) • Participate in/organize relationship enhancing activities. • Organize activities in collaboration with relevant associations and members to promote knowledge and enhance IT security and readiness to address cyber threats. • Collaborate with relevant associations and members to extract lessons from crisis situations and introduce measures to address and prevent problems. | <ul style="list-style-type: none"> • Close collaboration shall be encouraged to meet mutual goals to lay out guidelines for sustainably building trust and confidence in the Thai capital market. • Appropriate regulations in accordance with regulatory objectives. • Building robust associations and service standards within the industry, as well as facilitating communication of members' opinions to regulatory authorities. • Supervision of members' compliance with regulations and consistence with expectations. |
|---|---|--|




7. Stock Exchange/ Derivatives Exchange/ Securities Depository/ Clearing house

|  Demands |  Key Actions |  Policies and Principles |
|--|---|--|
| <ul style="list-style-type: none"> • Adjustment to competition in the rapidly changing environments. • Support for duty performance of self-regulatory organizations (SRO) in an independent and impartial manner. • Channels for discussion and monitoring of progress in the areas that are important to the action plan and operation, speedy consideration and granting of approval. • Promotion of roles and responsibilities for supervising trading orderliness on exchanges. | <ul style="list-style-type: none"> • Support and encourage useful initiatives for building competitiveness of stock exchange, investors and the overall capital market. • Organize meetings to discuss legal issues, regulatory guidelines, feasibility for new business development, continuing sharing of information and opinions. • Grant approval for rules and regulations in consistence with regulatory objectives and supervisory responsibilities of stock exchange groups, as well as discuss and refine regulations and relevant notifications to achieve mutually aligned objectives. • Oversight of duty performance of stock exchange. • Monitor and oversee the operations of the group of exchanges to ensure alignment with regulatory objective. • Emphasize the importance of the work collaboration timeframe. • Encourage high-ranking executives to join discussions closely and regularly. | <ul style="list-style-type: none"> • Trading systems, clearing and settlement systems for securities and derivatives shall be efficient, stable and reliable. • Close collaboration and discussion shall be continued to meet mutual goals to ensure tasks are driven to completion according to set plans. • Supervisory duties shall be performed efficiently. • Effective supervision of members and exchanges. |

8. Suspects/ Deponents

| | | |
|--|---|---|
| <ul style="list-style-type: none"> • Fair and understanding treatment. • Knowledge on the causes of suspicion or deposition. | <ul style="list-style-type: none"> • Ensure polite communication and notify the issues under observation or the cause for interrogation. • Notify the rights and legal outcomes and provide complaint channels in case of dissatisfying treatment. • Clarify the procedures and methods of conduct in advance. | <ul style="list-style-type: none"> • Fair treatment shall be in accordance with the principles for respecting human rights. • Preventive measures shall be implemented through dissemination of knowledge and warnings to prevent commission of offenses. |
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9. Contractors/ Suppliers

|  Demands |  Key Actions |  Policies and Principles |
|--|---|---|
| <ul style="list-style-type: none"> • Equal opportunity for product/ service pitching. • General disclosure of clear details and conditions of assignments/ projects. • Fair contract conditions. • Punctual payment. | <ul style="list-style-type: none"> • Specify purchasing and procurement procedures that are transparent and in compliance with the law. • Disclose details of high value purchasing/ procurement projects on the SEC website for public information. • Consider and make decisions based on reasonable information, record such consideration clearly and make such record available for inspection. • Have a procedure for accepting completed work and specify the payment period according to general standards. | <ul style="list-style-type: none"> • The purchasing and procurement procedures shall be transparent and in compliance with the rules and the guidelines under the Law on Purchasing and Procurement. |

10. Employees

| | | |
|--|---|---|
| <ul style="list-style-type: none"> • Engagement in the development and creation of values for the country's economic and social systems. • Knowledge and skill development. • Remunerations and welfare. • Security and career path. • Safety and assistance in case of performing risky assignments. • A work-life balance. | <ul style="list-style-type: none"> • Give assignments and opportunities to create valuable work. • Conduct employee engagement surveys. • Conduct surveys on remuneration rates and industry welfare with organizations with similar nature of work. • Provide knowledge to employees according to their work groups and develop work skills according to the levels of work responsibilities, including providing knowledge on current situations regularly. • Promote technology-based communication and knowledge sharing and produce a work manual. • Set up a security system that is safe and cautious and specify risk allowances for specific groups of employees. • Support partial expenses for the Sports and Recreation Club and open space for employees to join after-work activities. | <ul style="list-style-type: none"> • The principles of fairness and equality shall be observed, while the opportunity and the equal right to enter the employment system shall be ensured. • The principles of proficiency are key factors in recruitment, retention and advancement opportunities, while capability development is a core responsibility of the SEC towards its employees. • The principle of key performance indicators shall be used, and clear and fair performance evaluation is required to determine remunerations. |
|--|---|---|




11. Other Authorities (Ex. the Government, the Ministry of Finance, the Bank of Thailand, the Office of Insurance Commission, the Anti-Money Laundering Office and Agencies related to Judicial Administrative Procedure, the Electronic Transactions Development Agency, the Digital Government Development Agency (public organizations), the National Cyber Security Agency (NCSA), and the Office of the Personal Data Protection Committee (PDPC) etc.)

| | | |
|---|---|---|
|  <p>Demands</p> <ul style="list-style-type: none"> • Mutual cooperation in the forms of information sharing and work collaboration to ensure that the supervision and development of the capital market are consistent and efficient in support of the technological and innovative development and the role of the capital market in the economic system. |  <p>Key Actions</p> <ul style="list-style-type: none"> • Organize conferences/seminars to share information and opinions in the matters under joint cooperation in accordance with the strategies and the government's policies. • Organize training sessions for organizations of mutual collaboration and regulated entities in various areas such as enforcement procedure, capital market training for high-ranking executives in the government sector, cybersecurity knowledge, and protection of personal data, etc. |  <p>Policies and Principles</p> <ul style="list-style-type: none"> • Integrated cooperation shall be promoted. |
|---|---|---|

12. Research and Educational Institutions

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|--|--|---|
| <ul style="list-style-type: none"> • Cooperation in exchanging information and working together to enhance research capabilities for the capital market. • Support a comprehensive open data center for the capital market that includes data held by the SEC, and link to other open data sources to meet the needs of all stakeholders, ensuring easy access and practical use of the information. | <ul style="list-style-type: none"> • Organize conferences/seminars to exchange information and opinions so that the SEC can effectively utilize research findings in policy implementation. • Accept research submissions for presentation at academic seminars. • Promote and support funding for capital market research to benefit the SEC policy implementation and broader applications. • Develop the "SEC Open Data Services," disclosing open data that can be freely used, benefiting and fostering further innovation. | <ul style="list-style-type: none"> • Promote integrated cooperation between SEC researchers and external organizations. • Promote and support research, training, and the development of knowledge or academic work that benefits the capital market. |
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13. Foreign Organizations (IOSCO, the World Bank, the Asian Development Bank, Foreign Capital Market Regulators, Standard Setting and Oversight Agencies over Such Areas as Accounting Standards, etc.)

|  Demands |  Key Actions |  Policies and Principles |
|--|---|---|
| <ul style="list-style-type: none"> • Confidence in the regulatory systems and the development of capital market in line with international standards. • Exchange of experiences in supervising and developing the capital markets, including investor education initiatives of foreign regulators. | <ul style="list-style-type: none"> • Study and monitor the movements of the guidelines and supervisory standards and capital market development acceptable in the international community, as well as analyze, assess and consider adapting them for use in the Thai capital market. • Participate in questionnaire surveys of other organizations regarding operation and development in various areas and attend conferences and seminars in various occasions. | <ul style="list-style-type: none"> • Key operational standards shall be in line with international counterparts. |

14. Media

| | | |
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| <ul style="list-style-type: none"> • News and information with clear and accurate details of the SEC's roles and responsibilities and relevant tasks on the supervision of the Thai capital market. | <ul style="list-style-type: none"> • Hold press conferences and meet-the-press events periodically and additional educational sessions on topics including knowledge on financial and investment management and protection against fraud and scams. • Cooperate and communicate with the media closely and regularly through various channels. | <ul style="list-style-type: none"> • Media members shall be treated with politeness, fairness and good service-mindedness. |
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Good Governance Policy and Guidelines

The SEC Board and the Management lay out and implement guidelines in accordance with the principles of integrity and ethical conduct in all aspects of duty performance, decision making and stakeholder relations. The guidelines are defined in writing, communicated and announced to staff and external parties. In addition, processes are in place to handle non-compliance related to integrity and ethical conduct. For example:

- Ensuring independent supervision over the development and improvement of internal control with clear roles and responsibilities of the SEC Board, separately defined from the Management in compliance with the law. The SEC Board possesses knowledge and expertise, operates independently, and sets clear mission objectives with measurable results. Roles and responsibilities are defined for the Audit Committee, the Good Governance and Remuneration Subcommittee, the Risk Oversight Committee, and other subcommittees to maintain checks and balances and ensure operational efficiency;

- Establishing Integrity as a core value of the organization and developing communication strategies to promote awareness and consistent implementation;

- Establishing operating guidelines for capital market oversight to ensure that market participants and stakeholders are able to operate with confidence, while enhancing the capital market's creditability and efficiency. The guidelines focus on (1) achieving effectiveness, (2) ensuring sustainability, (3) strengthening competitiveness and responsible innovations, (4) respect for stakeholders' diverse interests, (5) reasonable selection of measures/appropriate criteria, and (6) clear and implementable measures/regulations;

- Setting the SEC Governance Framework as part of the SEC Policy to drive effective and tangible implementation of the good governance principles within the organization. The Framework

also includes guidelines for the SEC Board, executives and employees in the areas covering (1) Board level governance, i.e., components and structure of the Boards, Board policies, Board operations, (2) Office level governance, i.e., legal compliance, independent, transparent, fair, inspectable operation, corruption-free, sufficient resources for legal compliance, reporting and information disclosure, including operating standards, internal control and internal audit, risk management, complaint handling regarding duty performance of the Secretary-General and employees, and their operational guidelines;

- Establishing the SEC Code of Ethics for directors and employees to serve as guidelines for conduct and maintain ethical standards in their work performance;

- Requiring employees to sign in acknowledgement of the followings: (1) the SEC's Code of Ethics and Guidelines for Employees, (2) the SEC's Code of Governance (3) the Employees' Code of Conduct, (4) the Code of Conduct for the Use of Computers and Communication Systems, (5) the Software Management Policy, (6) the Policy and Guidelines for Organizational Information Management, and (7) the SEC Anti-Corruption Policy;

- Providing complaint channels in cases where any employees, executives or persons are found to be involved in misconduct or dishonest activities. Tips and complaints can be submitted through various channels such as filing an online complaint form, sending an email, contacting by phone or postal mail, and meeting with an official in person. Additionally, there are measures in place to protect whistleblowers or those who cooperate in providing information for investigations to ensure their safety and prevent adverse consequences. Furthermore, the SEC has issued regulations related to discipline and disciplinary actions and specified procedures for handling violations.

Risk Management

Risk Management Policy and Plan

The SEC prioritizes risk management and operational continuity as part of its core culture, necessitating that these functions be performed effectively. In this respect, the SEC systematically manages two key risks—**enterprise risks and capital market risks**—to enhance trust and reduce potential risks. For high-level risks affecting the capital market and the SEC, these risks must be managed in a timely and continuous manner, consistent with the corresponding procedures, such as all-encompassing and timely identification of risks; risk analysis; an assessment of the likelihood of risk occurrence and its impacts; risk management to achieve acceptable risk levels; and development of key risk-indicator indices for monitoring risks relevant to the SEC’s mission, as well as regular risk reviews and adequacy of risk management measures. Additionally, when performing risk management, the SEC integrates risk assessments from both top-management and department perspectives, which are in accordance with the standards and guidelines of internal control for government agencies, ensuring that risks at all levels are comprehensively identified and managed.

The SEC has in place a risk governance structure, with the SEC Board responsible for reviewing and approving the SEC’s risk management and operational continuity policies and frameworks, as well as overseeing the SEC’s key risks in general. The Risk Oversight Committee (ROC) consisting of representatives from the SEC Board and the Secretary-General, is responsible for overseeing the organization’s overall risk management to ensure that the SEC pursues the policies and frameworks as approved by the SEC Board. The Risk Management Committee (RMC), comprising the Secretary-General, Deputy Secretary-General, and Assistant Secretary-General, responsible for capital market and organizational risks, is responsible for monitoring

and reviewing risk management implementation prior to submission to the ROC for consideration. Furthermore, the Market and Organizational Risk Department, departments responsible for relevant risks, and the SEC staff have the duty to implement risk management tasks delegated to them according to the approved policies and frameworks, including a process for regularly monitoring and reporting the progress of risk management to the RMC; to the ROC at least four times a year; and to the SEC Board at least twice a year or whenever a significant event occurs.

Potential Operational Risk Factors

The SEC reviewed the list of enterprise risk factors covering all aspects according to the risk management guidelines for government agencies adopted by the Comptroller General’s Department of the Ministry of Finance, such as **policy risks, strategic risks, financial risks, operational risks, compliance risks, IT risks, and organizational integrity risks**. The guideline for Corruption Risk Assessment of the Office of Public Sector Anti-Corruption Commission (PACC) was also applied to assess **corruption risk** to ensure that the organization is managed with corporate governance, transparency, and a corruption-free environment. **The risk assessment of personal data protection** was undertaken in line with international standards and in compliance with the law issued by the Personal Data Protection Commission. This includes the registration of personal data on a legal basis; collection and use of personal data; accurate and necessary disclosure of personal data according to its purpose limitation; implementation of security measures; communication of a personal data protection policy; establishment of procedures for responding to the exercise of data-subject rights and data breach incidents; and contracts relating to the processing of personal data. Additionally, the SEC studied and compiled various factors

that could contribute to all of the aforementioned risks across different aspects, such as economic conditions; advancements in technologies and digital innovations affecting business operators and stakeholders in the capital market, and of the SEC; changes in personnel structures; competitive conditions in the labor market within the relevant industries; social media trends; organizational development trends based on sustainability principles; and changes in governmental laws and regulations.

Capital Market Risk Management

In 2024, the Thai capital market encountered both internal and external challenges. On the external front, significant cross-border risk factors include the ongoing geopolitical conflicts between jurisdictions that caused fluctuations in consumer goods and crude oil prices, and the implementation of monetary policies in developed countries that resulted in fluctuations in the movement of investment funds in the Thai capital market. Meanwhile, the domestic challenges include the inappropriate behaviors of some listed companies and debt repayment difficulties of bond issuers.

The objectives of the SEC's risk management are to ensure that the SEC achieves its mission, namely investor protection, strengthening trust, and systemic risk reduction. Business groups that are significant and material to the SEC's mission include equity securities; the clearing and settlement system; debt instruments; mutual funds; and digital assets. In 2024, the SEC had the following risk management directions and approaches:

1. Equity Market

(1) Fundraising

In 2024, the fundraising value declined compared to 2023, following a trend consistently experienced throughout the region. There were 32 companies that raised funds through Initial Public Offerings (IPOs), with a total offering value of 28,745.25 million baht. Of these 32 companies, 14 were listed on the SET and 18 on the Market for Alternative Investment (mai), most of which were small- and medium-sized enterprises.

Meanwhile, the total value of corporate long-term debt securities offered for sale during the first 10 months of 2024 declined by 14 percent compared to the same period in 2023.

Furthermore, the Thai capital market continued to encounter challenges related to corruption issues in listed companies, and the need to strengthen listed companies' three lines of defense as well as relevant market professionals themselves. Additionally, Thai stock exchanges became less attractive and needed a new form of growth.

Risk Management Measures

The SEC has continuously collaborated with various agencies relevant to enhancing the quality of listed companies and the performance of duties of the parties involved, such as company directors, audit committees, auditors, and financial advisors. The initiatives were carried out in accordance with the SEC Strategic Plan and additional plans, including:

- Collaboration with TFAC to enhance the quality of financial statements in the Thai capital market through the Value of Audit project to ensure stakeholders better recognize auditors' value. This will alleviate issues in the accounting profession—such as pressure on audit fees and a shortage of auditors—ensure robustness in the Thai accounting professions and enhance the quality of audits and financial statements.

- Collaboration with the Investment Banking Club to develop and enhance financial advisor examinations and training courses.

(2) Securities Trading

The securities trading value on the SET in 2024 averaged 46,551.37 million baht per day, representing a decline from 2023, when it was 53,331.30 million baht per day. The investor composition was 51 percent foreign investors, 32 percent local individual investors, and 17 percent proprietary traders and local institutions. The proportion of local individual investors decreased significantly over the past ten years, with local individual investors accounting for 59 percent in 2014.

Risk Management Measures

The SEC worked together with the SET to issue supervisory measures for securities

trading—aimed at continuously building investors’ trust—such as amending short-selling regulations by restricting eligible securities to large-cap, highly liquid issues; requiring short-selling prices to exceed the uptick price; mandating investor registration for high-frequency trading (HFT); and implementing Minimum Resting Time and Dynamic Price Band measures to reduce short-term price volatility and avoid rapid price changes to prevent market manipulation.

2. Clearing and Settlement System

Overall, the clearing and settlement system is sufficient for business operations, with stress-test results demonstrating that Thailand Clearing House Co., Ltd. (TCH) has sufficient financial resources to cope with securities and derivative risks.

Risk Management Measures

The SEC, together with the SET, collaborated on tracking clearing and settlement risks and continuously developed TCH’s risk management system to align with international standards. Furthermore, the SEC and the SET regularly conducted stress tests on both TCH and securities companies to ensure that the systems have sufficient capital to accommodate business operations of the business operators.

3. Bond

The corporate bond market, as of December 2024, had an outstanding value of 4.72 trillion baht, a decrease of 4.6 percent from 2023, which had an outstanding value of 4.95 trillion baht. The majority of the bonds had a credit rating of A or higher, accounting for 80 percent of the overall outstanding value of corporate bonds.

In 2024, corporations issued long-term bonds with a total offering value of 919 billion baht, a decrease of 9 percent from 2023 (1.01 trillion baht). This was due to the trend of high interest rates, while corporate bond issuers also had other sources of funding such as bank loans, capital increases, and cash flows from operations, etc.

Most of the bonds offered were still sold at the set value. Of the overall market offering value, 93.9 percent was sold, higher than in 2023, when 93.1 percent was sold. The AAA-A-rated bonds

were sold at 99.5 percent, while BBB-rated and high-yield bonds were sold at 95.7 percent and 85.5 percent, respectively. The primary reason BBB-rated and high-yield bonds were not fully sold was investors’ cautious stance following bond repayment defaults by four companies in 2024, totaling 1,565 million baht. For high-yield bonds, there were continuous requests for maturity extensions. In 2024, there was an outstanding value of 41,099 million baht from 21 bond issuers, 12 of which were new issuers requesting maturity extensions totaling 30,964 million baht.

The SEC found that default risks tended to increase, as reflected by the increasing number of issuer downgrades compared to 2023. In 2024, 40 companies were downgraded, most of which were in the energy and real estate sectors. Of those downgraded, 13 were Systemically Important Corporations (SiCorps), accounting for 33 percent.

Risk Management Measures

The SEC implemented measures to manage bond risks in various areas: approval of bond offerings; complete and timely information disclosure for investment decision-making; and the enhancement of the performance of duties by parties involved in the bond market, such as bondholder representatives and credit rating agencies, according to the SEC Strategic Plan. Furthermore, the SEC provided opportunities for companies of all sizes, including small- and medium-sized enterprises and startups, to raise funds through sustainability-themed bonds via crowdfunding and private placements to promote these firms in accelerating their adaptability and engaging in developing business in sustainability aspects, which is critical to business strategy and operations to reduce sustainability risks, enhance competitiveness, and steer the country towards achieving its net zero target.

4. Fund Management Business

As for fixed-income funds in the categories of money market funds (MMFs) and daily fixed income funds (Daily FI), which are crucial to the financial system, they received significant investor interest, as reflected by the majority of capital inflows over the year. In managing the liquidity risks of such funds, MMFs invested 100 percent of their

assets in government bonds and corporate bonds rated A or above, with a high level of liquid assets holdings of 91 percent; Daily FI funds invested 95 percent of their assets in government bonds and corporate bonds rated A or above, with a high level of liquid assets holdings of 46 percent.

Risk Management Measures

The SEC continuously implemented proactive measures to enhance and develop risk management mechanisms for business operators involved in mutual funds, enabling them to operate efficiently, thereby promoting quality and sustainable industry growth. In 2024, the SEC conducted crisis simulation exercises together with asset management companies, securities companies, LBDUs, as well as trustee/fund supervisors, to cope with mutual fund liquidity crises, to provide guidelines for choosing liquidity management tools, and to guide investor communications to ensure accurate situational knowledge and understanding during crises. Additionally, the SEC collaborated with asset management companies to develop a playbook for operating in crisis situations, in order to establish a new industry standard for enhancing their readiness to address potential risks and challenges in the future.

5. Digital Assets

In 2024, the overall digital asset market experienced a recovery from 2023, with an average digital asset trading volume of 1,791 million baht, up from 1,096 million baht in 2023, an increase of 63.39 percent. Meanwhile, an increase in active trading accounts was seen in 2024, with an average of 165,980 active trading accounts per month, up from an average of 132,963 in 2023, an increase of 24.83 percent.

Risk Management Measures

The SEC implemented key risk management measures in the digital asset market, such as:

- Amended regulations on the governance of digital asset business operators to ensure efficient oversight mechanisms for governance and operations that are consistent with the nature and risks of their operations. The SEC also amended regulations concerning exchange rules to ensure suitability and consistency with international standards in order to further the efficiency of safeguarding mechanisms of investors' interests.
- Amended regulations related to the supervision of ready-to-use utility token.
- Amended regulations governing the capital requirements for digital asset business operators, as well as for securities business operators and derivatives business operators that operate in the digital asset business.
- Required business operators to disclose information in the white paper so that investors have sufficient information for investment decision-making.
- Proposed Draft Amendment to the Emergency Decree on Digital Asset Businesses, B.E. 2561 (2018) to ensure further effectiveness of supervision, appropriateness based on the nature and risks of each type of digital asset, and consistency with other countries' oversight.
- Amended regulations for digital asset business operators, approved by the Bank of Thailand to participate in the Programmable Payment Sandbox project, enabling them to provide services or engage in activities involving the use of digital assets as means of payment (MOP) during the testing phase of the aforementioned project.

5

Financial Information





Report of the SEC Board on Internal Control over Financial Reporting

The SEC Board oversees the operation of the SEC by establishing and maintaining appropriate, adequate and effective internal control over financial reporting in accordance with the Internal Control Standards and Rules for Government Agencies B.E. 2561 (2018) prescribed by the Ministry of Finance, which are in conformity with the internal control framework stipulated by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Such internal control aims to provide reasonable assurance that the SEC's financial reports are accurately and completely presented in all material aspects and abide by the Thai Financial Reporting Standards. In addition, internal control intends to ensure that assets are safeguarded, and proper handling procedures are in place if any irregularity is found.

The SEC Board assigns the Audit Committee, consisting of independent expert members, to perform duties pursuant to the Audit Committee Charter, which include reviewing and giving opinions on the adequacy and effectiveness of the internal control. The Audit Committee also provides recommendations to the SEC Management on the good, efficient and effective internal control, and reports to the SEC Board. The Audit Committee Report is also disclosed in the Annual Report.

The SEC Board is of the opinion that the internal control over the SEC's financial reporting is appropriate and effective and provides reasonable assurance on the reliability of the SEC's financial statements for the year ending 31 December 2024.



(Mr. Wisit Wisitsora-at)
Chair



(Mrs. Pornanong Budsaratragoon)
Secretary-General

Audit Committee Report 2024

The Audit Committee (AC) is appointed by the SEC Board, consisting of three independent expert members of the SEC Board, as follows:

| | Names | Positions | No. of Meetings |
|----|-----------------------------|-----------|-----------------|
| 1. | Mr. Krairit Euchukanonchai | Chair | 12 |
| 2. | Mr. Viput Ongsakul | Member | 12 |
| 3. | Mr. Suphamit Techamontrikul | Member | 12 |

In 2024, the AC convened 12 scheduled meetings with full attendance of all members. Among these, one meeting was conducted with the SEC Management and another with the State Audit Office of the Kingdom of Thailand (SAO) to discuss relevant agendas.

The AC performs duties and responsibilities pursuant to the Audit Committee Charter (AC Charter), which are in line with the Securities and Exchange Act B.E. 2535 (1992), as well as the Internal Audit Standards and Rules for Government Agencies B.E. 2561 (2018) and the amendment prescribed by the Ministry of Finance, and the Global International Audit Standards (GIAS). In so doing, the AC provides independent opinions and recommendations on good governance for sustainable development, internal control, risk management, including fraud risk and compliance with applicable laws and regulations, to ensure that the SEC's operation is appropriate, efficient, and effective.

In 2024, the AC's key performances were summarized as follows:

1. Review of Financial Reports and Financial Information of the SEC

The AC reviewed the appropriateness and effectiveness of the SEC's financial reporting process to ensure that the SEC's financial reports were accurately presented in all material aspects. The AC also considered the SEC's 2024 financial reports as reviewed by the Internal Audit Department (IAD). The IAD viewed that such reports disclosed adequate and appropriate information without any issues of inaccurate reporting in accordance with the Thai Financial Reporting Standards (TFRS). Respectively, the AC considered that the financial reports of the SEC were presented fairly and reliably, abided by the TFRS, and adequately disclosed material information, aligning with the SAO's view. Additionally, the AC convened an exclusive meeting with the external auditor, without the presence of the SEC Management and the IAD, to ensure independent discussion.

2. Review and Opinions on Internal Control System

The AC reviewed the SEC annual internal control assessment in accordance with the Internal Audit Standards and Rules for Government Agencies B.E. 2561 (2018) and the amendment prescribed by the Ministry of Finance, which are in conformity with the internal control framework stipulated by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The IAD concluded that the internal control of the SEC was adequate, consistently implemented, and compliant with the Internal Control Standards and Rules of the Ministry of Finance above.

3. Review and Opinions on Good Governance, Efficient and Effective Risk Management and Consideration of Connected Transactions, Conflicts of Interest or Potential Frauds and Respective Potential Impacts on the SEC's Operations

The AC considered and gave advice on the SEC's good governance and risk management practices in various areas, including information technology. The audit reports covered: (1) consulting on the SEC's enhancing the quality of listed companies, (2) consulting to promote and oversee the effective implementation of ESG within the SEC, listed companies and the SEC's regulated entities, (3) review on the implementation of the SEC's strategic plan and budget utilization for the year 2023, (4) consulting on the improvement of the SEC's case management system regarding complaints, (5) examination of potential use of insider information by the Capital Market Supervisory Board members in 2024, (6) review on the supervisory process for digital asset business operators, (7) consulting on Legacy System Management and Improvement Planning, (8) review on the compliance with the SEC's IT Security Policy regarding cyber security awareness, and (9) review on Cloud Computing Governance and Management.

Besides, the AC reviewed the SEC annual internal control assessment and risk management in accordance with the Internal Audit Standards and Rules for Government Agencies B.E. 2561 (2018) and the amendment prescribed by the Ministry of Finance. Additionally, the AC reviewed the handling of complaints related to the SEC's operations and the compliance with the SLA (Service Level Agreement), on a regular basis, and supported the whistle blowing process.

4. Review of Compliance

The AC reviewed the SEC's compliance with the followings: (1) the supervisory process on the Stock Exchange of Thailand and its subsidiaries, (2) the Technical Vulnerability Management under the SEC's IT Security Policy, (3) the implementation of the SEC's IT Security Policy regarding cyber security awareness, and (4) the assessment of the Energy Management System.

Observations regarding non-compliance issues were reported to the AC; however, such issues had insignificant impacts. Overall, it was concluded that the SEC exercised sufficient supervision to ensure compliance with applicable laws, regulations, and relevant requirements.

5. Review of the AC/IA Charter and Manual

The AC reviewed and endorsed the reviewal, without amending, of the AC Charter and the AC Manual in compliance with the Internal Audit Standards and Rules for Government Agencies B.E. 2561 (2018) and the amendment prescribed by the Ministry of Finance and the GIAS. Moreover, the AC also endorsed the amendment to the Internal Audit Charter, the Internal Audit Manual and the Code of Ethics in line with the GIAS and current working process.

6. Oversight of the IAD

The AC approved the 2025 internal audit plan, and the IAD's budget. The AC encouraged the IAD to propose a roadmap to foster internal auditors' capabilities on AI and digital assets as well as to promote the use of technology to assist internal auditing. The AC also followed up on the progress reports of internal audit performances on a quarterly basis. In addition, the AC considered the annual performance assessment of the IAD, including the self-evaluation results of the quality assessment review in 2023 in accordance with the Internal Audit Standards and Rules for Government Agencies B.E. 2561 (2018) and the amendment prescribed by the Ministry of Finance. The AC held a meeting with the SEC Management without the IAD's participation to receive updates and provide feedback on the IAD's operations.

The AC has independently fulfilled its duties and responsibilities in accordance with the AC Charter, making every effort to apply their knowledge, experience, expertise and skills towards conferring independent and impartial opinions and recommendations, while taking into account the interests of all stakeholders. The AC received strong cooperation from both the management and the audited departments, enabling through discussion and implementation of audit recommendations and improvement plan. In addition, the AC submitted its overall work reports to the SEC Board on a quarterly basis for their information.



(Mr. Krairit Euchukanonchai)
Chair of the Audit Committee

Report of the Auditor

To the Minister of Finance

Opinion

The State Audit Office of the Kingdom of Thailand (SAO) has audited the accompanying financial statements of the Securities and Exchange Commission (SEC), which comprise the statement of financial position as at December 31, 2024, the statement of comprehensive revenues and expenses, the statement of changes in fund balances, and the statement of cash flows for the year then ended, and notes to the financial statements including a summary of significant accounting policies.

In the SAO's opinion, the above mentioned financial statements present fairly, in all material respects, the financial position of SEC as at December 31, 2024, and the results of its performance and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

The SAO conducted its audit in accordance with the State Audit Standards and Thai Standards on Auditing. The SAO's responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of the SAO's report. The SAO is independent of the SEC in accordance with the State Audit Standards issued by the State Audit Commission and 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 the SAO's audit of the financial statements, and the SAO has fulfilled other ethical responsibilities in accordance with the State Audit Standards and the Code. The SAO believes that the audit evidence the SAO has obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other Information

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

The SAO's opinion on the financial statements does not cover the other information and the SAO will not express any form of assurance conclusion thereon.

In connection with the SAO's audit of the financial statements, The SAO's responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or the SAO's knowledge obtained in the audit or otherwise appears to be materially misstated.

When the SAO reads the annual report of the SEC, if the SAO concludes that there is a material misstatement therein, The SAO is required to communicate the matter to those charged with governance.

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

Management is responsible for the preparation and fair presentation of these 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 SEC'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 SEC or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

The SAO's 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 the SAO's opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the State Audit Standards and 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 the SAO's audit in accordance with the State Audit Standards and Thai Standards on Auditing, The SAO exercises professional judgement and maintains professional skepticism throughout the audit. The SAO also:

- Identifies and assesses 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 the SAO's 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.
- Obtains 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 SEC's internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Concludes 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 SEC's ability to continue as a going concern. If the SAO concludes that a material uncertainty exists, the SAO is required to draw attention in the SAO auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the SAO's opinion. The SAO's conclusions are based on the audit evidence obtained up to the date of the SAO auditor's report. However, future events or conditions may cause the SEC to cease to continue as a going concern.
- Evaluates 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.

The SAO communicates 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 the SAO identifies during the SAO's audit.

(Pattamon Puttaseema)
Director of Financial Audit Office No.4

(Chuthamat Chaisirithawornkun)
Division Director

State Audit Office of the Kingdom of Thailand
February 28, 2025

The Securities and Exchange Commission, Thailand

Statement of Financial Position

As at December 31, 2024

| | | | Unit : Baht |
|----------------------------------|-------|-------------------------|-------------------------|
| | Notes | 2024 | 2023 |
| Assets | | | |
| Current assets | | | |
| Cash and cash equivalents | 4.1 | 218,323,048.25 | 156,526,320.85 |
| Short-term investments | 4.2 | 215,000,000.00 | 215,000,000.00 |
| Receivables and accrued revenues | 4.3 | 564,902,901.16 | 560,200,272.78 |
| Other current assets | 4.4 | 7,304,735.77 | 7,465,623.00 |
| Total current assets | | 1,005,530,685.18 | 939,192,216.63 |
| Non-current assets | | | |
| Long-term investments | 4.5 | 7,202,113,643.89 | 7,064,049,340.56 |
| Property, plant and equipment | 4.7 | 836,574,789.33 | 862,515,461.98 |
| Right-of-use assets | 4.8 | 9,223,978.89 | 9,366,006.13 |
| Intangible assets | 4.9 | 81,009,418.78 | 97,123,441.80 |
| Other non-current assets | 4.10 | 53,289,061.70 | 77,860,250.82 |
| Total non-current assets | | 8,182,210,892.59 | 8,110,914,501.29 |
| Total assets | | 9,187,741,577.77 | 9,050,106,717.92 |

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

The Securities and Exchange Commission, Thailand

Statement of Financial Position (continued)

As at December 31, 2024

| | | Unit : Baht | |
|--|--------|-------------------------|-------------------------|
| | Notes | 2024 | 2023 |
| Liabilities and funds | | | |
| Current liabilities | | | |
| Payables and accrued expenses | 4.11 | 187,280,587.96 | 132,785,411.81 |
| Current provisions for employee benefits | | 41,203,766.00 | 38,806,150.00 |
| Current portion of lease liabilities | 4.12 | 3,674,124.00 | 4,765,147.20 |
| Total current liabilities | | 232,158,477.96 | 176,356,709.01 |
| Non-current liabilities | | | |
| Lease liabilities | 4.12 | 7,310,989.21 | 6,567,350.21 |
| Non-current provisions for employee benefits | 4.13 | 733,652,622.44 | 692,142,893.76 |
| Other non-current liabilities | | 8,565,280.80 | 7,584,722.53 |
| Total non-current liabilities | | 749,528,892.45 | 706,294,966.50 |
| Total liabilities | | 981,687,370.41 | 882,651,675.51 |
| Funds | | | |
| Initial capital | | 1,250,532,337.10 | 1,250,532,337.10 |
| Special reserve for capital market development | 4.14.1 | 1,757,829,557.49 | 1,805,929,867.52 |
| Reserve | 4.14.2 | 5,175,708,431.38 | 5,387,096,700.00 |
| Accumulated revenues under expenses | | (55,758,939.14) | (259,488,578.65) |
| Other components of funds | 4.15 | 77,742,820.53 | (16,615,283.56) |
| Total funds | | 8,206,054,207.36 | 8,167,455,042.41 |
| Total liabilities and funds | | 9,187,741,577.77 | 9,050,106,717.92 |

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

(Mr. Kittipong Rattanachaisit)
Director, Finance and General Administration Department

(Mrs. Pornanong Budsaratragoon)
Secretary-General

The Securities and Exchange Commission, Thailand

Statement of Comprehensive Revenues and Expenses

For the year ended December 31, 2024

| | | Unit : Baht | |
|--|--------|-------------------------|-------------------------|
| | Notes | 2024 | 2023 |
| Revenues | | | |
| Fee income | 4.16.1 | 873,685,422.17 | 885,768,263.14 |
| Contribution from the Stock Exchange of Thailand | 4.16.2 | 459,954,438.02 | 524,494,347.05 |
| Investment income | 4.16.3 | 292,240,223.88 | 55,882,262.57 |
| Interest income | | 1,913,469.67 | 2,328,774.41 |
| Other income | | 12,210,831.77 | 25,737,968.96 |
| Total revenues | | 1,640,004,385.51 | 1,494,211,616.13 |
| Expenses | | | |
| Human resources expenses | 4.17 | 1,326,347,706.99 | 1,147,772,271.21 |
| Administrative expenses | 4.18 | 324,773,756.40 | 440,119,772.16 |
| Depreciation and amortization | | 86,564,360.44 | 89,723,483.79 |
| SEC Board and sub-committees remuneration | 4.19 | 26,150,500.00 | 27,440,540.32 |
| Interest expenses | | 561,316.55 | 543,817.27 |
| Total expenses | | 1,764,397,640.38 | 1,705,599,884.75 |
| Revenues under expenses from operation | | (124,393,254.87) | (211,388,268.62) |
| Revenues and expenses for capital market development | 4.20 | | |
| Revenues for capital market development | | 97,103,784.51 | 15,256,317.31 |
| Expenses for capital market development | | 28,469,468.78 | 63,356,627.34 |
| Revenues over (under) expenses for capital market development | | 68,634,315.73 | (48,100,310.03) |
| Revenues under expenses | | (55,758,939.14) | (259,488,578.65) |
| Other comprehensive revenues and expenses | | | |
| Items that will be reclassified subsequently to Profit or Loss : | | | |
| Gain on investment measured at fair value | | 94,358,104.09 | 49,218,975.11 |
| Other comprehensive revenues over expenses for the year | | 94,358,104.09 | 49,218,975.11 |
| Total comprehensive revenues over (under) expenses | | 38,599,164.95 | (210,269,603.54) |

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

The Securities and Exchange Commission, Thailand

Statement of Changes in Fund Balances

For the year ended December 31, 2024

| Notes | Initial capital | Special reserve for capital market development | Reserve | | | Accumulated revenues over (under) expenses | Other components of funds | | | Total |
|---|-------------------------|--|-------------------------|--|---|--|---|--|---------------------------------|-------------------------|
| | | | General reserve | transferred from reserve for a permanent office building | transferred from reserve for a permanent parking building | | Gain(loss) on changes in value of investments | Unrealized gain (loss) on foreign exchange | Total other components of funds | |
| | 1,250,532,337.10 | 1,835,231,436.02 | 4,662,187,492.82 | 1,254,700,000.00 | 25,396,700.00 | 5,942,284,192.82 | (28,352,294.75) | (5,376,353.47) | (65,834,258.67) | 8,933,861,412.52 |
| 4.14 | - | - | (556,136,766.57) | - | - | (556,136,766.57) | - | - | - | (556,136,766.57) |
| Balance after Remittance to Ministry of Finance | 1,250,532,337.10 | 1,835,231,436.02 | 4,106,050,726.25 | 1,254,700,000.00 | 25,396,700.00 | 5,386,147,426.25 | (28,352,294.75) | (5,376,353.47) | (65,834,258.67) | 8,377,724,645.95 |
| 4.14 | - | - | 949,273.75 | - | - | 949,273.75 | (949,273.75) | - | - | - |
| 4.14 | - | (29,301,568.50) | - | - | - | - | 29,301,568.50 | - | - | - |
| for capital market development | | | | | | | | | | |
| Revenues under expenses for the year | - | - | - | - | - | - | (259,488,578.65) | - | - | (259,488,578.65) |
| Other comprehensive revenues and expenses | | | | | | | | | | |
| 4.15 | - | - | - | - | - | - | - | 67,787,955.57 | (18,568,980.46) | 49,218,975.11 |
| Total comprehensive revenues over (under) expenses | - | (29,301,568.50) | 949,273.75 | - | - | 949,273.75 | (231,136,283.90) | 67,787,955.57 | (18,568,980.46) | 49,218,975.11 |
| Balance as of December 31, 2023 | 1,250,532,337.10 | 1,805,929,867.52 | 4,107,000,000.00 | 1,254,700,000.00 | 25,396,700.00 | 5,387,096,700.00 | (259,488,578.65) | 7,330,050.37 | (23,945,333.93) | 8,167,455,042.41 |
| Balance as of January 1, 2024 | 1,250,532,337.10 | 1,805,929,867.52 | 4,107,000,000.00 | 1,254,700,000.00 | 25,396,700.00 | 5,387,096,700.00 | (259,488,578.65) | 7,330,050.37 | (23,945,333.93) | 8,167,455,042.41 |
| 4.14 | - | - | (211,388,268.62) | - | - | (211,388,268.62) | 211,388,268.62 | - | - | - |
| 4.14 | - | (48,100,310.03) | - | - | - | - | 48,100,310.03 | - | - | - |
| for capital market development | | | | | | | | | | |
| Revenues under expenses for the year | - | - | - | - | - | - | (55,758,939.14) | - | - | (55,758,939.14) |
| Other comprehensive revenues and expenses | | | | | | | | | | |
| 4.15 | - | - | - | - | - | - | - | 102,597,642.59 | (8,239,538.50) | 94,358,104.09 |
| Total comprehensive revenues over (under) expenses | - | (48,100,310.03) | (211,388,268.62) | - | - | (211,388,268.62) | 203,729,639.51 | 102,597,642.59 | (8,239,538.50) | 38,599,164.95 |
| Balance as of December 31, 2024 | 1,250,532,337.10 | 1,757,829,557.49 | 3,895,611,731.38 | 1,254,700,000.00 | 25,396,700.00 | 5,175,708,431.38 | (55,758,939.14) | 109,927,692.96 | (32,184,872.43) | 8,206,054,207.36 |

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

The Securities and Exchange Commission, Thailand

Statement of Cash Flows

For the year ended December 31, 2024

| | Unit : Baht | |
|---|-------------------------|-------------------------|
| | 2024 | 2023 |
| Cash flows from operating activities | | |
| Revenues under expenses | (55,758,939.14) | (259,488,578.65) |
| Adjustments to reconcile revenues over (under) expenses to net cash received by (paid from) operating activities | | |
| Interest income | (133,080,132.72) | (129,735,861.27) |
| Dividend income | (87,824,535.07) | (54,541,237.07) |
| (Gain) loss on sales of investments | (133,395,263.51) | 79,024,746.34 |
| Unrealized (gain) loss on equity instruments and REIT | (31,972,934.47) | 30,350,776.96 |
| Loss on foreign exchange rate from investments | 510,837.69 | 4,539,718.83 |
| (Gain) loss on disposal of assets | 559.00 | (8,706.37) |
| Depreciation and amortization | 86,564,360.44 | 89,723,483.79 |
| Interest expenses | 561,316.55 | 543,817.27 |
| Employee benefit expenses | 54,066,715.00 | 45,155,569.00 |
| Adjusted Construction in progress - system development as expenses | - | 80,000.00 |
| Adjusted Office building as expenses | 334,926.00 | - |
| Adjusted Vehicles lease liabilities | 18,055.80 | - |
| Revenues under expenses from operating activities before change in operating assets and liabilities | (299,975,034.43) | (194,356,271.17) |
| (Increase) decrease in operating assets | | |
| Receivables and accrued fee income and other income | (13,490,522.33) | 84,683,615.68 |
| Other current assets | (197,663.96) | (631,735.32) |
| Loans to employees | 1,440,711.94 | 600,277.00 |
| Receivables - contract deposits and guarantees | (195,000.00) | 6,415,920.00 |
| Short-term deposits with obligation (welfare) | 15,037,500.00 | 10,410,800.00 |
| Increase (decrease) in operating liabilities | | |
| Payables and accrued expenses | 77,407,378.07 | (128,142,971.51) |
| Payables - contract deposits and guarantees | 980,558.27 | (186,593.20) |
| Employee benefit paid | (10,159,370.32) | (5,881,182.34) |
| Net cash flows used in operating activities | (229,151,442.76) | (227,088,140.86) |

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

The Securities and Exchange Commission, Thailand

Statement of Cash Flows (continued)

For the year ended December 31, 2024

| | | Unit : Baht |
|---|---------------------------|-------------------------|
| | 2024 | 2023 |
| Cash flows from investing activities | | |
| Net proceeds from investment in short-term bonds | - | 300,000,000.00 |
| Proceeds from interest | 132,221,920.37 | 134,234,208.74 |
| Proceeds from dividend | 90,334,853.53 | 50,842,635.56 |
| Proceeds from sale of investments | 5,529,107,792.80 | 5,729,396,411.72 |
| Payment for the purchase of investments | (5,389,101,650.10) | (5,498,867,317.94) |
| Payment for the purchase of property, plant and equipment | (52,910,017.48) | (78,626,082.94) |
| Payment for the purchase of intangible assets | (13,736,004.96) | (11,919,140.00) |
| Net cash flows from investing activities | 295,916,894.16 | 625,060,715.14 |
| Cash flows from financing activities | | |
| Payments of lease liabilities | (4,968,724.00) | (4,507,945.80) |
| Remittance to Ministry of Finance | 4.14.2 - | (556,136,766.57) |
| Net cash flows used in financing activities | (4,968,724.00) | (560,644,712.37) |
| Net increase (decrease) in cash and cash equivalents | 61,796,727.40 | (162,672,138.09) |
| Cash and cash equivalents at the beginning of year | 156,526,320.85 | 319,198,458.94 |
| Cash and cash equivalents at the end of year | 4.1 218,323,048.25 | 156,526,320.85 |

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

The Securities and Exchange Commission, Thailand

Notes to financial statements

For the year ended December 31, 2024

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The Securities and Exchange Commission, Thailand

Notes to financial statements

For the year ended December 31, 2024

1. General information

The Securities and Exchange Commission, Thailand (The SEC) was established on May 16, 1992 under the Securities and Exchange Act B.E. 2535 (SEA) with the duty to supervise and develop the Thai capital market to be able to operate more efficiently.

The SEC is located at 333/3, Vibhavadi-Rangsit Road, Chomphon, Chatuchak, Bangkok 10900, Thailand

The SEC Office has the power and duty to:

- a. perform any act for the implementation of the SEC's resolutions;
- b. supervise compliance and enforcement of law against any person violating the provisions of this Act;
- c. determine the fees for filing registration statements, annual registration statements, registration and any other applications;
- d. accept fees;
- e. perform any other acts as specified by the provision of this Act or any other laws.

Under the Securities and Exchange Act, B.E. 2535 section 14, the SEC Board shall have the power and duty to formulate policies to promote and develop, as well as to supervise, matters concerning securities, securities businesses, the Securities Exchange, over-the-counter centers, and related businesses, organizations related to securities business, issue or offer of securities for sale to the public, acquisition of securities for business takeovers, and prevention of unfair securities trading practices. Such power shall include:

- a. the issuance of rules, regulations, notifications, orders, or directions under this Act;
- b. the determination of fees for application for an approval, application for obtaining a license, a license, or for operating the business as licensed;
- c. the issuance of rules relating to the duties of a sub-committee;
- d. the issuance of rules, orders and regulations relating to personnel, personnel relations system, placement, appointment, dismissal and discipline for personnel and employees of the SEC Office, the determination of salary and other remuneration as well as welfare and assistance;
- e. the prescription of a guideline for consideration of any potential issues which may arise from the enforcement of this Act.
- f. any other activities to be implemented according to the objectives of this Act.

2. Basis for the preparation and presentation of financial statements

2.1 Financial statements

The SEC is a state agency, which, according to the State Fiscal and Finance Disciplines Act B.E. 2561, requires the preparation of accounts and financial reports in accordance with public-sector accounting standard and a public-sector accounting policy and the Ministry of Finance's announcement public-sector accounting standards and public-sector accounting policies (No. 2) B.E. 2564, requires

other state agencies as specified by law, that have specific operations, such as financial institutions supervision, capital market supervision and insurance business supervision which are different from the operations of general state agencies, may use Thai financial reporting standards are specified by The Federation of Accounting Professions under The Royal Patronage of His Majesty The King.

The SEC has operations in the capital market supervision, Therefore, according to the Ministry of Finance Letter dated July 6, 2021, notifying the selection of Thai Accounting Standards and Thai Financial Reporting Standards determined by The Federation of Accounting Professions under The Royal Patronage of His Majesty The King.

The SEC's financial statements are prepared and presented in Thai Baht which is the currency used in the operation of the office.

The SEC's financial performance are stated as the statement of comprehensive revenues and expenses since the SEC is a non-profit organization.

Significant accounting estimates, assumptions and judgments are continually evaluated, and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Judgments may also cause significant risks and the need to adjust the book value of assets and liabilities with significant amounts in the next accounting period.

An English version of the financial statements have been prepared from the financial statements that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai version of financial statements is to be used primarily.

2.2 Financial reporting standards that became effective in the current period

During the period, the SEC have adopted the revised financial reporting standards and interpretations of financial reporting standards which are effective for fiscal years beginning on or after January 1, 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 adoption of these financial reporting standards has no impact because there are no items under the requirements of the standards.

2.3 Financial reporting standards that become effective for fiscal years beginning on or after January 1, 2025

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after January 1, 2025, only the relevant versions are as follows:

| | |
|---------|--------------------------------------|
| TAS 1 | Presentation of Financial Statements |
| TAS 7 | Statement of Cash Flows |
| TFRS 7 | Financial Instruments: Disclosures |
| TFRS 16 | Leases |

The management believes that the revisions to these financial reporting standards do not have any significant impact on the financial statements.

3. Significant accounting policies

3.1 Cash and cash equivalents

Cash and cash equivalents are cash on hand, check in transit, bank deposits with high liquidity (without restrictions on use), short-term highly liquid investments that are due within a period of three months or less from the date of acquisition and are readily convertible to known amounts of cash and which are not subject to a significant risk of changes in value without investment objectives.

3.2 Investments

Classification of investments in bank deposits and debt instruments held for one year or less are classified as short-term investments. The investments held for more than one year are classified as long-term investments.

Investments in two private funds are considered as long-term investment funds. The SEC has hired the licensed asset management companies to manage these private funds. The funds are independently managed to invest in marketable securities of both debt and equity instruments and in alternative investments.

3.3 Financial instruments

Classification and measurement of financial assets and financial liabilities

Financial assets (Debt instruments)

The SEC classifies debt instruments as financial assets subsequently measured at amortised cost or fair value in accordance with the SEC's business model for financial assets management and the contractual cash flows characteristics of the financial assets as detail below:

- Financial assets measured at amortised cost only if the financial assets is held as business model to collect contractual cash flows, and the contractual terms of the financial assets give rise on specified date to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- Financial assets measured at fair value through other comprehensive revenues and expenses only if the financial assets is held as business model to collect contractual cash flows and to sell financial assets, and the contractual terms of the financial assets give rise on specified date to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets (Equity instruments)

All investments in equity instruments are measured at fair value in the statement of financial position. The SEC has classified the investments in equity instruments as the financial asset measured at fair value through revenues and expenses.

Financial liabilities

The adoption of these set of financial reporting standards has no impact on the SEC's classification of financial liabilities. The SEC continues to classify all financial liabilities as measured at amortised cost.

3.4 Property, plant and equipment

Land is stated at cost. Plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses (if any).

The costs include expenditures that are directly attributable to the acquisition of the assets. The cost of self-built asset comprises the cost of materials, direct labor and any costs directly attributable to bringing the assets to a working condition for their intended use. Software that controls the equipment and is integral to the functionality of the related equipment shall be capitalized as part of the equipment.

A significant parts of an item of property, plant and equipment having different consumption patterns or useful lives are recognized separately.

The gains or losses on disposal of an item of property, plant and equipment are the difference between the net disposal proceeds and the carrying amount of the assets at the date of disposal and are recognized on a net basis as revenues or expenses in the statement of comprehensive revenues and expenses.

Subsequent costs due to replacements are recognized as a part of the carrying amount of property, plant and equipment if it is probable that the SEC will obtain the future economic benefits associated with the replacements and the cost of the asset can be reliably measured. The carrying amount of the replaced part is derecognized. Costs of the day-to-day maintenance of property, plant and equipment are expensed as incurred.

Depreciation is calculated by using the straight-line method, except for computer equipment that uses sum of the year digits method, over their estimated useful lives as follows:

| <u>Asset class</u> | <u>Useful lives</u> |
|-------------------------------|---------------------|
| Office building and buildings | 5 - 35 years |
| Building improvement | 5 years |
| Furniture and fixtures | 5 - 10 years |
| Office equipments | 5 - 10 years |
| Vehicles and equipment | 5 Years |

Land and assets under Installation and construction are not depreciated.

Depreciation method, the useful lives and residual values are reviewed at least at the end of each fiscal year and adjusted if appropriate.

3.5 Leases

At inception, the SEC shall assess whether the 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.

Recognition and measurement approach for all leases at the commencement date of the lease (the date the underlying asset is available for use) recognizes right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments, except short-term leases with a lease term less than or equal to 12 months at the commencement date, and leases for which the underlying asset is of low value are recognized as expenses on a straight-line basis over the lease term.

3.5 Leases (continued)

Right-of-use assets

The Right-of-use (ROU) assets are measured at cost, less accumulated depreciation, any accumulated impairment losses (if any), and adjusted for any remeasurement of lease liabilities. The cost of ROU assets comprises the amount of lease liabilities initially recognized, adjusted for any lease payments made at or before the commencement date, initial direct costs incurred, and estimated costs of dismantling and removing the underlying asset, restoration of the site of the underlying asset or restoration of the underlying asset to the condition required by the terms and conditions of the leases, less any lease incentive received under the contract.

The ROU assets are depreciated using the straight-line method from the commencement date to the end of the useful life of the ROU assets or the end of the lease term, whichever comes first.

| <u>Asset class</u> | <u>Useful lives</u> |
|-------------------------------|---------------------|
| Office building and buildings | 3 years |
| Vehicles | 4 - 5 Years |

Lease liability

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 and payments of penalties for terminating the lease, if the lease term reflects exercising an option to terminate the lease.

The SEC measured the lease liability based on the present value of lease payments that are not paid at the commencement date, using the interest rate implicit in the lease if the rate can be determined at any given time, or alternatively using the average interest rate.

The carrying amount of lease liabilities is increased to reflect the accretion of interest on the lease liability and is reduced to reflect 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.

3.6 Intangible assets

Intangible assets include costs that are directly attributable to system development and licensed software products controlled by the SEC and are expected to generate future economic benefits beyond one year. They are stated at cost less accumulated amortization and accumulated impairment losses (if any). Cost of intangible assets comprises the purchase price and other directly attributable costs necessary to prepare the assets to be capable to operate as intended. The amortization is calculated by using the straight-line method over their estimated useful lives as follows:

| <u>Asset class</u> | <u>Useful lives</u> |
|--------------------------|---------------------|
| Licensed software fee | 10 - 15 years |
| System development costs | 5 years |

3.7 Impairment

The carrying amounts of assets are reviewed when there is any indication of impairment in value of the asset. If such indication exists, the SEC shall estimate the recoverable amount of the asset.

An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The impairment loss is recognized in the statement of comprehensive revenues and expenses, unless it reverses a previous revaluation credited to equity, in which case it is charged to equity.

3.8 Employee benefits

Short-term employee benefits are recognized as expenses in the statement of comprehensive revenues and expenses when related services were delivered. The SEC provides contributions to the provident fund for the post-employment benefits and other long-term employee benefits to which the employees are entitled as follows:

(a) Post-employment benefit (Defined contribution plan)

The SEC has established and registered a provident fund, namely “Registered Provident Fund of the Securities and Exchange Commission” under Provident Fund Act B.E. 2530 since August 9, 1993. The Fund’s investment policy has 40 options for members. Employees contribute 3 - 15 percent of their base salaries while the SEC contributes 12 percent to the provident fund. The provident fund has been managed by investment professional. Contributions from the SEC are recognized as an expense in the statement of comprehensive revenues and expenses in each accounting period when incurred.

(b) Post-employment benefit (Defined benefit plan)

The SEC’s provisions concerning post employment benefits under “Defined benefit plan” and other long-term employee benefits are recognized in the financial statements based on calculations by the projected unit credit method that calculated by independent actuaries. The estimate must be based on a variety of assumptions including discount rate, salary increase rate, employee turnover rate, mortality rate and inflation rate.

Incurred obligations are recognized in each year as expenses in the statement of comprehensive revenues and expenses. Actuarial gain or loss arising from post-employment benefit are recognized under other comprehensive revenues and expenses in the statement of comprehensive revenues and expenses.

Past service costs are recognized immediately as expenses in the statement of comprehensive revenues and expenses in the period in which they are incurred.

3.9 Revenue recognition

Major revenues of the SEC and revenue recognition are as follows:

3.9.1 Fee income

- Application fees: Revenue is recognized when application form and fee are received by the SEC.
- Registration fees: The minimum fee requirement for registration is recognized when the SEC received registration statement together with the fee, and the remaining balance will be recognized when the registration statement becomes effective. The registration fee which is paid annually in proportion to the shareholders’ equity is recognized on an accrual basis.
- License fees: Revenues is recognized according on income each year.
- Business undertaking fees: Revenues is recognized on an accrual basis.
- Other fees: Revenue is recognized when request form and fee are received by the SEC.

3.9 Revenue recognition (continued)

3.9.2 Contribution from the Stock Exchange of Thailand under the SEA at the rate specified by the SEC Board, is recognized on income each year.

3.9.3 Investment income or other income

- Interest income is recognized on a time proportion basis based on the effective interest rate.
- Dividend income is recognized when the right to receive the dividend is established.
- Rental income for premises is recognized on income each year.
- Other income is recognized on income each year.

3.10 Expenses Recognition

Expenses are recognized on an accrual basis.

3.11 Financial risk management

To manage investment risk, the SEC sets policy that its investment proportion at a risk level of $VaR_{\alpha 0.05} = 12.2$ percent (a probability of less than 5 percent to have a loss more than 12.2 percent) with the expected returns on 3.4 percent, and investment time horizon 10 year with the proportion of investment in debt instruments not less than 45 percent of the portfolio. The portfolio comprises of cash and cash equivalent in both Thai Baht currencies and foreign currencies, local and overseas debt instruments and equity instruments, and derivatives. The investments are independently managed by the asset management companies in accordance with the investment policy framework approved by the SEC Board.

3.11.1 Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. Market prices of debt investments change when market interest rate changed. Generally, when market interest rate increases, the debt securities' price decreases, and when market interest rate decreases, the debt securities' price increases. The SEC has set the investment policy to may be use interest rates derivatives to hedge interest rate risks and fluctuations in the price of the debt instrument (duration) not to be negative which is managed and monitored by private fund managers.

Unit : Million Baht

Carrying amount as at December 31, 2024

| | Within 1 year | Fixed rate 1-5 years | Over 5 years | Adjustable interest rate up to the market rate | None interest rate | Total | Interest rate (Percent per year) |
|-----------------------------|------------------|-------------------------|-----------------|---|--------------------------|----------|--|
| Financial assets | | | | | | | |
| Cash and cash equivalents | - | - | - | 218.32 | - | 218.32 | 0.000-0.575 |
| Short-term investments | 215.00 | - | - | - | - | 215.00 | 1.225 |
| Private Fund | | | | | | | |
| - Cash and cash equivalents | - | - | - | 139.17 | 119.50 | 258.67 | 0.000-2.750 |
| - Bond | 336.39 | 1,975.83 | 1,786.90 | - | 102.29 | 4,201.41 | 0.000-4.675 |

3.11 Financial risk management (continued)

3.11.1 Interest rate risk (continued)

Unit : Million Baht

| | Carrying amount as at December 31, 2023 | | | | | Total | Interest rate (Percent per year) |
|-----------------------------|---|-------------------------|-----------------|---|--------------------------|----------|--|
| | Within 1 year | Fixed rate 1-5 years | Over 5 years | Adjustable interest rate up to the market rate | None interest rate | | |
| Financial assets | | | | | | | |
| Cash and cash equivalents | - | - | - | 156.53 | - | 156.53 | 0.000-0.575 |
| Short-term investments | 215.00 | - | - | - | - | 215.00 | 1.025 |
| Private Fund | | | | | | | |
| - Cash and cash equivalents | - | - | - | 104.49 | 69.63 | 174.12 | 0.000-2.750 |
| - Bond | 440.98 | 1,766.19 | 1,859.60 | - | - | 4,066.77 | 0.080-5.050 |

3.11.2 Credit risk

Credit risk is the risk that a counterparty may default on contractual obligations under financial instruments, causing financial losses to the other counterparty. The SEC has set the Investment Policy to invest in debt securities of credit rating not less than A-.

3.11.3 Foreign exchange risk

Foreign exchange risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The SEC has set limit on investment with foreign exchange exposure at no more than 36 percent of net asset value (NAV) of investments that have been measured at fair value based on market price (mark to market) and invested in derivative instruments (Derivatives) to hedge the foreign currency exposure and / or to manage portfolios efficiently.

3.12 Fair value measurement

The SEC uses the market approach to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards, except that the cost approach or income approach is used when there is no active market or a quoted market price is not available.

Fair value hierarchy

In applying the above-mentioned valuation techniques, the SEC maximizes the use of relevant observable inputs in accordance with Thai Financial Reporting Standard No.13 “Fair Value Measurement”. This standard establishes a fair value hierarchy that categorizes inputs into three levels as follows:

- Level 1 Use of quoted market prices in an observable 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 the SEC’s estimates of future cash flows

3.13 Translation of foreign currencies

Transactions denominated in foreign currency were recognized in Thai Baht at the exchange rate prevailing at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated into Thai Baht at the exchange rate ruling at the end of reporting date. Gains and losses arising from receiving or paying in foreign currency and from the conversion of such monetary assets and liabilities, will be recognized under other income/expenses in the statement of comprehensive revenues and expenses.

4. Supplementary Information

4.1 Cash and cash equivalents

| | Unit : Million Baht | |
|---------------|---------------------|---------------|
| | 2024 | 2023 |
| Bank deposits | 218.32 | 156.53 |
| Total | 218.32 | 156.53 |

4.2 Short-term investments

| | Unit : Million Baht | |
|---|---------------------|---------------|
| | 2024 | 2023 |
| Fixed deposits (due date within 1 year) | 215.00 | 215.00 |
| Total | 215.00 | 215.00 |

4.3 Receivables and accrued revenues

| | Unit : Million Baht | |
|--|---------------------|---------------|
| | 2024 | 2023 |
| Business undertaking fee | 379.66 | 361.67 |
| Contribution from the SET | 119.72 | 112.98 |
| Accrued interest and dividend managed by private fund managers | 28.67 | 30.72 |
| Prepaid expenses | 30.57 | 28.04 |
| Annual registration statements fee | 2.95 | 3.51 |
| Interest income from Government Housing Bank and Others | 0.33 | 0.36 |
| Interest income from saving and fixed deposits | 1.67 | 1.40 |
| Receivables from the sale of securities | - | 15.55 |
| Revenue department receivables | 0.34 | 4.63 |
| Miscellaneous receivables | 0.94 | 1.07 |
| Value added tax pending | 0.05 | - |
| Advances | - | 0.27 |
| Total | 564.90 | 560.20 |

4.4 Other current assets

| | Unit : Million Baht | |
|--|---------------------|-------------|
| | 2024 | 2023 |
| Loans to employees not exceeding 1 year | 1.79 | 2.21 |
| Value added tax pending receipt of tax invoice | 4.95 | 4.75 |
| Deferred interest | 0.56 | 0.51 |
| Total | 7.30 | 7.47 |

4.5 Long-term investments

| | Unit : Million Baht | |
|---|---------------------|-----------------|
| | 2024 | 2023 |
| Managed by private fund managers | | |
| - Current and saving deposits | 258.67 | 174.12 |
| - Investment in debt and equity instruments and alternative investments | 6,943.44 | 6,889.93 |
| Total | 7,202.11 | 7,064.05 |

Investment in debt and equity instruments and alternative investments consisted of:

| | 2024 | | 2023 | |
|-------------------------|-----------------|-----------------|-----------------|-----------------|
| | Cost | Fair value | Cost | Fair value |
| Debt instruments | 4,091.48 | 4,201.41 | 4,059.44 | 4,066.77 |
| Equity instruments | 2,397.97 | 2,505.90 | 2,510.64 | 2,572.84 |
| Alternative investments | 249.30 | 236.13 | 251.81 | 250.32 |
| Total | 6,738.75 | 6,943.44 | 6,821.89 | 6,889.93 |

Alternative investments are property funds, and real estate investment trust in local and foreign countries.

Debt instruments consisted of:

| | Unit : Million Baht | |
|--------------|---------------------|-----------------|
| | 2024 | 2023 |
| Bonds | 1,194.50 | 1,039.38 |
| Debentures | 3,006.91 | 3,027.39 |
| Total | 4,201.41 | 4,066.77 |

4.6 Fair value measurement of financial instrument

The SEC has the following financial assets that are measured at fair value using different levels of inputs as at December 31, 2024, as follows:

| Unit : Million Baht | | | |
|-------------------------|----------|----------|----------|
| 2024 | | | |
| | Level 1 | Level 2 | Total |
| Investments | | | |
| Debt instruments | - | 4,201.41 | 4,201.41 |
| Equity instruments | 2,505.90 | - | 2,505.90 |
| Alternative investments | 236.13 | - | 236.13 |
| Unit : Million Baht | | | |
| 2023 | | | |
| | Level 1 | Level 2 | Total |
| Investments | | | |
| Debt instruments | - | 4,066.77 | 4,066.77 |
| Equity instruments | 2,572.84 | - | 2,572.84 |
| Alternative investments | 250.32 | - | 250.32 |

The valuation and inputs for Level 2 valuation

The fair value of local and foreign debt instruments are determined based on market price in Thai Bond Market Association (ThaiBMA) and market interest rate in Bloomberg.

4.7 Property, plant and equipment

Unit : Million Baht

| | Balance as at December 31, 2024 | | | | | | | | Net |
|--|---------------------------------|----------|------------|-------------------|--------------------------|----------|------------|-------------------|--------|
| | Cost | | | | Accumulated depreciation | | | | |
| | January 1, 2024 | Increase | (Decrease) | December 31, 2024 | January 1, 2024 | Increase | (Decrease) | December 31, 2024 | |
| Land | 162.15 | - | - | 162.15 | - | - | - | - | 162.15 |
| Office building and building | 861.13 | - | (1.58) | 859.55 | 274.02 | 23.83 | - | 297.85 | 561.70 |
| Building improvement | 0.08 | - | (0.08) | - | 0.08 | - | (0.08) | - | - |
| Furniture and fixture | 48.50 | 2.43 | (0.33) | 50.60 | 46.84 | 1.06 | (0.33) | 47.57 | 3.03 |
| Office equipment | 499.07 | 32.48 | (17.55) | 514.00 | 411.84 | 35.37 | (17.56) | 429.65 | 84.35 |
| Vehicles and equipment | 0.50 | - | - | 0.50 | 0.50 | - | - | 0.50 | - |
| Construction in Progress - Office equipment | 9.18 | 0.40 | - | 9.58 | - | - | - | - | 9.58 |
| Construction in Progress - Building improvement | 15.19 | 2.61 | (2.04) | 15.76 | - | - | - | - | 15.76 |
| Total | 1,595.80 | 37.92 | (21.58) | 1,612.14 | 733.28 | 60.26 | (17.97) | 775.57 | 836.57 |

Depreciation for the year ended December 31, 2024 amounting to Baht 60.26 million.

Unit : Million Baht

| | Balance as at December 31, 2023 | | | | | | | | Net |
|--|---------------------------------|----------|------------|-------------------|--------------------------|----------|------------|-------------------|--------|
| | Cost | | | | Accumulated depreciation | | | | |
| | January 1, 2023 | Increase | (Decrease) | December 31, 2023 | January 1, 2023 | Increase | (Decrease) | December 31, 2023 | |
| Land | 162.15 | - | - | 162.15 | - | - | - | - | 162.15 |
| Office building and building | 852.64 | 8.49 | - | 861.13 | 250.28 | 23.74 | - | 274.02 | 587.11 |
| Building improvement | 0.08 | - | - | 0.08 | 0.08 | - | - | 0.08 | - |
| Furniture and fixture | 49.26 | 0.43 | (1.19) | 48.50 | 46.87 | 1.16 | (1.19) | 46.84 | 1.66 |
| Office equipment | 510.21 | 50.50 | (61.64) | 499.07 | 437.94 | 35.50 | (61.60) | 411.84 | 87.23 |
| Vehicles and equipment | 0.50 | - | - | 0.50 | 0.50 | - | - | 0.50 | - |
| Construction in Progress - Office equipment | 7.58 | 1.60 | - | 9.18 | - | - | - | - | 9.18 |
| Construction in Progress - Building improvement | 10.65 | 9.07 | (4.53) | 15.19 | - | - | - | - | 15.19 |
| Total | 1,593.07 | 70.09 | (67.36) | 1,595.80 | 735.67 | 60.40 | (62.79) | 733.28 | 862.52 |

Depreciation for the year ended December 31, 2023 amounting to Baht 60.40 million.

The gross values of the property, plant and equipment that are fully depreciated but still in use are Baht 373.80 million and Baht 379.31 million as at the end of 2024 and 2023, respectively.

4.8 Right-of-use assets

Unit : Million Baht

| Balance as at December 31, 2024 | | | | | | | | | |
|---------------------------------|-----------------|-------------|---------------|-------------------|--------------------------|-------------|---------------|-------------------|-------------|
| | Cost | | | | Accumulated depreciation | | | | Net |
| | January 1, 2024 | Increase | (Decrease) | December 31, 2024 | January 1, 2024 | Increase | (Decrease) | December 31, 2024 | |
| Land | 1.22 | - | - | 1.22 | 0.54 | 0.41 | - | 0.95 | 0.27 |
| Office building | 4.69 | 4.46 | (4.69) | 4.46 | 3.52 | 1.54 | (4.69) | 0.37 | 4.09 |
| Vehicles | 13.12 | - | (1.54) | 11.58 | 5.60 | 2.35 | (1.23) | 6.72 | 4.86 |
| Total | 19.03 | 4.46 | (6.23) | 17.26 | 9.66 | 4.30 | (5.92) | 8.04 | 9.22 |

Depreciation for the year ended December 31, 2024 amounting to Baht 4.30 million.

Unit : Million Baht

| Balance as at December 31, 2023 | | | | | | | | | |
|---------------------------------|-----------------|-------------|---------------|-------------------|--------------------------|-------------|---------------|-------------------|-------------|
| | Cost | | | | Accumulated depreciation | | | | Net |
| | January 1, 2023 | Increase | (Decrease) | December 31, 2023 | January 1, 2023 | Increase | (Decrease) | December 31, 2023 | |
| Land | 1.24 | 0.30 | (0.32) | 1.22 | 0.46 | 0.40 | (0.32) | 0.54 | 0.68 |
| Office building | 4.69 | - | - | 4.69 | 1.95 | 1.57 | - | 3.52 | 1.17 |
| Vehicles | 8.79 | 7.38 | (3.05) | 13.12 | 6.26 | 2.39 | (3.05) | 5.60 | 7.52 |
| Total | 14.72 | 7.68 | (3.37) | 19.03 | 8.67 | 4.36 | (3.37) | 9.66 | 9.37 |

Depreciation for the year ended December 31, 2023 amounting to Baht 4.36 million.

4.9 Intangible assets

Unit : Million Baht

| Balance as at December 31, 2024 | | | | | | | | | |
|---------------------------------|-----------------|-------------|---------------|-------------------|--------------------------|--------------|------------|-------------------|--------------|
| | Cost | | | | Accumulated amortization | | | | Net |
| | January 1, 2024 | Increase | (Decrease) | December 31, 2024 | January 1, 2024 | Increase | (Decrease) | December 31, 2024 | |
| Licensed software | 205.59 | 4.06 | - | 209.65 | 153.01 | 13.49 | - | 166.50 | 43.15 |
| System development | 73.16 | 5.28 | - | 78.44 | 53.04 | 8.52 | - | 61.56 | 16.88 |
| CIP-Licensed software | 20.92 | - | - | 20.92 | - | - | - | - | 20.92 |
| CIP-System development | 3.50 | 0.06 | (3.50) | 0.06 | - | - | - | - | 0.06 |
| Total | 303.17 | 9.40 | (3.50) | 309.07 | 206.05 | 22.01 | - | 228.06 | 81.01 |

Amortization for the year ended December 31, 2024 amounting to Baht 22.01 million.

4.9 Intangible assets (continued)

Unit : Million Baht

| Balance as at December 31, 2023 | | | | | | | | | |
|---------------------------------|-----------------|--------------|----------------|-------------------|--------------------------|--------------|------------|-------------------|--------------|
| | Cost | | | | Accumulated amortization | | | | Net |
| | January 1, 2023 | Increase | (Decrease) | December 31, 2023 | January 1, 2023 | Increase | (Decrease) | December 31, 2023 | |
| Licensed software | 200.31 | 5.28 | - | 205.59 | 139.84 | 13.17 | - | 153.01 | 52.58 |
| System development | 67.01 | 6.15 | - | 73.16 | 41.24 | 11.80 | - | 53.04 | 20.12 |
| CIP-Licensed software | 32.21 | - | (11.29) | 20.92 | - | - | - | - | 20.92 |
| CIP-System development | 0.08 | 3.50 | (0.08) | 3.50 | - | - | - | - | 3.50 |
| Total | 299.61 | 14.93 | (11.37) | 303.17 | 181.08 | 24.97 | - | 206.05 | 97.12 |

Amortization for the year ended December 31, 2023 amounting to Baht 24.97 million.

The gross values of the intangible assets that are fully amortization but still in use are Baht 126.61 million and Baht 98.47 million as at the end of 2024 and 2023, respectively.

4.10 Other non-current assets

Unit : Million Baht

| | 2024 | 2023 |
|------------------------------------|--------------|--------------|
| Fixed deposit for employee welfare | 38.56 | 53.59 |
| Prepaid expense | 10.54 | 19.08 |
| Loans to employees | 3.01 | 4.04 |
| Deferred interest | 0.51 | 0.68 |
| Deposits and guarantees | 0.67 | 0.47 |
| Total | 53.29 | 77.86 |

Fixed deposits for employee welfare is deposited at the Government Housing Bank to guarantee employee housing loans.

4.11 Payables and accrued expenses

Unit : Million Baht

| | 2024 | 2023 |
|-----------------------------------|---------------|---------------|
| Human resources expenses payables | 78.44 | 12.85 |
| Accrued expenses | 84.34 | 73.50 |
| Securities Trading Payable | 17.08 | 13.90 |
| Payables | 7.27 | 32.41 |
| Revenue department payables | - | 0.08 |
| Others | 0.15 | 0.05 |
| Total | 187.28 | 132.79 |

4.12 Lease liabilities movement of lease liabilities summarised as follows:

| | Unit : Million Baht | |
|--|---------------------|--------|
| | 2024 | 2023 |
| Beginning balance | 11.33 | 6.80 |
| Cash flow | | |
| Principal payment of lease liabilities | (4.97) | (4.51) |
| Non-cash change | | |
| Additions (Decrease) from contract amendment | 4.62 | 9.04 |
| | 10.98 | 11.33 |
| Less Current portion | (3.67) | (4.77) |
| Ending balance | 7.31 | 6.56 |

| | Unit : Million Baht | |
|-----------------------|---------------------|--------------|
| | 2024 | 2023 |
| Lease payments | | |
| Up to 1 year | 3.67 | 4.77 |
| Over 1-5 years | 7.31 | 6.56 |
| Total | 10.98 | 11.33 |

| | Unit : Million Baht | |
|--|---------------------|-------|
| | 2024 | 2023 |
| Expenses relating to leases that are recognized the statement of comprehensive revenues and expenses | | |
| Depreciation expense of right-of-use assets | 4.30 | 4.36 |
| Interest expense on lease liabilities | 0.56 | 0.54 |
| Expense relating to short-term lease agreements | 0.87 | 21.08 |
| Expense relating to low-value lease agreements | 2.49 | 1.93 |

4.13 Non-current provisions for employee benefits

| | Unit : Million Baht | |
|--|---------------------|---------------|
| | 2024 | 2023 |
| Changes in present value of employee benefit obligations during period | | |
| Present value of obligations at the beginning of year | 692.14 | 648.50 |
| Benefits paid | (10.16) | (5.88) |
| Current service cost | 24.79 | 24.60 |
| Interest cost | 26.88 | 24.92 |
| Obligations at the end of year | 733.65 | 692.14 |

| | Unit : Million Baht | |
|---|---------------------|--------------|
| | 2024 | 2023 |
| Amount recognized as expenses in the statement of comprehensive revenues and expenses | | |
| Current service cost | 24.79 | 24.60 |
| Interest cost | 26.88 | 24.92 |
| Total | 51.67 | 49.52 |

Actuarial assumptions

| | 2024 | 2023 |
|------------------------|---|---|
| Discount rate | 4.5% | 4.5% |
| Inflation rate | 2.0% | 2.0% |
| Employee turnover rate | 0-15% | 0-15% |
| Salary increase rate | 5-10% | 5-10% |
| Medical inflation rate | 5.0% | 5.0% |
| Mortality rate | Thai Mortality Table 2017 adjusted with a death rate of 3 percent per year. | Thai Mortality Table 2017 adjusted with a death rate of 3 percent per year. |
| Retirement age | 60 Years | 60 Years |

4.13 Non-current provisions for employee benefits (continued)

The sensitivity analysis for significant actuarial assumptions that affect the present value of the employee benefit obligation under defined benefit plan.

| | Unit : Million Baht | | | |
|--|---------------------|----------|----------|----------|
| | 2024 | | 2023 | |
| | Increase | Decrease | Increase | Decrease |
| Discount rate (1% change) | (145.87) | 199.22 | (139.77) | 191.76 |
| Salary increase rate (1% change) | 1.22 | (1.04) | 1.03 | (0.88) |
| Medical inflation rate (1% change) | 201.84 | (149.88) | 187.17 | (139.15) |
| Employee turnover rate (20% change) | (6.77) | 7.16 | (5.77) | 6.08 |
| Mortality Improvement rate (1% change) | 87.56 | (94.75) | 81.14 | (87.69) |

The weighted average duration of the defined benefit obligation is 41.1 years.

Analysis of the maturity of the payment of benefits calculated from the obligation under defined benefits plan expected to pay in the future.

| Employee benefits expected to pay | Unit : Million Baht | |
|-----------------------------------|---------------------|-------|
| | 2024 | 2023 |
| Expected to pay within a year | 6.53 | 5.64 |
| Expected to pay in 2 – 5 years | 40.86 | 34.73 |
| Expected to pay in 6 – 10 years | 95.03 | 84.87 |

4.14 Reserve

Minister of Finance has approved the SEC's reserve under section 26 of the SEA according to the Ministry of Finance Letter No. 1007/21406 dated December 7, 2011, the Ministry of Finance Letter No. 1007/19634 dated November 21, 2013 and the Ministry of Finance Letter No. 1004/16460 dated November 25, 2022, in which the rules for reserves are as follows:

1. Special reserve for capital market development is to set aside as priority in the amount equal to net amount of revenues to the Capital Market Development Fund consisting of the income from investment for the capital market development, administrative fine of the Derivatives Act B.E. 2546 and the Trust for Transactions in Capital Market Act B.E. 2550, less Capital market development expenses such as financial literacy programs for individuals through various media, etc. The set aside amount must not exceed the SEC's profit (revenues over expenses). For the financial statements of 2022 onwards, the ceiling for special reserve for capital market development is set at Baht 1,850.00 million. If the set aside amount has reached the amount approved by the Minister of Finance, the amount equal to net amount of revenues to the Capital Market Development Fund, Expenses for Capital market development which not exceed the SEC's profit (revenues over expenses), the remaining revenue shall be sent to the Government under section 27 of the SEA.

2. Special purpose reserves are as follow

2.1 Reserve for a permanent office building is to be set aside after special reserve for capital market development. In accordance with the SEC board's resolution at the Meeting No.7/2012 dated July 5, 2012, the SEC board increased amount of the reserve from Baht 850.00 million to Baht 1,254.70 million. It was fully reserved as at the end of 2014.

4.14 Reserve (continued)

2. Special purpose reserves are as follow (continued)

2.2 Reserve for a permanent parking building is to be set aside after reserve for a permanent office building until the full amount of Baht 500.00 million is reserved. It was fully reserved as at the end of 2015.

If the special purpose reserves previously set aside prior to the general reserves, when the amount has been spent or the reserve for that specific purpose has been cancelled. If there is any amount remaining in the reserve, the amount will be allocated to general reserves.

In 2022, reserve for a permanent parking building has been cancelled, the remaining amount of Baht 474.60 million has been allocated to general reserves according to the Ministry of Finance Letter No. 1004/16460 dated November 25, 2022.

3. General reserve is the last type of reserve to be set aside from the remaining profit (revenues over expenses) after special reserve for capital market development and special purpose reserves until the full amount of Baht 4,107.00 million is reserved.

If the set aside amount has reached the amount approved by the Minister of Finance, the remaining revenue shall be sent to the Government under section 27 of the SEA. Such rules for reserves was effective since the reserve of the financial result of the year 2012. Types of reserve are as follows:

4.14.1 Special reserve for capital market development

| | Unit : Million Baht | |
|-----------------------------------|---------------------|-----------------|
| | 2024 | 2023 |
| Beginning balance | 1,805.93 | 1,835.23 |
| <u>Less</u> Additional allocation | (48.10) | (29.30) |
| Total | 1,757.83 | 1,805.93 |

4.14.2 Reserve

| | Unit : Million Baht | |
|--|---------------------|-----------------|
| | 2024 | 2023 |
| General reserve | 4,107.00 | 4,662.19 |
| <u>Add</u> Additional (less) from revenues over (under) expenses | (211.39) | 0.95 |
| Total | 3,895.61 | 4,663.14 |
| <u>Less</u> Remittance to Ministry of Finance | - | (556.14) |
| Total general reserve | 3,895.61 | 4,107.00 |
| Reserve for a permanent office building | 1,254.70 | 1,254.70 |
| Reserve for a permanent parking building | 25.40 | 25.40 |
| Total | 5,175.71 | 5,387.10 |

4.15 Other components of funds

| | Unit : Million Baht | |
|---|---------------------|----------------|
| | 2024 | 2023 |
| Beginning balance | (16.62) | (65.83) |
| <u>Add</u> Gain on change in value of investments | 102.60 | 67.78 |
| Total | 85.98 | 1.95 |
| <u>Less</u> Unrealized loss on foreign exchange | (8.24) | (18.57) |
| Ending balance | 77.74 | (16.62) |

4.16 Revenues

4.16.1 Fee income

| | Unit : Million Baht | |
|---|---------------------|---------------|
| | 2024 | 2023 |
| Annual fees from | | |
| Securities businesses | 198.86 | 207.51 |
| Listed companies | 153.01 | 156.14 |
| Asset management businesses | 83.45 | 70.22 |
| Limited brokerage, dealing and underwriting of investment units (LBDU) businesses | 32.43 | 23.13 |
| Bond Dealers and underwriters | 53.23 | 56.40 |
| Digital asset | 25.28 | 14.89 |
| Total | 546.26 | 528.29 |
| Other fees from | | |
| Fees for filing registration statements | 130.86 | 146.78 |
| Other fees | 196.56 | 210.70 |
| Total | 327.42 | 357.48 |
| Total fee income | 873.68 | 885.77 |

4.16.2 Contribution from the Stock Exchange of Thailand

| | Unit : Million Baht | |
|---------------------------------|---------------------|---------------|
| | 2024 | 2023 |
| Contribution collected based on | | |
| SET | 454.31 | 518.38 |
| TFEX | 5.64 | 6.11 |
| Total | 459.95 | 524.49 |

4.16.3 Investment income

| | Unit : Million Baht | |
|---|---------------------|--------------|
| | 2024 | 2023 |
| Income from investment in private funds | | |
| Interest income | 130.60 | 127.82 |
| Dividend income | 87.82 | 54.54 |
| Unrealized gain (loss) on equity instruments and REIT | 31.97 | (30.35) |
| Gain (loss) on sale of investments | 133.40 | (79.02) |
| Loss on foreign exchange | (0.51) | (4.54) |
| Other income | 0.09 | - |
| Total | 383.37 | 68.45 |
| Income from investments (internally managed) | 2.48 | 1.91 |
| Total | 385.85 | 70.36 |
| <u>Less</u> Income from investment for capital market development | (93.61) | (14.48) |
| Balance | 292.24 | 55.88 |

4.17 Human resources expenses

| | Unit : Million Baht | |
|-------------------------|---------------------|-----------------|
| | 2024 | 2023 |
| Expenses for executives | 128.43 | 109.68 |
| Expenses for employees | 1,197.92 | 1,038.09 |
| Total | 1,326.35 | 1,147.77 |

4.18 Administrative expenses

| | Unit : Million Baht | |
|---------------------------------|---------------------|---------------|
| | 2024 | 2023 |
| Rental expenses | 78.39 | 100.00 |
| Wage | 77.56 | 101.04 |
| Repair and maintenance expenses | 41.35 | 37.07 |
| Employee development expenses | 41.17 | 72.27 |
| Utilities expenses | 15.81 | 16.28 |
| Travel expenses | 12.01 | 8.15 |
| Consultant fee | 10.67 | 28.47 |
| Subscription and news services | 9.30 | 9.28 |
| Expense for public relations | 9.16 | 18.77 |
| Office supplies | 4.52 | 4.17 |
| Communication expenses | 1.61 | 1.49 |
| Vehicle expenses | 1.11 | 1.17 |
| Other expenses | 22.11 | 41.96 |
| Total | 324.77 | 440.12 |

4.19 SEC Board and sub-committees remuneration

| | Unit : Million Baht | |
|---|---------------------|--------------|
| | 2024 | 2023 |
| Committees/Sub-committee benefits for executives | 2.68 | 2.61 |
| Committees/Sub-committee benefits for commissioners | 23.47 | 24.83 |
| Total | 26.15 | 27.44 |

4.20 Revenues and expenses for capital market development

| | Unit : Million Baht | |
|--|---------------------|----------------|
| | 2024 | 2023 |
| Revenues for capital market development | | |
| Income from investment for capital market development | 93.61 | 14.48 |
| Administrative fines | 3.49 | 0.78 |
| Total | 97.10 | 15.26 |
| <u>Less</u> Expenses for capital market development | | |
| Financial literacy, investor education and other activities | (28.47) | (63.36) |
| Total | (28.47) | (63.36) |
| Revenues over (under) expenses for capital market development | 68.63 | (48.10) |

4.21 Commitment and contingent liabilities

4.21.1 As at December 31, 2024, The SEC had capital commitments of Baht 66.27 million, service commitments of Baht 245.10 million.

4.21.2 The SEC office and/or Capital Market Supervisory Board and/or the SEC Board and/or Administrative Panel were sued in administrative cases with total claims amounting to Baht 1,876.03 million as follows:

1. The first case, with a claim of Baht 36.32 million, involves the allegedly unlawful denial of reward payment in which the plaintiffs had report a lead on suspected offender on market manipulation offense and such offenders had paid for civil penalty. The case is now under the consideration of the Central Administrative Court.

2. The second case, with a claim of Baht 0.15 million, involves the alleged negligence to properly supervise the complaint on the highly reduction of warrant exercise price, causing damage to the plaintiff. The case is now under the consideration of the Supreme Administrative Court.

3. The third case, with a claim of Baht 50.00 million, involves the allegedly unlawful issuance of notification on having untrustworthy characteristics of director and executive of securities issuing company and listed company. The case is now under the consideration of the Supreme Administrative Court.

4. The fourth case, with a claim of Baht 0.31 million, involves the allegedly unlawful issuance of administrative sanction by the Administrative Panel. The case is now under the consideration of the Central Administrative Court.

5. The fifth case, with a claim of Baht 47.00 million, involves the allegedly unlawful issuance of notification on the suspension of approval on personnel in the capital market business in the case that chairman of investment committee fail to supervise fund manager on financial instruments analysis and quality assurance. The case is now under the consideration of the Central Administrative Court.

6. The sixth case, with a claim of Baht 150.26 million, involves the allegedly unlawful issuance of notification on civil penalty causing the plaintiff to have untrustworthy characteristics of director and executive of securities issuing company and listed company. The case is now under the consideration of the Supreme Administrative Court.

7. The seventh case, with a claim of Baht 0.34 million, involves the alleged negligence to properly supervise the complaint on manipulating the gold futures and SET50 futures price, causing damage to the plaintiff. The case is now under consideration by the Central Administrative Court.

8. The eighth case, with a claim of Baht 93.51 million, involves a request for a job inspection under an information technology system development contract for the Enterprise Information Management project and payment of wages, including interest. The case is now under consideration by the Central Administrative Court.

9. The ninth case, with a claim of Baht 14.60 million, involves the accusation of unlawful punishment advertising. The case is now under consideration by the Central Administrative Court.

10. The tenth case, with a claim of Baht 0.27 million, involves the alleged negligence to properly supervise the trading of derivatives in accordance with the Derivatives Act of 2003, causing damages. The case is now under the consideration of the Central Administrative Court.

11. The eleventh case, with a claim of Baht 100.00 million, involves the alleged unlawfulness of the Minister of Finance's order for the revocation of a business license as a digital asset exchange. The case is now under the consideration of the Central Administrative Court.

12. The twelfth case, with a claim of Baht 0.18 million, involves the alleged negligence to properly supervise the trading of derivatives in accordance with the Derivatives Act of 2003, causing damages. The case is now under the consideration of the Central Administrative Court.

4.21 Commitment and contingent liabilities (continued)

13. The thirteenth case, with a claim of Baht 0.75 million, involves the alleged negligence to properly supervise or delayed processing, causing investors unable to withdraw the money. The case is now under the consideration of the Central Administrative Court.

14. The fourteenth case, with a claim of Baht 324.80 million, involves the alleged negligence to properly supervise or delayed processing on rejection the applications for digital asset business licenses. The case is now under the consideration of the Central Administrative Court.

15. The fifteenth case, with a claim of Baht 50.00 million, involves the recommendation to the Ministry of Finance to revoke the securities business license which is allegedly unlawful, causing damage to the plaintiff. The case is now under the consideration of the Central Administrative Court.

16. The sixteenth case, with a claim of Baht 976.33 million, involves the recommendation to the Ministry of Finance to revoke the securities business license which is allegedly unlawful, causing damage to the plaintiff. The case is now under the consideration of the Central Administrative Court.

17. The seventeenth case, with a claim of Baht 23.28 million, involves the alleged unlawful termination of a construction contract by the Office, causing damage to the plaintiff. The case is now under the consideration of the Central Administrative Court

18. The eighteenth case, with a claim of Baht 8.02 million, involves the alleged unlawful breach of a contract for design and construction supervision by the Office, causing damage to the plaintiff. The case is now under the consideration of the Central Administrative Court.

Nevertheless, due to the fact that the SEC Office and/or Capital Market Supervisory Board and/or the SEC Board and/or Administrative Panel have carried out their duties with prudence and care, strictly observing the established legal framework, on an equitable basis and not acting inconsistently with the law, they have strictly performed the contractual obligations and carefully considered the exercise of their contractual and legal rights. No action that could cause damage to the parties, they are confident that it is very likely that their cases will be successfully defended without any damages required to be paid. Therefore, the SEC has not recognized any Provision in the financial statements.

4.22 Approval of the financial statements

Secretary-General of the SEC has approved the financial statements for issuance on February 28, 2025.

Financial Highlights

Overview of the operating results for the year ending 31 December 2024

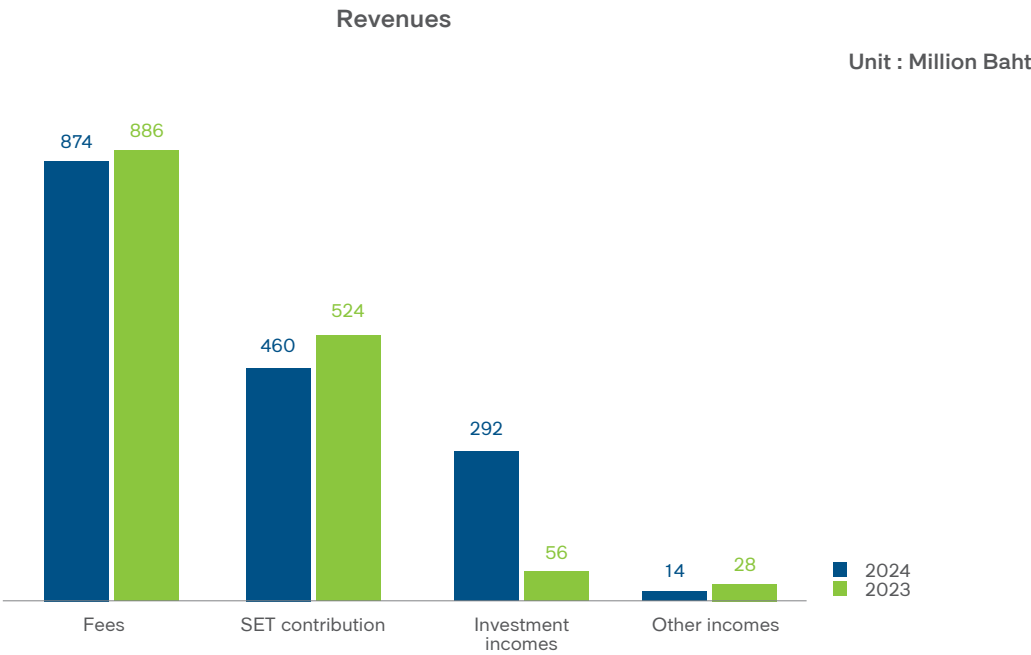
In 2024, the SEC had total revenues exceeding expenses of 39 million baht. This comprised (1) revenues lower than operating expenses of 124 million baht, (2) revenues exceeding expenses from capital market development of 69 million baht, and (3) a profit of 94 million baht from returns on investment measured at fair value through other comprehensive revenues and expenses.

1. Analysis of the Operating Results

1.1 Revenues

The SEC’s revenues primarily comprise fees collected from securities business operators, digital asset business operators, securities issuers

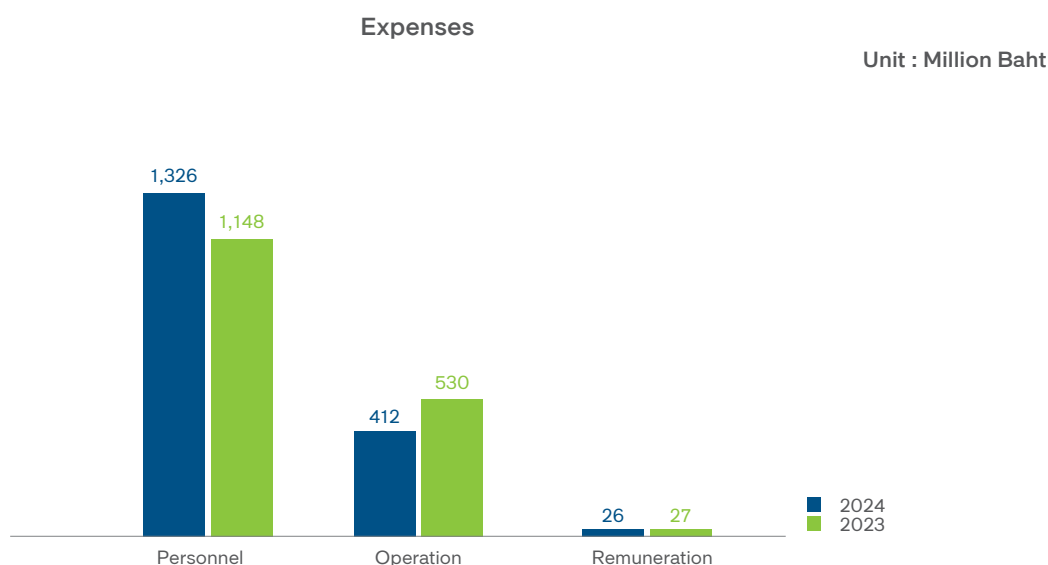
and offerors, listed companies, contribution from the SET, and investment incomes including interest. In 2024, the SEC’s revenues increased by 146 million baht, accounting for a 10-percent growth compared to 2023. This was primarily due to growing returns on investment from capital gains on securities sales and profits from mark-to-market equity positions under management of the designated asset management company. However, the revenues from fees and the SET contribution dropped as a result of declining daily trading volumes – the basis for annual fee calculation for securities business operators and the SET contribution. (The securities daily trading volumes in 2024 was 46,551 million baht compared to 53,331 million baht in 2023).



1.2 Expenses

The operating expenses increased by 59 million baht, representing a 3-percent rise

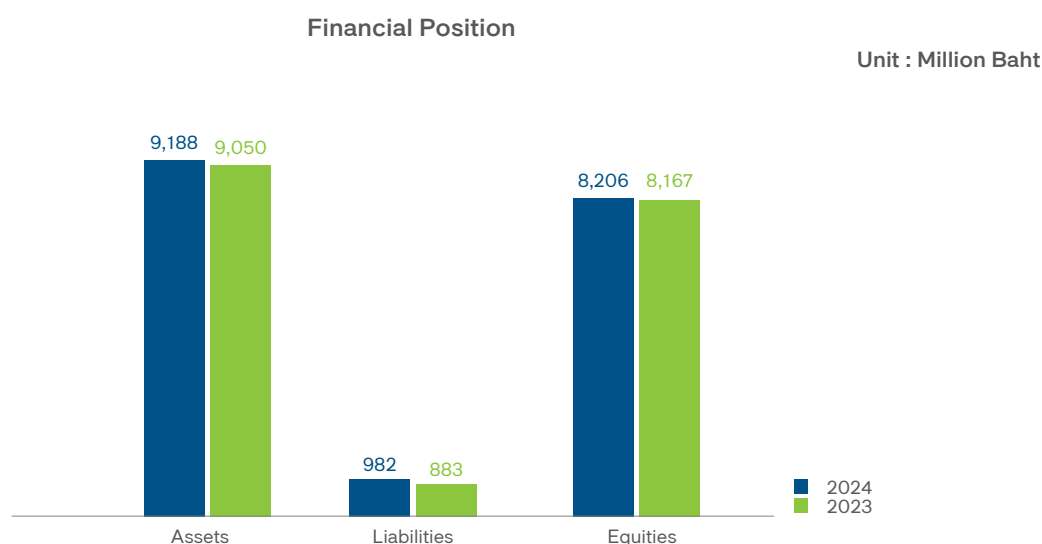
compared to 2023. Most of these expenses were related to employees and workers.



2. Analysis of Financial Position

The total assets reached 9,188 million baht, 78 percent of which was long-term investments. The liabilities totaled 982 million baht, 75 percent of which was employee benefit obligations upon

retirement, estimated according to actuarial assumptions. The total equities were recorded at 8,206 million baht, an increase of 39 million baht thanks to the total revenues over expenses in 2024.



3. Analysis of Liquidity and Cash Flow Position

As of 31 December 2024, the liquidity ratio quadrupled, similar to the preceding year and at a high level. Cash and cash equivalents amounted to 218 million baht, an increase of 62 million baht from the preceding year. This resulted from investment activities of 296 million baht involving withdrawals of investments from private funds, while 229 million baht and 5 million baht were used in operating activities and financial activities, respectively.

In summary, the SEC maintains a strong financial position, with sufficient reserves to support a broad range of activities and ongoing operations over the long term.

6

References





Industry Overview in 2024

(1) Securities Brokerage

In 2024, there were 50 securities companies (including two new firms and two existing firms discontinuing their business). Of these,

43 securities companies focused on securities brokerage as their core business (brokers), while the remaining seven securities companies engaged in other types of securities businesses (non-brokers).

| Securities companies ¹⁴ | 2024 | 2023 |
|------------------------------------|-----------|-----------|
| Brokers ¹⁵ | 43 | 43 |
| Non-brokers ¹⁶ | 7 | 7 |
| Total | 50 | 50 |

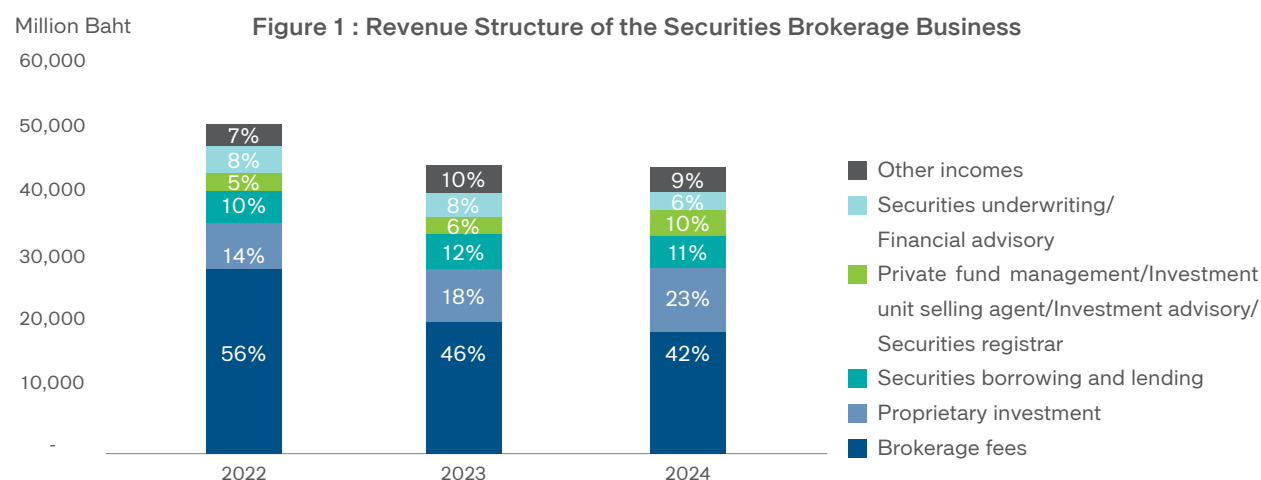
Overview of the securities brokerage industry in 2024

In 2024, the SET index closed the year at 1,400 points, a decline of 1 percent (YoY) from the 1,416 points at the end of 2023, with the year's lowest and highest levels of 1,274.01 points and 1,495.02 points, respectively. The average daily trading value decreased from 51,082 million baht in 2023 to 45,080 million baht or down by 12 percent.

The mai index closed the year at 311.82 points, a decrease of 24 percent from 2023's 411.61 points, while the average daily trading value dropped by 35 percent, from 2,249 million baht in 2023 to 1,471 million baht.

The trading value of other products, e.g., the derivatives warrant (DW) market turnover went down from 842 billion baht in 2023 to 727 billion baht, a contraction of 14 percent. On the other hand, the trading value of depository receipts (DR) rose significantly by 83 percent, from 32,650 million baht in the previous year to 59,797 million baht.

The overall revenues of securities brokerage industry decreased slightly by 0.5 percent, from 44,709 million baht in 2023 to 44,508 million baht, due primarily to a reduction in the revenues from their major source, the brokerage commission, which accounted for over 42 percent of the total revenues (Figure 1), from 20,453 million baht to 18,739 million baht or down by 8 percent.



¹⁴ Both operating members and operating non-members of the SET.

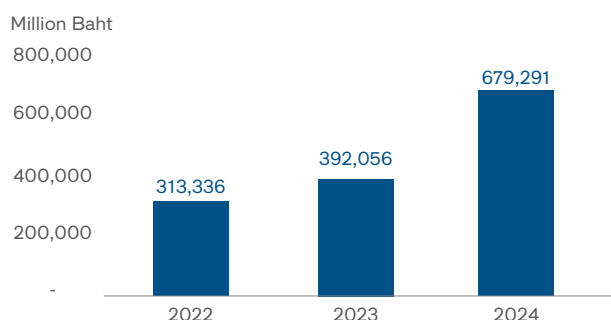
¹⁵ Securities companies operating securities brokerage business and/or derivatives brokerage business, excluding those operating derivatives brokerage business only.

¹⁶ Securities companies focusing on non-brokerage businesses, e.g., securities dealing, securities underwriting and investment advisory service, etc.

Apart from the reduction in revenue from brokerage fees, other types of revenue also contracted, e.g., the revenue from securities underwriting fees, which went down by 23 percent, from last year's 3,531 million baht to 2,704 million baht. Nevertheless, the revenue from investment unit selling agent services grew notably from 2,081 million baht in 2023 to 3,382 million baht or up by 63 percent in line with the increasing sales value

of investment units through securities companies which escalated considerably by 73 percent, from 392 billion baht in 2023 to 679 billion baht (Figure 2). Meanwhile, the revenue from managing private funds grew from 531 million baht in 2023 to 803 million baht, or up by 53 percent, in line with the increase in the net asset value (NAV) of assets under management which rose from 59,728 million baht to 62,270 million baht (Figure 3).

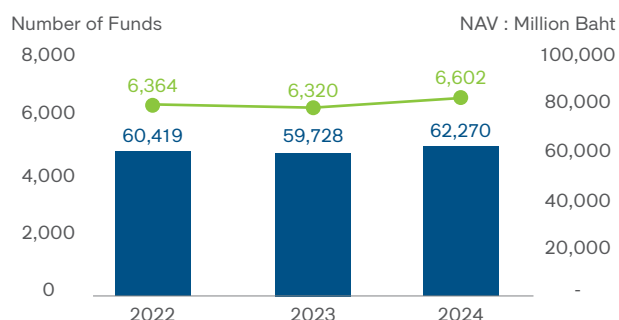
Figure 2 : Trading Value of Investment Units via Securities Companies



The revenue from proprietary investments went up by 23 percent, from 8,237 million baht in 2023 to 10,106 million baht.

As the margin lending business tended to slow down following a decline in securities trading

Figure 3 : NAV and Number of Private Funds Managed by Securities Companies



Remark: NAV information during a 12-month period.

value, the total margin loans in 2024 dropped by 19 percent, from 90,369 million baht in 2023 to 73,123 million baht, while the total collateral value recorded at 246,879 million baht, or approximately three times the total margin loan value.

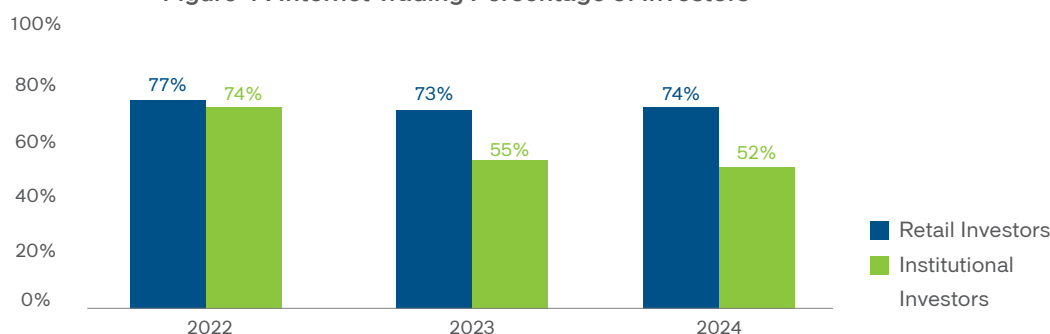
Amount of Margin Loans

| | 2024 | 2023 |
|-----------------------------|---------|---------|
| Margin loans (million baht) | 73,123 | 90,369 |
| Collaterals (million baht) | 246,879 | 284,141 |

As for the securities trading channels in 2024, it was found that, of the total trading volume, retail investors tended to use internet trading channel by 74 percent, approximating the 2023's figure of 73 percent, whereas institutional investors had

a tendency to use the internet trading channel slightly less than the previous year, i.e., 52 percent of the total trading volume, down from 55 percent in 2024 (Figure 4).

Figure 4 : Internet Trading Percentage of Investors



Operating Results and Financial Position of Securities Brokers in 2024

Securities brokerage companies registered the overall revenues of 44,509 million baht from business undertakings, a slight decline of 0.5 percent from last year's 44,709 million baht, with the net earnings of 2,291 million baht, a 20 percent down from 2,860 million baht in 2023. The majority of revenues came from brokerage fees and various operating and service fees, such as securities underwriting, investment unit selling agent services, financial advisory services, and

private fund management, etc. The total asset value of the brokerage industry in 2024 diminished from 478,369 million baht in 2023 to 431,779 million baht.

All 43 securities companies were able to maintain net liquid capital higher than the minimum requirement. At the end of 2024, the average net liquid capital maintenance of each company recorded at 1,932 million baht, with the average net capital ratio of 146 percent, which is considerably higher than the minimum regulatory requirement.

Financial Position and Income of Securities Brokers^{17 18}

Financial Position

| | Unit : Million Baht | |
|---|---------------------|----------------|
| | 2024 | 2023 |
| Total assets | 431,779 | 478,369 |
| Cash and cash equivalent | 80,945 | 92,390 |
| Net investment | 164,497 | 159,305 |
| Receivables – securities and derivatives businesses | 101,741 | 119,332 |
| Receivables – clearing house | 40,057 | 58,355 |
| Total liabilities | 312,559 | 363,759 |
| Loans and debt instruments | 28,056 | 43,005 |
| Payables – securities and derivatives businesses | 220,037 | 250,767 |
| Payables – clearing house | 7,562 | 11,839 |
| Shareholders' equity | 119,220 | 114,610 |
| Common stocks | 88,687 | 80,777 |
| Retained earnings (loss) | 37,240 | 39,992 |

Comprehensive Income Statement

| | Unit : Million Baht | |
|--------------------------------------|---------------------|---------------|
| | 2024 | 2023 |
| Revenues | 44,509 | 44,709 |
| Brokerage fee | 18,862 | 20,565 |
| Earnings (loss) proprietary account | (862) | (6,401) |
| Expenses | 40,264 | 39,085 |
| Employee benefits | 18,401 | 18,401 |
| Comprehensive earnings (loss) | 2,291 | 2,860 |

¹⁷ All financial data were collected from the unaudited financial statements.

¹⁸ Financial data were collected from 43 securities companies that operated the brokerage business in 2023 and 2024.

Net Liquid Capital

| | 2024 | 2023 |
|---|-------|-------|
| Net liquid capital (million baht)/average amount per intermediary | 1,932 | 1,890 |
| Net capital ratio (percentage) to general liabilities and collateralized assets/ average amount per intermediary | 146 | 183 |

Minimum requirement : net liquid capital of 1-25 million baht, and net capital ratio of 7 percent

(2) Derivatives Brokerage

At the end of 2024, there were 43 derivatives business operators in total. Of these, 38 were

securities brokers also engaged in derivatives brokerage, four operated solely as derivatives brokers, and one had temporarily suspended its business operations.

| | 2024 | 2023 |
|---|-----------|-----------|
| Licensed derivatives brokers | | |
| - Operating securities brokerage business as well | 38 | 38 |
| - Operating derivatives brokerage business only | 4 | 4 |
| - Ceasing operation of derivatives brokerage business temporarily | 1 | 1 |
| Total | 43 | 43 |

Industry Overview in 2024

In 2024, the average daily derivatives trading volume was 474,412 contracts, a reduction from 522,755 contracts per day in 2023, as a result of a decrease in the average trading volume of equity index derivatives from the previous year's 255,732 to 225,406 contracts per day, and a contraction of single stock futures average trading volume from 174,070 to 152,538 contracts per day. The average trading volume of precious metal online futures, on the other hand, increased from 8.55 to 20.85 contracts per day.

The 2024 market share of the four business operators undertaking only derivatives brokerage business was 7 percent, approximating the previous year's figure, with the total income of 365 million baht, a 0.8 percent decline from 368 million baht in 2023, due to a 17 percent reduction in brokerage fee revenues from 214 million baht in 2023 to 179 million baht, resulting in the total comprehensive earnings of 18 million baht, down from 28 million baht in the previous year.

Financial Position and Income of Derivatives Brokers^{19 20}

Financial position

Unit : Million Baht

| | 2024 | 2023 |
|---|--------------|--------------|
| Total assets | 4,111 | 3,894 |
| Cash and cash equivalent | 1,094 | 1,136 |
| Net investment | 1,201 | 982 |
| Receivables – securities and derivatives businesses | 12 | 13 |
| Receivables – clearing house | 1,563 | 1,520 |
| Total liabilities | 3,414 | 3,220 |
| Payables – securities and derivatives businesses | 3,307 | 3,141 |
| Shareholders' equity | 697 | 674 |
| Common stocks | 958 | 943 |
| Retained earnings (loss) | (261) | (269) |

Comprehensive income statements

Unit : Million Baht

| | 2024 | 2023 |
|--------------------------------------|------------|------------|
| Revenues | 365 | 368 |
| Brokerage fee | 179 | 214 |
| Earnings (loss) proprietary account | (0.76) | (22) |
| Expenses | 347 | 337 |
| Employees' benefits | 121 | 116 |
| Comprehensive earnings (loss) | 18 | 28 |

Net Liquid Capital

Those four business operators undertaking derivatives brokerage business only were able to maintain net liquid capital higher than the minimum requirement. At the end of 2024, the average net liquid capital per business operator was 112

million baht, while the average net capital ratio (proportion of net liquid capital to general liabilities and collateralized assets) was 219 percent, which is significantly higher than the minimum regulatory requirement.

| | 2024 | 2023 |
|---|------|------|
| Net Liquid Capital (million baht)/average amount per intermediary | 112 | 110 |
| Net capital ratio (percentage) to general liabilities and collateralized assets/average amount per intermediary | 219 | 285 |

Minimum requirement : net liquid capital of 15 million baht and net capital ratio of 7 percent.

¹⁹ All financial data were collected from unaudited financial statements.

²⁰ Financial data were collected exclusively from the four business operators operating as derivatives brokers only in 2024.

(3) Asset Management Business

At the end of 2024, the total net asset value of the asset management businesses stood at 5.95 trillion baht, an expansion of 14.9 percent from 770 billion baht of the previous year. Fixed income funds recorded the largest value increase of 520 billion baht, accounted for mainly by a surge in the value of daily fixed income funds (Daily FI) during the last quarter of 2024 as investors were in need for low volatility investment assets amidst Thailand's situation of economic uncertainties, followed by the Vayupak fund with a growth of 120 billion baht in value, as a consequence of the Government's measures to support capital market development and provide the public with an additional saving channel. Equity funds also experienced a rise of 50 billion baht in net asset value.

Based on fund categorization according to investment policies focusing on domestic or foreign investment, the net asset value of foreign investment mutual funds increased considerably by 57 percent or 630 billion baht, with investment diversifications in various foreign markets with relatively high growth, as the Thai markets still faced with certain limitations. The net asset value of domestic investment funds thus rose marginally by 0.5 percent or 16 billion baht. When considering the mutual funds by types of investors offered to, the net asset value of mutual funds for general investors expanded by 520 billion baht, whereas those offered to institutional investors or ultra-high net worth investors and to non-retail investors exhibited an increase of 120 billion baht, or a growth of 14 and 25 percent, respectively, in comparison to the previous year (Table 1).

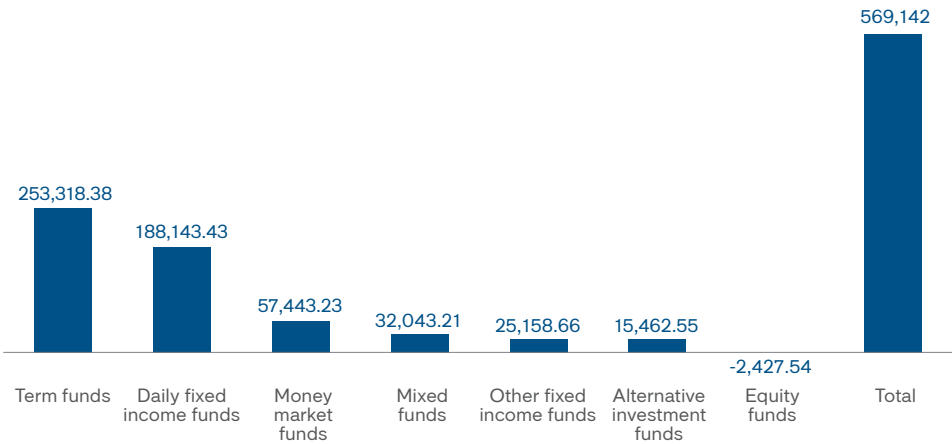
Table 1 : Net Asset Values Categorized by Investment Policies

| Classified by Investment Policy | Number of Funds | | NAV (Million Baht) | | Change | |
|--|-----------------|--------------|--------------------|------------------|--------------------|--------------|
| | Dec 2024 | Dec 2023 | Dec 2024 | Dec 2023 | NAV (Million Baht) | % NAV |
| Mutual fund and trust fund | | | | | | |
| Equity fund | 1,077 | 1,012 | 1,314,328 | 1,263,941 | 50,387 | 4% |
| Fixed income fund | 645 | 573 | 2,889,465 | 2,368,332 | 521,133 | 22% |
| Money Market Fund | 32 | 30 | 332,856 | 260,248 | 72,608 | 28% |
| Daily Fixed | 71 | 72 | 1,195,548 | 968,971 | 226,577 | 23% |
| Term Fund | 390 | 328 | 962,705 | 796,372 | 166,334 | 21% |
| Others | 152 | 143 | 398,357 | 342,742 | 55,615 | 16% |
| Mixed fund | 387 | 400 | 378,362 | 334,474 | 43,888 | 13% |
| Equity and debt | 35 | 38 | 17,168 | 20,448 | (3,280) | -16% |
| Equity, debt and others | 352 | 362 | 361,194 | 314,026 | 47,168 | 15% |
| Alternative investment fund | 145 | 124 | 160,789 | 132,288 | 28,501 | 22% |
| Property fund (type 1) | 29 | 32 | 97,276 | 107,582 | (10,306) | -10% |
| Specific fund | 27 | 30 | 95,710 | 106,004 | (10,294) | -10% |
| Non-specific fund | 2 | 2 | 1,566 | 1,577 | (11) | -1% |
| Real Estate Investment Trust (REIT) | 32 | 30 | 262,135 | 235,201 | 26,934 | 11% |
| Managed by asset management company | 8 | 6 | 32,266 | 21,713 | 10,553 | 49% |
| Managed by other REIT manager | 24 | 24 | 229,869 | 213,488 | 16,381 | 8% |
| Infrastructure fund offered to general investor | 8 | 8 | 350,946 | 361,815 | (10,869) | -3% |
| Total mutual fund and trust fund | 2,323 | 2,179 | 5,453,301 | 4,803,633 | 649,668 | 14% |
| Classified by Foreign Investment | | | | | | |
| Foreign investment fund | 1,179 | 1,023 | 1,745,048 | 1,112,101 | 632,947 | 57% |
| Domestic investment fund | 1,144 | 1,156 | 3,708,253 | 3,691,532 | 16,721 | 0.5% |
| Specialized fund | | | | | | |
| Property fund for institutional investor | 12 | 12 | 32,518 | 34,252 | (1,734) | -5% |
| Property fund for resolving financial institution problem (type 2) | 3 | 3 | 4,099 | 4,803 | (703) | -15% |
| Mutual fund for resolving financial institutional problem (type 3) | - | - | - | - | - | - |
| Property and loan fund (type 4) | 9 | 9 | 28,419 | 29,449 | (1,030) | -3% |
| Vayupak fund | 1 | 1 | 466,973 | 342,464 | 124,510 | 36% |
| Country Fund | - | - | - | - | - | - |
| Total specialized fund | 13 | 13 | 499,491 | 376,716 | 122,776 | 32.6% |
| Grand total | 2,336 | 2,192 | 5,952,793 | 5,180,349 | 772,444 | 14.9% |

As for the industry's capital flows in 2024 (Figure 5), it was found that the overall net inflows totaled 570 billion baht. The term funds had the highest net inflow of 250 billion baht, mostly in December when the net inflow reached 120 billion

baht, followed by the Daily FI which received the net inflow of 190 billion baht in line with the surge in foreign fixed-income fund investments. Meanwhile, the equity funds are the only type of mutual funds with net outflow of 2.4 billion baht in 2024.

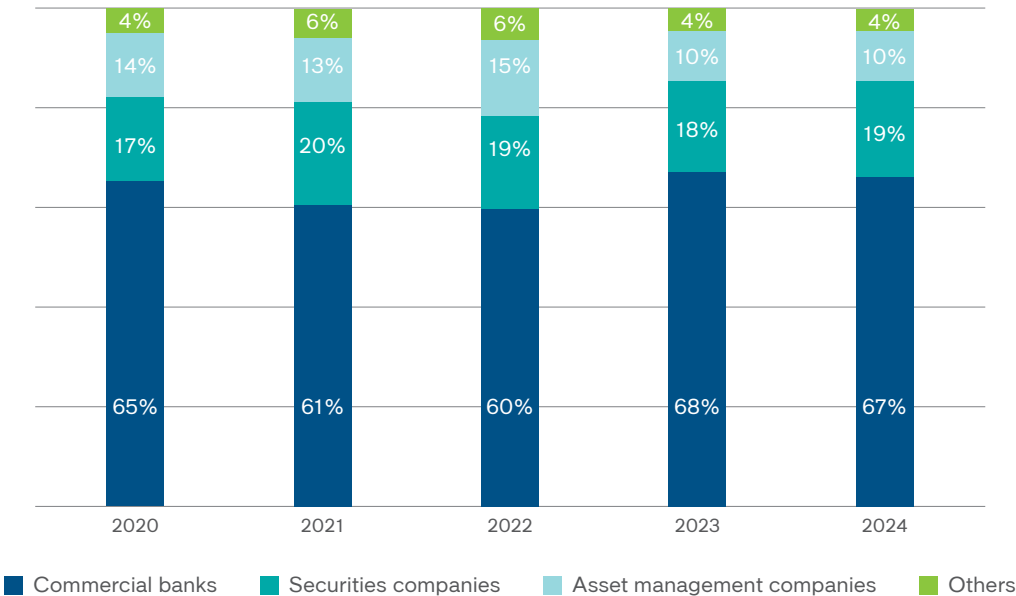
Figure 5 : Net Capital Flows Categorized by Types of Funds (Million Baht) in 2024



At the end of 2024, there were 23 asset management companies with mutual funds under management. Of these, eight affiliate companies of commercial banks held the highest market share of 80 percent in terms of net asset value under management. In this connection, the proportion

of mutual fund value distributed through various channels changed from the year before slightly, with 67 percent sold through commercial banks, 19 percent through securities companies, and 10 and 4 percent through asset management companies and other channels, respectively (Figure 6).

Figure 6 : Proportion of Sales Channels of Mutual Funds



There were 741 newly established mutual funds in 2024 (Figure 7), an increase of 164 funds from 2023, with the total initial public offering (IPO) value of 1.8 trillion baht, an expansion of 500 billion baht from last year. Out of the total IPO value, term funds accounted for the largest proportion of 97 percent or 1.7 trillion baht in value, following the trend of investors' interest in fixed-income investments which involve less volatility

risk than other assets. Of the total number of newly established mutual funds, 70 percent (Figure 8) were offered to retail investors. The second largest IPO size was equity and mixed funds, followed by alternative funds, representing a growth of two and one percent in IPO value, respectively. It was also found that, in 2024, the majority of investment units were offered to retail investors, the same as the previous year.

Figure 7 : Offering Proportion Based on Types of Funds

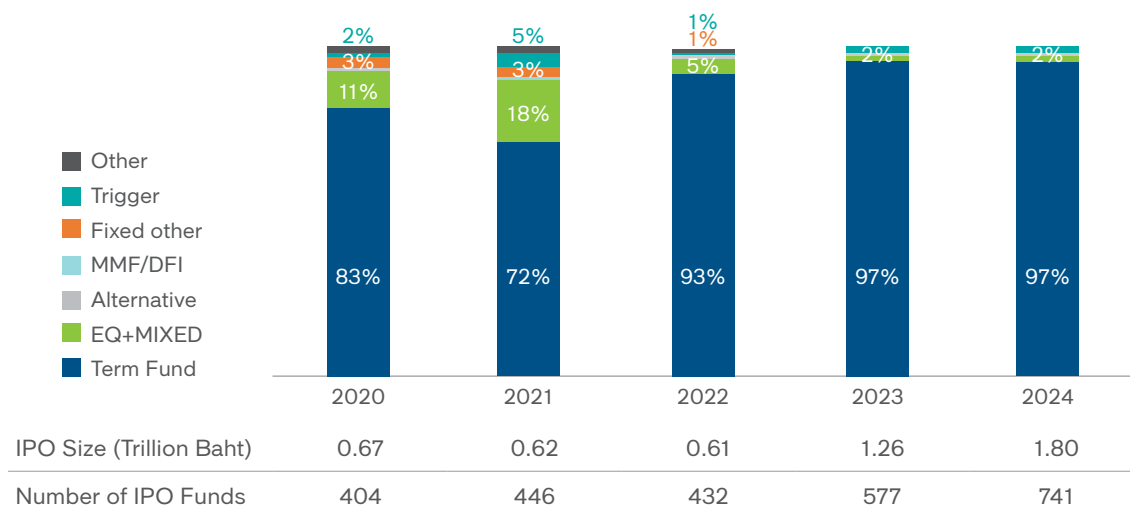
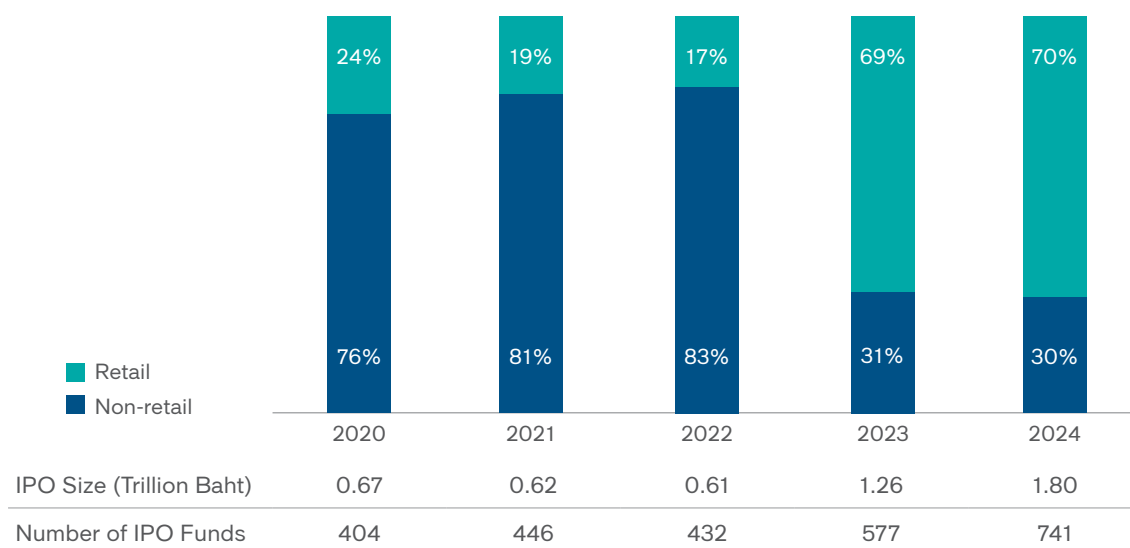


Figure 8 : Proportion of Mutual Fund Offerings to Non-Retail and Retail Investors



The total revenues of asset management companies at the end of 2024 first half were 23,298 million baht, a 22.2 percent rise from the same period of 2023. Their net earnings went up by 75 million baht or 1.4 percent (Table 2). In this

regard, 19 out of 25 securities companies licensed to operate asset management businesses were able to generate net earnings, while the other six recorded net operating loss.

Table 2 : Revenues and Net Earnings of Asset Management Companies

Unit : Million Baht

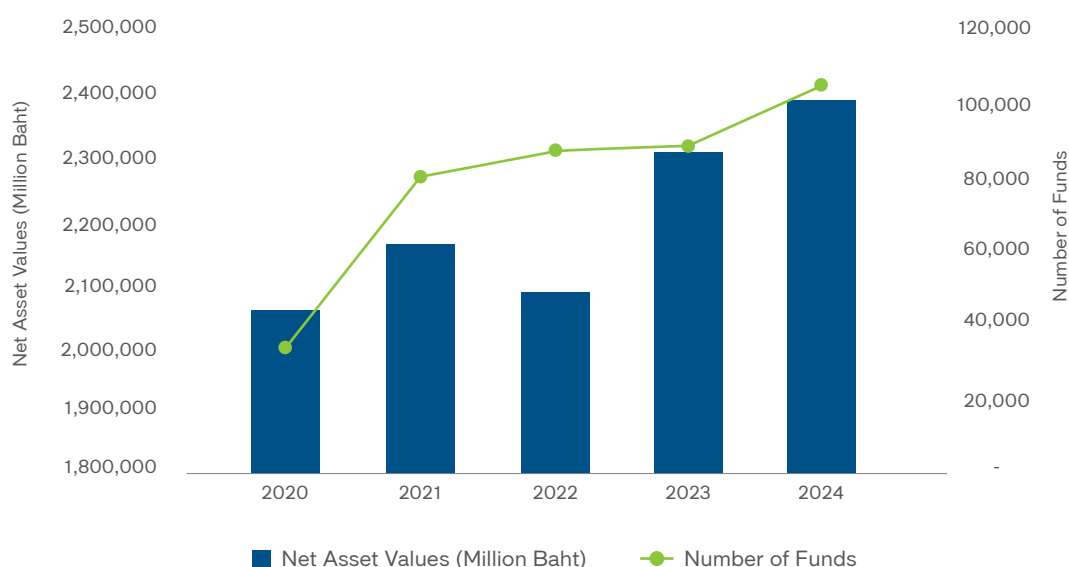
| | June 2024 | June 2023 |
|-------------------|-----------|-----------|
| Revenues | 23,298 | 19,073 |
| Fees and services | 22,398 | 18,897 |
| Earnings | 5,429 | 5,354 |

(4) Private Fund Management

At the end of 2024, there were 53 securities companies undertaking private fund management businesses, with the total number of 103,563 private funds involving the total net asset value of 2.4 trillion baht under management, representing

an increase of 17.9 and 3.6 percent from last year, respectively (Figure 9). Nevertheless, the number of funds and net asset value under management have increased in the long term, while the average investment value per investor has shown a declining trend.

Figure 9 : Number and Net Asset Values of Private Funds



(5) Provident Fund Management

Provident fund (PVD) management business saw an upward trend, in terms of the number of participating members and employers as well as the net asset value of the funds. The total number of funds declined marginally from last year, due to the changes of fund types, from single funds

to pooled funds, to provide additional choices of investment policy for PVD members or to bring down operating costs for economy of scale. As of December 2024, there were 2,959,832 PVD participating members, 23,755 employers and 352 provident funds with the total net asset value of 1,513,173 million baht.

Figure 10 : Number of Employers and Members

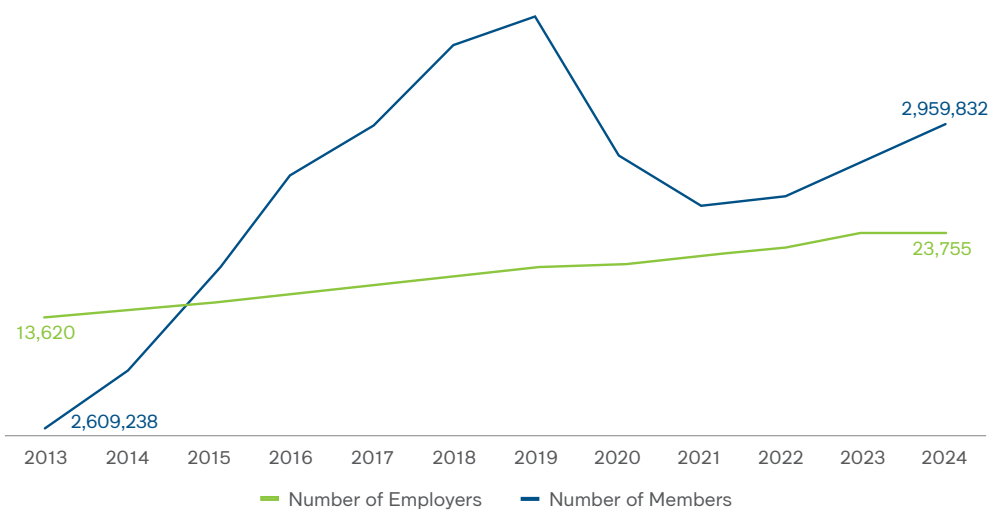
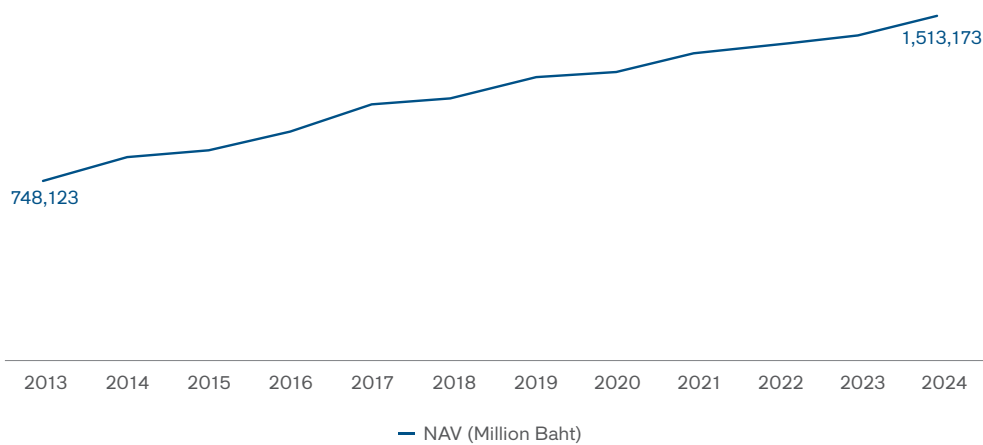


Figure 11 : Net Asset Values (NAV)



Although the number of PVD participating members has been on the rise, the PVD coverage was still only 17 percent of the formal private sector workforce and 4.5 percent of the total employers.

Thailand has already entered into the aged society, in which over 20 percent of the population are 60 years of age or older and is moving towards becoming a super-aged society within

a few years. Therefore, the SEC has accelerated the implementation of related measures to promote quality retirement through PVDs, e.g., the amendments to the laws and regulations in relation to the structure and management of PVDs, particularly the enhancement of member benefits and rights protection as well as the financial management education to promote PVD members' understanding about long-term saving and investment, etc.

On 25 December 2023, the SEC submitted to the Ministry of Finance the proposed amendments to the Provident Fund Act B.E. 2530 (1987) for enhanced efficiency of PVD management, with

a view to supporting structural developments of pooled funds established by asset management companies, enhancing effectiveness of PVD member protection and fair treatment mechanisms and promoting transparency in the supervision and operational conduct of related parties.

In 2024, the SEC and the Fiscal Policy Office held discussions for reviews and revisions to the draft amendments to the Provident Fund Act and the Ministry of Finance has already proposed the draft legislation to the Cabinet Secretary for consideration to further submit for the Cabinet's contemplation.

(6) Investment Unit LBDU

LBDU (Limited Broker, Dealer and Underwriter of Investment Units) business operators consist of commercial banks, life insurance companies and securities companies undertaking investment unit brokerage business (investment unit brokers). In 2024, the total investment unit sales volume achieved by LBDU business operators accounted for 71 percent of the industry's total sales volume, excluding those sold by securities companies and asset management companies, representing an escalation of 66.75 percent from 2023. The banking sector, insurance companies and investment unit brokers all enjoyed a growth in their sales volume by 66.32, 130 and 111.68 percent from the previous

year, respectively. Among these, commercial banks recorded the highest increase in investment unit sales volume by 1.9 trillion baht from 2023, owing to developments in their online sales channels, e.g., mobile banking on smart phone applications and continuous sales promotion through online media, etc.

In 2024, one new LBDU business operator, a life insurance company, entered the industry, while two operators (securities companies undertaking investment unit brokerage business) returned their licenses, resulting in the total number of 40 active LBDU business operators.

Table 3 : Number of LBDU Business Operators

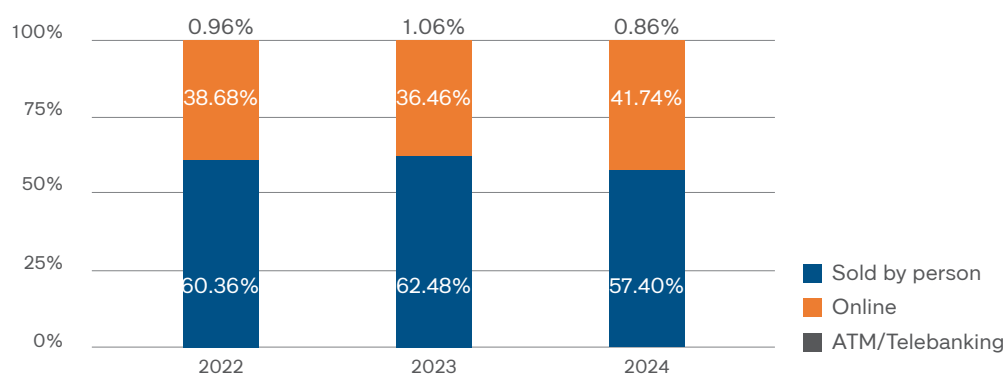
| | 2024 | 2023 | 2022 |
|--------------------------|-----------|-----------|-----------|
| Commercial banks | 16 | 16 | 16 |
| Life insurance companies | 15 | 14 | 14 |
| Investment unit brokers | 9 | 11 | 11 |
| Total | 40 | 41 | 41 |

As of 31 December 2024

As for sales channels in 2024, most sales were still made through investment consultants at commercial banks' branches, whereas online

sales grew substantially by 96.72 percent from the previous year (with sales volume rose from 933,714 million baht in 2023 to 1,836,803 million baht).

Figure 12 : Proportion of Sales Channels of LBDU Operators during 2022 - 2024



As of 31 December 2024

When considering provincial sales, the top five provinces making the highest sales volume were still Bangkok and its vicinity, followed by Chonburi and Chiangmai, the same as 2022 and 2023.

Table 4 : Top Five Sales Generating Provinces for LBDU business operators during 2022 - 2024

| 2022 | 2023 | 2024 |
|-------------------------------------|------|------|
| Top Five Sales Generating Provinces | | |
| Bangkok | | |
| Samutprakan | | |
| Nonthaburi | | |
| Chonburi | | |
| Chiangmai | | |

As of 31 December 2024

The number of the industry's active personnel (investment consultants and investment planners) reached 37,841 in 2024.

Table 5 : Number of Active Personnel of LBDU Business Operators in 2024

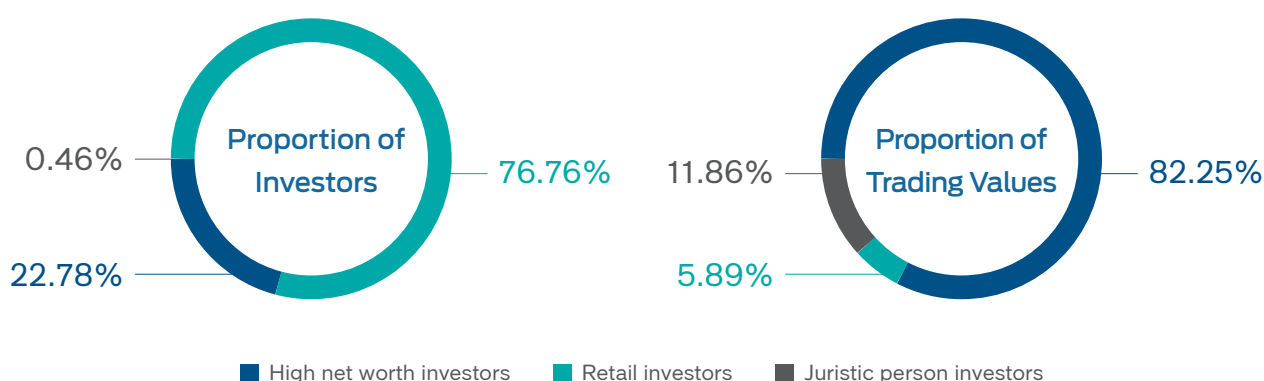
| | 2024 | | | 2023 | | | 2022 | | |
|--------------------------|----------------------------------|-------------------------------|-----------------|----------------------------------|-------------------------------|-----------------|----------------------------------|-------------------------------|-----------------|
| | Investment consultants (persons) | Investment planners (persons) | Total (persons) | Investment consultants (persons) | Investment planners (persons) | Total (persons) | Investment consultants (persons) | Investment planners (persons) | Total (persons) |
| Commercial banks | 35,917 | 1,232 | 37,149 | 36,146 | 1,202 | 37,348 | 36,746 | 1,160 | 37,906 |
| Life insurance companies | 580 | 3 | 583 | 582 | 3 | 585 | 578 | 4 | 582 |
| LBDUs | 87 | 22 | 109 | 105 | 22 | 127 | 121 | 32 | 153 |
| Total | 36,584 | 1,257 | 37,841 | 36,833 | 1,227 | 38,060 | 37,445 | 1,196 | 38,641 |

As of 31 December 2024

In 2024, the LBDU business's three main client groups were retail investors, accounting for approximately 76.76 percent, high net worth investors accounting for 22.78 percent and juristic person investors accounting for 0.46 percent. However, in terms of the proportion of net asset

value categorized by types of clients, the high-net-worth group had the highest percentage share of 82.25 percent, followed by juristic person investors and retail investors with 11.86 and 5.89 percent share of net asset value, respectively.

Figure 13 : Number of Trading Accounts and Trading Values Categorized by Types of Clients of LBDU Business Operators



As of 31 December 2024

Remark : The term “high-net-worth investor” is as defined in the regulations governing business operators.

(7) Digital Asset Business

At the end of 2024, there were 23 licensed digital asset business operators as follows:

| | 2024 | 2023 | 2022 |
|--|-----------|-----------|-----------|
| Number of licensees | 23 | 20 | 19 |
| - Operating | 20 | 18 | 15 |
| - Preparing to commence operation | 3 | 2 | 4 |
| - Returning license | - | - | - |
| - Licenses revoked | 1 | 5 | - |
| Types of licenses | | | |
| - Digital asset exchange | 4 | 4 | 5 |
| - Digital asset exchange and brokerage | 5 | 6 | 4 |
| - Digital asset brokerage | 4 | 4 | 3 |
| - Digital asset brokerage and dealing | 3 | 2 | 2 |
| - Digital asset dealing | 1 | 1 | 1 |
| - Digital asset advisory | 2 | 2 | 1 |
| - Digital asset advisory and fund management | - | - | 1 |
| - Digital asset fund management | 2 | 1 | 3 |
| - Digital asset custodial service | 2 | - | - |
| Total | 23 | 20 | 19 |

As of 31 December 2024

Financial Position and Revenues of Digital Asset Business Operators²¹

Financial position

Unit : Million Baht

| | 2024 | 2023 |
|---|--------------|--------------|
| Assets | 7,009 | 4,574 |
| Cash and cash equivalent and investment capital | 3,010 | 2,563 |
| Digital assets | 3,148 | 1,330 |
| Other assets | 941 | 681 |
| Liabilities | 3,833 | 2,233 |
| Shareholders' equity | 3,849 | 2,341 |

As of 31 December 2024

Comprehensive income statement

Unit : Million Baht

| | 2024 | 2023 |
|--|--------------|----------------|
| Revenues | 2,974 | 1,430 |
| Service fees | 2,318 | 1,113 |
| Earnings (loss) from digital asset trading | 306 | 133 |
| Other revenues | 350 | 184 |
| Expenses | 3,435 | 3,184 |
| Employees' benefits | 1,330 | 1,236 |
| Fees and expenses related to service provision | 1,003 | 976 |
| Other expenses | 1,103 | 972 |
| Total comprehensive profits (loss) | (461) | (1,754) |

As of 31 December 2024

Capital adequacy requirement of digital asset business operators

In 2024, there were two types of capital adequacy requirement imposed on digital asset business operators as follows:

(1) Digital asset business operators holding clients' assets under custody: There were 21 companies, each maintaining the average net capital (NC) of 3.36 times the minimum capital requirement as detailed in the following table.

| | As of 31 December 2024 | As of 31 December 2023 |
|---|---------------------------|---------------------------|
| Average net capital ratio per digital asset business operator | 3.36 times | 3.78 times |

²¹ (1) All data were collected from unaudited financial statements.

(2) Consisting of business operators in the categories of digital asset exchange, digital asset broker and digital asset dealer, excluding securities companies that also engage in digital asset businesses.

(3) Information in 2024 and 2023 was derived from the information of 16 and 14 digital asset business operators, respectively.

(2) Digital asset business operators not holding clients' assets under custody: There were two companies in this category.

| | As of 31 December 2024 | As of 31 December 2023 |
|--|---------------------------|---------------------------|
| Average shareholder's equity ratio to net capital requirement per digital asset business operator | ~22 | 6.09 times |

Figure 14 : Trading Values of Digital Assets on Digital Asset Exchanges in 2024²³

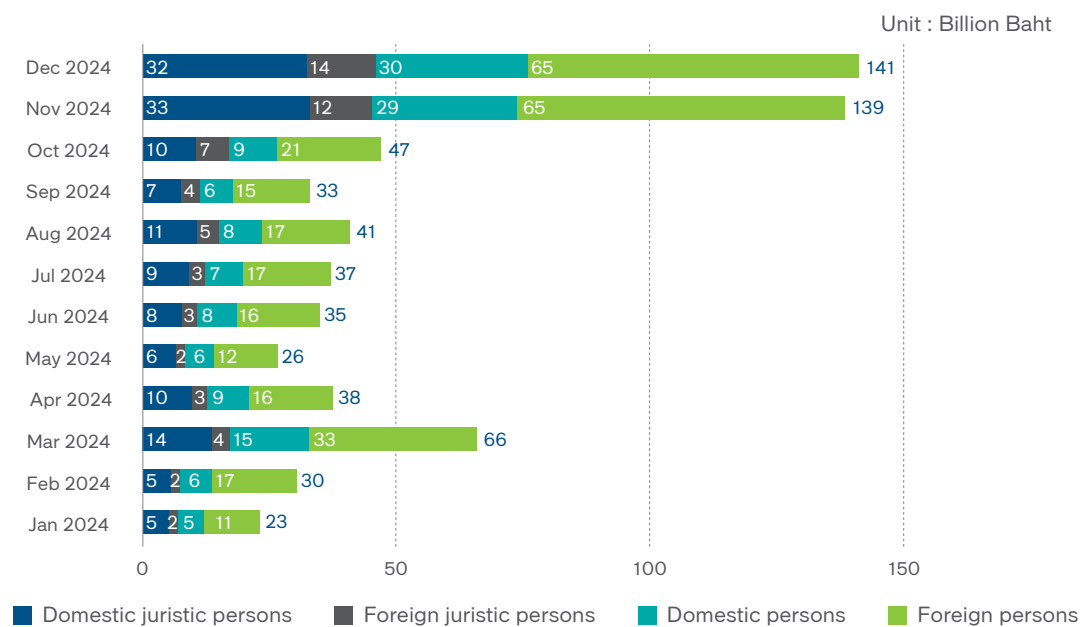
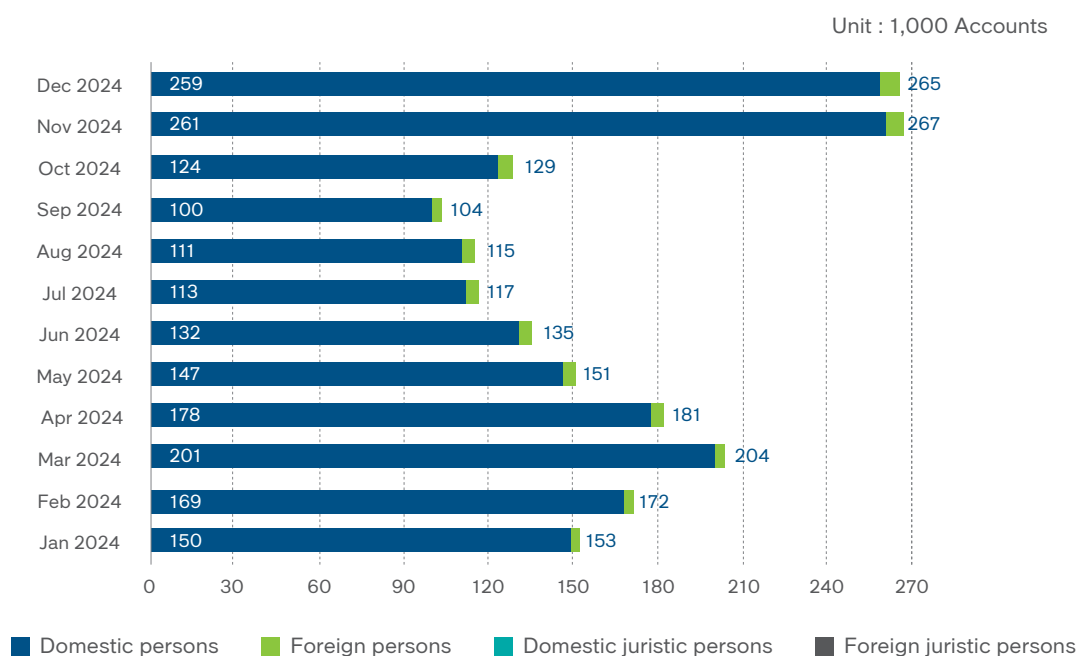


Figure 15 : Number of Active Trading Accounts on Digital Asset Exchanges in 2024²⁴



²² The SEC has revised the regulations, requiring digital asset business operators not holding clients' assets under custody to maintain net capital (NC) ratio instead of shareholder's equity ratio (the regulations came into force on 1 November 2024).

²³ Data were collected from digital asset exchanges that submit daily report of net liquid capital calculations and from digital asset exchanges' clients only.

²⁴ As of 31 December 2024, there were in total 2,435,342 digital asset trading accounts on digital asset exchanges.

In 2024, the SEC launched, on 9 August 2024, the Digital Asset Regulatory Sandbox for interested parties to participate in the experiments, in which development of innovations would be facilitated and promoted, to improve efficiency in the provision of digital asset services. Under the project, six digital asset-related services²⁵ that would bring about benefits and innovations in the capital market are eligible to participate in the Sandbox testing under flexible regulatory and supervisory regime. There were 9 applicants for Sandbox participation who were under discussion with the SEC. One applicant who was qualified and already approved for participation in the project would also do the testing under the Enhanced Regulatory Sandbox of the Bank of Thailand concurrently.

(8) Securities Offering through Crowdfunding

Securities offering through crowdfunding is an alternative fundraising avenue for SMEs and startups where securities are offered for sale to the public through web-based platforms acting as intermediaries, so-called funding portal operators. A funding portal must obtain an approval from the SEC before commencing its operation. Since securities crowdfunding is a form of securities offering to the public, the business is subject to regulations under the Securities and Exchange Act B.E. 2535 (1992).

In 2024, there were no new funding portals approved by the SEC. As of 31 December 2024, there were four²⁶ SEC-approved funding portals in total, all of which are non-specific equity and debt funding portals. In this connection, one funding portal²⁷ was under SEC consideration for license renewal and two applicants were under the process of pre-consultation and discussions with the SEC in preparation for submission of applications for SEC-approval to provide crowdfunding services.

| Funding portals | 2024 | 2023 |
|----------------------|----------|----------|
| Limited to equity | - | 1 |
| Both equity and debt | 4 | 6 |
| Total | 4 | 7 |

As of 31 December 2024

Fundraising through crowdfunding in 2024 slowed down following a continuous expansion for the past several years. The total crowdfunding value in 2024 was 4,363.98 million baht, a 28.9 percent

drop from 6,136.14 million baht of the year before. During the year, there were 191 SMEs and startups offering debt securities through funding portals, with the total value of 4,363.98 million baht.

| Issuance and Offering of Securities through Funding Portals | 2024 | | 2023 | |
|---|------------|-----------------|------------|-----------------|
| | (Number) | (Million Baht) | (Number) | (Million Baht) |
| Equity crowdfunding | 0 | 0 | 2 | 50.33 |
| Debt crowdfunding | 191 | 4,363.98 | 276 | 6,085.80 |
| Total | 191 | 4,363.98 | 278 | 6,136.14 |

As of 31 December 2024

²⁵ Business operators eligible to participate in the project are digital asset exchanges, digital asset brokers, digital asset dealers, digital asset fund managers, digital asset advisory service providers, and digital asset custodial service providers.

²⁶ (1) Siam Validus Capital Co., Ltd., (2) FS Siam Co., Ltd., (3) Investree (Thailand) Co., Ltd., and (4) Ruamjai Thaisoo Co., Ltd.

²⁷ PeerPower Platform Co., Ltd. obtained approval for the period from 29 November 2019 - 28 November 2024. The company applied for approval renewal, but only for equity crowdfunding services. The renewal was granted, effective from 17 January 2025.

In strengthening the supervision on crowdfunding businesses to enhance investors' trust and confidence in funding portal services, the SEC amended regulations, upgrading information disclosure requirements for funding portals to ensure sufficient information for investors' decision making regarding the use of services and investment in crowdfunding securities. Additional disclosure required includes the following information, i.e., key statistics on crowdfunding securities offerings, financial statements, procedures and key consideration factors used for evaluating creditworthiness and risks of the issuers, essential information in relation to securities crowdfunding, and risk warning statements, etc.

Furthermore, the SEC revised the regulations, allowing funding portals to act as bondholder representatives for the debt securities offered for sale through their platforms to accommodate issuance of secured debt securities through crowdfunding. The SEC also took actions and coordinated with funding portals to nurture sustainable growth of fundraising through crowdfunding by facilitating, through e-reporting system, the reporting of the offer for sale of crowdfunding securities data by the issuers and funding portals. Regular discussions were held and promotional as well as educational activities, e.g., participating in booth exhibitions and launching of public relations media, were carried out together with the funding portals to enhance knowledge and understanding of investors, SMEs and startups, etc.

(9) Offering of Digital Tokens

Regulations accommodating fundraising through the offer for sale of digital tokens (also known as initial coin offering (ICO)) were issued under the Royal Decree on Digital Asset Businesses B.E. 2561 (2018). To carry out an ICO, an issuer must obtain an approval from the SEC,

file the registration statement and draft prospectus, and make an offering only through an ICO portal that has obtained an approval from the SEC Board.

In 2024, there were a total of eight ICO portals²⁸ in operation, two of which were newly approved portals. During the year, the SEC Board passed a resolution to revoke an approval on one of the ICO portals.

As for the ICO portal oversight, the SEC revised the regulations in relation to the advertising practices of ICO portals and ICO issuers, with a view to having in place appropriate warning statements under the same standard and clearer warning presentation regarding investment risks, to ensure that investors have sufficient information regarding risks or limitations prior to using services or making investment decisions on digital tokens. Moreover, the SEC is in the process of amending the ICO portal regulations, allowing a wider range of operational system outsourcing to third parties, the scope of which was previously limited only to the tasks related to the ICO offerings. The amendments are intended to increase flexibility and foster the ecosystem of investment token offering services in alignment with the nature of the portals' business undertakings during the period of law amendments for transfer of digital token supervision to be under the Securities and Exchange Act B.E. 2535 (1992).

So far, three companies have been granted SEC approval for ICO offerings and successfully raised funds for three projects, with the total value of 5,065 million baht. In 2024, one ICO issuer, The Issuer Co., Ltd., obtained an approval for issuance and offering of real estate-backed digital tokens to raise funds, which would be used to further invest to generate a revenue stream from an office building (Summer Point) rental. This ICO project is expected to raise 450 million baht and to be offered for sale in 2025. Two additional ICO projects were under consideration for approval granting.

²⁸ The eight ICO portals granted approval and in operation are: (1) Fraction (Thailand) Co., Ltd., (2) Kubix Digital Asset Co., Ltd., (3) Token X Co., Ltd., (4) Bi Therb Co., Ltd., (5) T-Box (Thailand) Co., Ltd., and (6) Xspring Digital Co., Ltd. Additionally, two ICO portals have obtained approval, currently preparing for commencing operation. They are (1) Elite Consulting Group (2022) Co., Ltd. and (2) Bitkub Portal Co., Ltd.

At present, approximately 5 interested entities have approached the SEC for pre-consultation on the launch of their ICO projects for the fundraising objectives, ranging from developing a platform for

integrated music production and management, forestation to obtain carbon credits, developing a platform to provide game-related services, and asset tokenization for fund raising.

| Offering of Digital Tokens Approved by SEC | 2024 | | 2023 | |
|--|----------|----------------|----------|----------------|
| | (Number) | (Million Baht) | (Number) | (Million Baht) |
| Investment tokens | 1 | 450 | 1 | 2,400 |
| Total | 1 | 450 | 1 | 2,400 |

As of 31 December 2024

In the area of supervision of ICO issuance and offering, the SEC revised the regulations on ICO governance for the benefit of digital token holders and the regulations related to supervision of ready-to-use utility tokens to ensure adequate and appropriate mechanisms for supervision and investor protection. Those revised regulations came into force on 16 April and 13 August 2024, respectively.

To further promote the use of digital tokens for fundraising and drive for digital economy, the SEC made amendments to the related regulations to accommodate various forms and characteristics of digital tokens in response to the private sector demands, i.e., the regulations on sustainability-themed ICOs which came into force on 1 June 2024 and the regulations related to the shelf filing of digital tokens in support of the public sector's policy to promote soft power industries which came into effect on 16 September 2024.

Meanwhile, the SEC continued to coordinate with the Revenue Department for adjustments in the digital asset taxation to be aligned with that imposed on securities. In this regard, to further strengthen the ecosystem of digital tokens, value-added tax (VAT) is exempted for the qualifying transfers of digital assets through digital asset exchanges, brokers and dealers. Furthermore, for the individuals' share of profits or other similar benefits derived from investments in investment tokens, from which 15 percent of withholding tax has already been deducted, such income is entitled to exemption from being included in the yearly assessable income calculations for personal income taxation purposes, in the same manner as the investments in other securities, such as stocks or corporate bonds, etc.

List of Subcommittees and Their Work Performance

1. Legal Subcommittee (Consulting)

Roles and responsibilities

To consider and give opinions and/or recommendations to the SEC Board and the SEC Office on matters as assigned by the SEC Board or as requested by the SEC Office, as follows:

(1) To consider legal issues under the Securities and Exchange Act, the Derivatives Act, the Emergency Decree on Digital Asset Businesses, and other laws;

(2) To examine and give opinions on the draft regulations of the SEC Board;

(3) To give opinions and recommendations on special assignments.

SEC Director of the Legal Department - Corporate and Administrative Cases shall serve as Secretary of the Subcommittee.

Work performance: In 2024, 11 meetings were convened to:

(1) Consider 33 drafted and amended regulatory notifications of the SEC Board;

(2) Consider one drafted regulation of the SEC Office;

(3) Interpret four legal issues under supervision of the SEC.

List of the Subcommittee's members and their meeting attendances in 2024.

| Names | Positions | No. of Meetings/ Total Attendances | Remarks |
|--|-----------|---------------------------------------|--|
| (1) Legal expert on the SEC Board | Chair | 10/11 | |
| (2) Mr. Manit Sutaporn Legal Expert | Member | 11/11 | |
| (3) Mrs. Suda Wisarutphit Legal Expert | Member | 10/11 | |
| (4) Mr. Sakkarin Ruamrangsri Legal Expert | Member | 10/11 | |
| (5) SEC Deputy Secretary-General In charge of Legal Affairs | Member | 6/8 | Serving term until 17 September 2024. |
| (6) Mr. Vasant Thienhom Legal Expert | Member | 3/3 | Appointed in place of SEC Deputy Secretary-General in charge of Legal Affairs, effective from 18 September 2024. |

The Subcommittee holds a two-year term from 1 December 2023 to 30 November 2025.

2. Legal Subcommittee (Litigation)

Roles and responsibilities

To consider and give opinions to the SEC Board or the SEC Office on significant matters as assigned by the SEC Board or as requested by the SEC Office, as follows:

(1) Criminal proceedings against offenders under the Securities and Exchange Act, the Derivatives Act, the Emergency Decree on Digital Asset Businesses, and other laws as well as acquisition for compensation or other benefits under a civil case related to a criminal case, and giving advice in relation to examination and

sufficiency of evidence, conditions and elements of offense, including legal proceedings against the offenders;

(2) Seizure or attachment of assets of persons whose actions appear to be evidence of wrongdoing under the Securities and Exchange Act, the Derivatives Act and the Emergency Decree on Digital Asset Businesses;

(3) Requisition of court order to prohibit persons from leaving the Kingdom and order of temporary prohibition of such act before the court issues an order.

SEC Director of the Litigation Department shall service as Secretary of the Subcommittee.

The Subcommittee comprises:

| | |
|--|--------|
| (1) Legal expert on the SEC Board | Chair |
| (2) Mr. Khemchai Chutiwongse Legal expert | Member |
| (3) Pol. Gen. Sutep Dechrugsa Legal expert | Member |
| (4) Director-General or Deputy Director-General of the Department of Special Investigation, as assigned | Member |
| (5) Director-General or Deputy Director-General of the Office of Economic Crime Litigation, as assigned | Member |
| (6) Director-General or Deputy Director-General of the Department of Civil Litigation, as assigned | Member |
| (7) Commander or Deputy Commander of the Economic Crime Suppression Division, as assigned | Member |
| (8) Representative from the Bank of Thailand | Member |
| (9) Mr. Sakkarin Ruamrangsri Legal Expert | Member |
| (10) SEC Deputy Secretary-General In charge of Law Enforcement | Member |

The Subcommittee holds a two-year term from 1 December 2023 to 30 November 2025.

Remark: In 2024, no meetings were convened.

3. Appellate Subcommittee

Roles and responsibilities

(1) To make a conclusion on facts and legal issues and propose opinions on appeal cases against the SEC Office's administrative orders to the SEC Board;

(2) To perform other duties as assigned by the SEC Board.

SEC Director in charge of the implementation of the appeal process shall serve as Secretary of the Subcommittee.

Work performance: The Subcommittee considered facts and gave opinions on two appeal cases against the SEC Office's administrative orders.

List of the Subcommittee's members and their meeting attendances in 2024.

| Names | Positions | No. of Meetings/ Total Attendances | Remarks |
|-------------------------------|-----------|---------------------------------------|--------------------------------|
| (1) Mr. Boonyarit Kalayanamit | Chair | 2/2 | Serving term from 16 May 2023. |
| (2) Mr. Subhak Siwaraksa | Member | 2/2 | |
| (3) Miss Jongjit Leekpai | Member | 2/2 | |
| (4) Mr. Thamanit Sumantakul | Member | 2/2 | |

The Subcommittee holds a four-year term from 5 August 2021 to 4 August 2025.

Remark: (1) and (2) were commissioners on the SEC Board.

4. Good Governance and Remuneration Subcommittee

Roles and responsibilities

(1) To propose a policy and workplans for the development of organizational governance according to the international standards;

(2) To propose frameworks or principles in the recruitment of expert members on the SEC Board or the Capital Market Supervisory Board;

(3) To propose frameworks or principles in the recruitment of the Secretary-General;

(4) To propose criteria for determining the remuneration and other forms of the remuneration of the SEC Board, the Capital Market Supervisory Board, as well as subcommittees appointed by the SEC Board or the Capital Market Supervisory Board;

(5) To propose criteria for performance evaluation of the SEC Board and the Capital Market Supervisory Board, as well as a development plan after the assessment (if any);

(6) To propose criteria for determining remuneration and remuneration forms as well as criteria for performance evaluation of the Secretary-General;

(7) To perform any related duties as assigned by the SEC Board.

The Assistant Secretary-General responsible for the function line of developing organizational governance shall assume the position of Secretary to the Good Governance and Remuneration Subcommittee except for the following cases:

(1) The director of the department of secretarial operation and administration for the SEC Board in performing the duties according to Items (2), (3) and (4);

(2) The director of the department responsible for human resources regarding suggestions on criteria for determining remuneration and remuneration forms, as well as the performance evaluation of the Secretary-General according to Item (6);

(3) The Assistant Secretary-General in charge of the relevant functional line, or the director of the department responsible for a particular matter, in the case that the SEC Board assigns the Good Governance and Remuneration Subcommittee to the perform the duties according to Item (7).

Work Performance: In 2024, two meetings were convened to consider:

(1) Revision to the SEC Code of Governance 2024;

(2) Criteria for evaluating the work performance of the Secretary-General for the year 2025.

List of the Subcommittee's members and their meeting attendances in 2024.

| Names | Positions | No. of Meetings/ Total Attendances | Remarks |
|---------------------------------|-----------|---------------------------------------|--------------------------------|
| (1) Mr. Boonyarit Kalayanamit | Chair | 2/2 | Serving term from 16 May 2023. |
| (2) Mr. Viput Ongsakul | Member | 2/2 | |
| (3) Mr. Suphamit Techamontrikul | Member | 2/2 | Serving term from 16 May 2023. |

The Subcommittee holds a term from 16 May 2023 to 1 November 2026.

Remark: (1) - (3) were commissioners on the SEC Board.

5. Audit Committee

Roles and responsibilities

- (1) To review and comment on the internal control system to the SEC Board;
- (2) To audit financial reports and financial information of the SEC Office;

- (3) To cooperate with the State Audit Office regarding the audit of financial statements;
- (4) To review and audit compliance with rules and regulations;
- (5) To oversee the Internal Audit Department;
- (6) To perform any other duties as assigned by the SEC Board.

List of the Subcommittee's members and their meeting attendances in 2024.

| Names | Positions | No. of Meetings/ Total Attendances | Remarks |
|---------------------------------|-----------|---------------------------------------|---------|
| (1) Mr. Krairit Euchukanonchai | Chair | 12/12 | |
| (2) Mr. Viput Ongsakul | Member | 12/12 | |
| (3) Mr. Suphamit Techamontrikul | Member | 12/12 | |

The term of the Audit Committee's members coincides with their term in the SEC Board.

Remark: (1) - (3) were commissioners on the SEC Board, whose work performance results are presented in the Audit Committee Report for the year 2024.

6. Administrative Sanction Committee

Roles and responsibilities

- (1) To consider administrative sanctions in accordance with the Derivatives Act B.E. 2546 (2003) and the Trust for Capital Market Transactions Act B.E. 2550 (2007) within the scope of operating restriction, administrative fining, public reprimand and probation;

- (2) To take other actions related to consideration of administrative sanctions.
- SEC Director of the Litigation Department shall serve as Secretary to the Subcommittee.

Work performance: In 2024, one meeting was convened to consider the imposition of an administrative sanction on two offenders under the Derivatives Act B.E. 2546 (2003).

List of the Subcommittee's members and their meeting attendances in 2024.

| Names | Positions | No. of Meetings/ Total Attendances | Remarks |
|---------------------------------|-----------|---------------------------------------|---------|
| (1) Mr. Niti Sukcharoen | Chair | 1/1 | |
| (2) Mrs. Varangkana Thamrongrat | Member | 1/1 | |
| (3) Miss Narumon Artamnuyvipas | Member | 1/1 | |

The Subcommittee holds a four-year term from 16 October 2023 to 15 October 2027.

7. Risk Oversight Committee

Roles and responsibilities

(1) To ensure integrated oversight of risk management in all areas of the SEC Office while taking into consideration consistency with the SEC mission, directions and strategy to enhance efficiency of the SEC Office's operation;

(2) To consider and comment on the policies, frameworks and guidelines for overall risk management, and review adequacy and appropriateness thereof to be in line with the changing situations before submission to the SEC Board for approval;

(3) To monitor and oversee risk management of the SEC Office in all areas to ensure the implementation of policies, frameworks and guidelines as approved by the SEC Board, and propose reporting to the SEC Board in case of material/abrupt change to the risks;

(4) To perform any other assignments of the SEC Board.

SEC Director responsible for the management of capital market and organizational risks shall serve as Secretary to the Subcommittee.

Work Performance: In 2024, three meetings were convened to consider important matters regarding:

(1) Review on the Risk Management Policy and Frameworks;

(2) Review on the Market Risk List, the Organizational Risk List, and the Operational Continuity Management Plan as well as the making of the Risk Mitigation Plan, the Key Risk Indicator (KRI) and the Emergency Response Drill Plan;

(3) Monitoring progresses of the Risk Mitigation Plan and KRI.

List of the Subcommittee's members and their meeting attendances in 2024.

| Names | Positions | No. of Meetings/ Total Attendances | Remarks |
|-------------------------------|-----------|---------------------------------------|--------------------------------|
| (1) Mr. Boonyarit Kalayanamit | Chair | 3/3 | Serving term from 16 May 2023. |
| (2) Mr. Subhak Siwaraksa | Member | 3/3 | |
| (3) SEC Secretary-General | Member | 3/3 | |

The Subcommittee holds a four-year term from 16 February 2024 to 15 February 2028.

Remark: (1) - (3) were commissioners on the SEC Board.

8. Subcommittee on Consideration of Regulations on Issuance and Offering of Equity Instruments, Governance of Securities Issuing Companies and Securities Acquisition for Business Takeovers

Roles and responsibilities

(1) To consider and give advice on:

(a) Issuance of regulations on issuance and offering of equity instruments;

(b) Issuance of regulations on governance of securities issuing companies under Chapter 3/1 of the Securities and Exchange Act B.E. 2535 (1992), as amended by the Securities and Exchange Act (No. 4) B.E. 2551 (2008);

(c) Issuance of regulations related to securities acquisition for business takeovers;

(d) Issuance of other regulations attached and related to cases under (a) (b) or (c).

(2) To perform other duties, as assigned by the Capital Market Supervisory Board.

Work Performance: In 2024, two meetings were convened to consider:

(1) Revision of the regulations on the offering of newly issued securities by listed companies under a court-approved rehabilitation plan in accordance with the Bankruptcy Law, and revision of the regulations on material transactions and related party transactions of listed companies;

(2) Issuance of regulations to support the investment in environmental projects.
establishment and management of trust for

List of the Subcommittee's members and their meeting attendances in 2024.

| Names | Positions | No. of Meetings/ Total Attendances | Remarks |
|--|----------------------------|---------------------------------------|---------|
| (1) Mrs. Saranya Chindavanig | Chair | 2/2 | |
| (2) Representative from the SET | Member | 2/2 | |
| (3) Representative from the Investment Banking Club, the Association of Thai Securities Companies | Member | 2/2 | |
| (4) Mrs. Jantima Phienveja | Member | 2/2 | |
| (5) Representative from the Thai Listed Companies Association | Member (Expert Group 1) | 2/2 | |
| (6) Mr. Kanchit Bunajinda | | 2/2 | |
| (7) Mr. Bundit Anantamongkol | | 2/2 | |
| (8) Mr. Susheel Narula | | 2/2 | |
| (9) Mrs. Kobboon Srichai | | 1/2 | |
| (10) Mr. Anuwat Ruamsuke | | 1/2 | |
| (11) Representative from the Association of Investment Management Companies | Member (Expert Group 2) | - | |
| (12) Mr. Kengkla Rakpaopan | | - | |
| (13) Mrs. Patraporn Milindasuta | | - | |
| (14) Mr. Suparek Auychai | | - | |
| (15) SEC Director of the department in charge of the supervision of equity, equity equivalent instruments, warrants, and hybrid instruments, governance of securities issuing companies or supervision of securities acquisition for business takeovers, as the case may be. | Member and Secretary | 2/2 | |

The Subcommittee holds a two-year term from 18 December 2022 to 17 December 2024. (The Subcommittee may continue to perform duties until a new subcommittee is appointed).

Expert Group 1

Issuance and Offering of Equity Instruments
and Governance of Securities Issuing Companies:

(1) Representative from the Thai Listed
Companies Association

- (2) Mrs. Kobboon Srichai
- (3) Mr. Kanchit Bunajinda
- (4) Mr. Bundit Anantamongkol
- (5) Mr. Susheel Narula
- (6) Mr. Anuwat Ruamsuke

Expert Group 2

Securities Acquisition for Business Takeovers:
(1) Representative from the Association of
Investment Management Companies

- (2) Mr. Kengkla Rakpaopan
- (3) Mrs. Patraporn Milindasuta
- (4) Mr. Suparek Auychai

9. Subcommittee on Consideration of Regulations on Issuance and Offering of Debt Securities, Derivatives and Structured Products

Roles and responsibilities

(1) To consider and give advice on issuance of regulations governing issuance and offering of debt securities, sukuk, derivatives or derivatives-embedded instruments and structured products and related regulations or other issues connected with the aforementioned matters;

(2) To perform other duties as assigned by the Capital Market Supervisory Board.

Work Performance: In 2024, three meetings were convened to consider the following matters:

(1) Amendment to the regulations on issuance and offering of securities of listed companies under court-approved business rehabilitation plans and amendment to the regulations on approval for the issuance and offering of bills;

(2) Enhancement of regulations on the issuance and offering of debt securities and information disclosure;

(3) Amendment to the regulations on the issuance and offering of bonds for asset securitization, and the regulations on the issuance and offering of subordinated instruments of securities companies with conditions for deferring or cancelling interest payments and deferring principal payments, and amendment to the regulations on revision to fund utilization purposes.

List of the Subcommittee's members and their meeting attendances in 2024

| Names | Positions | No. of Meetings/ Total Attendances | Remarks |
|--|----------------------|---------------------------------------|---------|
| (1) Mrs. Jantima Phienveja | Chair | 3/3 | |
| (2) Representative from the Thai Bond Market Association | Member | 3/3 | |
| (3) Representative from the Investment Banking Club, the Association of Securities Companies | Member | 3/3 | |
| (4) Representative from the Thai Listed Companies Association | Member | 2/3 | |
| (5) Representative from the Thai Investors Association | Member | 3/3 | |
| (6) Mr. Ayuth Krishnamara | Member | 2/3 | |
| (7) Expert List in the attachment - Mr. Kritchakorn Nontanakorn - Mrs. Asmaporn Panjanavaporn - Mr. Arsa Indaravijaya | Member | 3/3 3/3 2/3 | |
| (8) SEC Director of the department in charge of the supervision of debt securities, sukuk, derivatives or derivatives-embedded instruments and structured products | Member and Secretary | 3/3 | |

The Subcommittee holds a two-year term from 3 November 2023 to 17 December 2024. (The Subcommittee may continue to perform duties until a new subcommittee is appointed).

Expert list in the attachment: (1) Mr. Kritchakorn Nontanakorn, (2) Miss Sasiwimon Prathnadi, (3) Mr. Sukkawat Prasertying, (4) Mr. Sutee Losoponkul, (5) Mrs. Asmaporn Panjanavaporn, and (6) Mr. Arsa Indaravijaya.

10. Subcommittee on Consideration of Regulations on Property Funds, Infrastructure Funds and Real Estate Investment Trusts

Roles and responsibilities

(1) To consider and give advice on the following matters:

(a) Issuance of regulations on establishment and management of property funds and infrastructure funds;

(b) Issuance of regulations on real estate investment trusts including infrastructure funds;

(c) Issuance of other regulations attached and related to (a) or (b);

(2) To perform other duties as assigned by the Capital Market Supervisory Board.

Work Performance: In 2024, one meeting was convened to consider issuance of regulations to support the establishment and management of trusts for investment in environmental projects.

List of the Subcommittee's members and their meeting attendances in 2024.

| Names | Positions | No. of Meetings/ Total Attendances | Remarks |
|--|-------------------------|---------------------------------------|---------|
| (1) Mr. Ayuth Krishnamara | Chair | 1/1 | |
| (2) Representative from the SET | Member | 1/1 | |
| (3) Representative from the Investment Banking Club, the Association of Securities Companies | Member | 1/1 | |
| (4) Representative from the Association of Investment Management Companies as fund manager | Member | | |
| (5) Representative from the Association of the Association of investment Management Companies as trustee business operator | Member | 1/1 | |
| (6) Mr. Ekachai Chongvisal | Member | 1/1 | |
| (7) Mr. Kittipon Pramroj Na Ayudhya | Member | 1/1 | |
| (8) Mrs. Duangporn Wasanasompong | Member | 1/1 | |
| (9) Mr. Bundit Anantamongkol | Member | 1/1 | |
| (10) Miss Pirinee Pringsulaka | Member | - | |
| (11) Mr. Yingyong Nilasena | Member | - | |
| (12) SEC Director of the department in charge of the supervision of property funds, infrastructure funds, real estate investment trust including financial instruments to invest in property funds, infrastructure funds and real estate investment trusts including financial instruments for investment in real estates, infrastructure and real estate investment trusts | Member and Secretary | 1/1 | |

The Subcommittee holds a two-year term from 18 December 2022 to 17 December 2024. (The Subcommittee may continue to perform duties until a new subcommittee is appointed).

11. Subcommittee on Consideration of Regulations on Asset Management

Roles and responsibilities

(1) To consider and give advice on the following matters:

(a) Issuance of regulations on the establishment and management of mutual funds excluding property funds and infrastructure funds;

(b) Issuance of regulations on the establishment and management of private funds including provident funds, venture capital management and derivatives fund management;

(c) Development related to the issuance of investment products of funds;

(d) Issuance of regulations or other matters attached and related to (a) (b) or (c)

(2) To perform other duties as assigned by the Capital Market Supervisory Board.

Work Performance: In 2024, one meeting was convened to consider amendments and draft regulations related to mutual funds and private funds investing in digital assets.

List of the Subcommittee's members and their meeting attendances in 2024.

| Names | Positions | No. of Meetings/ Total Attendances | Remarks |
|---|----------------------|---------------------------------------|---------|
| (1) Mr. Ekachai Chongvisal | Chair | 1/1 | |
| (2) Representative from the Association of Investment Management Companies | Member | 1/1 | |
| (3) Representative from the Custodian Club, selected from fund supervisors of mutual funds | Member | 1/1 | |
| (4) Representative from a credit rating agency (CRA) providing ratings for mutual funds | Member | 1/1 | |
| (5) Mrs. Chotika Sawananon | Member | - | |
| (6) Mr. Bundit Anantamongkol | Member | 1/1 | |
| (7) Mr. Adisorn Sermchaiwong | Member | 1/1 | |
| (8) Mr. Arsa Indaravijaya | Member | 1/1 | |
| (9) SEC Director of the Department in charge of the establishment of mutual funds and the supervision of mutual fund management and private funds | Member and Secretary | - | |

The Subcommittee holds a two-year term from 3 November 2023 to 17 December 2024. (The Subcommittee may continue to perform duties until a new subcommittee is appointed).

12. Subcommittee on Consideration of Regulations related to the Supervision of Intermediaries and Markets, and the Sales of Investment Products and the Provision of Investment Advisory Services

Roles and responsibilities

(1) To consider, screen and comment on the following matters:

(a) Issuance of regulations and matters related to the supervision of securities and derivatives business operators, stock exchanges, bond markets, securities trading centers, derivatives exchange, clearing houses, securities depositories, and related service providers, as well as organizations related to securities businesses, derivatives businesses, and the promotion of SMEs;

(b) Issuance of regulations related to communications and provision of services related to sales of investment products and investment advice;

(c) Issuance of regulations related to the supervision of service providers regarding sales of investment products and investment advice;

(d) Issuance of regulations and other matters related to or arising from the cases under (a) (b) or (c).

(2) To take any other actions as assigned by the Capital Market Supervisory Board.

Work Performance: In 2024, three meetings were convened to consider the following matters;

(1) Principles and draft regulations related to amendment to the regulations for providing NVDR (Non-Voting Depositary Receipt) transaction services by securities companies;

(2) Amendment to the regulations related to asset custody and the collection and assessment of client information by securities business operators and derivatives business operators;

(3) Amendment to the regulations for conducting securities and derivatives businesses concerning classification and investment advisory services for institutional investors and high-net-worth investors;

(4) Amendment to the regulations for providing securities trading and securities selling services by securities companies without possession of such securities.

List of the Subcommittee's members and their meeting attendances in 2024.

| Names | Positions | No. of Meetings/ Total Attendances | Remarks |
|--|----------------------|---------------------------------------|---------|
| (1) Mrs. Jantima Phienveja | Chair | 3/3 | |
| (2) Representative from the SET and subsidiaries | Member | 3/3 | |
| (3) Representative from the Association of Securities Companies | Member | 3/3 | |
| (4) Representative from the Association of Investment Management Companies | Member | 3/3 | |
| (5) Representative from the Thai Investors Association | Member | 3/3 | |
| (6) Representative from the Thai Bankers' Association only for the consideration of matters related to sales of mutual funds and debt securities** | Member | - | |
| (7) Representative from the Thai Life Assurance Association only for the consideration of matters related to sales of unit-linked insurance policies** | Member | - | |
| (8) Representative from the Association of Investment Unit Brokerage Companies only for the consideration of matters related to sales of mutual funds** | Member | - | |
| (9) Mrs. Saranya Chindavanig | Member | 3/3 | |
| (10) Mrs. Chotika Sawananon | Member | 1/3 | |
| (11) Mr. Natwut Amornvivat | Member | 1/3 | |
| (12) Miss Umapan Charoenying | Member | 3/3 | |
| (13) SEC Director of the Department in charge of the supervision and development of intermediary business or SEC Director of the Department in charge of the supervision of asset management business, as the case may be. | Member and Secretary | 3/3 | |

The Subcommittee holds a two-year term from 3 November 2023* to 17 December 2024. (The Subcommittee may continue to perform duties until a new subcommittee is appointed).

* The composition of the Subcommittee was revised on 3 November 2023.

** In 2024, no meetings were convened regarding the aforesaid products.

13.Subcommittee for Screening the Issuance and Offering of Thai Baht-Denominated Debt Securities in Thailand by Foreign Entities

Roles and responsibilities

(1) To consider and provide opinions on applications for exemptions from credit rating requirements for debentures or bonds denominated in Thai Baht offered for sale in Thailand by foreign entities in accordance with the Notification of the Capital Market Supervisory Board regarding Temporary Exemption from Credit Rating Requirements for Approval for Offering for Sale of Debentures or Bonds Denominated in Thai

Baht or Foreign Currencies in Thailand in a Private Placement by Foreign Entities;

(2) To monitor the status and risks of foreign entities that issue debentures or bonds denominated in Thai Baht in Thailand under (1), which have been approved through the opinion of the Subcommittee for Screening the Issuance and Offering for Sale of Thai Baht-Denominated Debt Securities in Thailand by Foreign Entities;

(3) To propose opinions or provide recommendations on matters related to the offering of debentures or bonds denominated in Thai Baht in Thailand by foreign entities, as requested by the SEC Office.

Work Performance: In 2024, two meetings were convened to consider matters related to the issuance of regulations for provision of opinions in connection with the consideration of temporary

exemptions from credit rating requirements for approval of offering for sale of debentures or bonds denominated in Thai baht in Thailand in a private placement by foreign entities.

List of the Subcommittee's members and their meeting attendances in 2024.

| Names | Positions | No. of Meetings/ Total Attendances | Remarks |
|---|-------------------------|---------------------------------------|---------|
| (1) SEC Assistant Secretary-General in charge of fundraising division | Chair | 2/2 | |
| (2) Representative from the Public Debt Management Office | Member | 2/2 | |
| (3) Representative from the Bank of Thailand | Member | 2/2 | |
| (4) SEC Director of the Bond Department | Member and Secretary | 2/2 | |

14. Subcommittee on Consideration of Business Takeovers (Takeover Panel)

Roles and responsibilities

(1) To make decisions on waiver of tender offers for business takeovers, rules on application for tender offers or any other decisions under the regulations on acquisition of securities for business takeovers which are designated as the powers and duties of the Subcommittee;

(2) To make decisions regarding any action or omission of action that may have an impact on tender offers under the regulations issued by virtue of Section 250/1 of the Securities and Exchange Act;

(3) To comment or give advice to the Capital Market Supervisory Board and the SEC Office on matters related to acting in concert under Section 246 and 247 of the Securities and Exchange Act and any other matter concerning business takeovers;

(4) To request any person to provide facts, explanation, advice and opinions or documents in support of takeovers consideration, as deemed necessary.

In case of an application for a waiver or exemption of compliance with the regulations

under the consideration of the Subcommittee in (1) or (2), the Subcommittee shall complete the consideration within 90 days from the date on which the SEC Office receives the application and accurate and complete supporting documents according to the Licensing Manual for the Public.

Comprises: Five members selected by Secretary-General from the approved list of the Capital Market Supervisory Board to perform the duty of consideration of any specific matter. The selection focuses on relevant knowledge, expertise and experience of members constituting a quorum. The selection criteria are as follows:

- | | |
|--|----------------------------|
| (1) One person from Category 1 | Chair |
| (2) Three persons from Category 2 and/or Category 3 | Member |
| (3) One person from Category 4 | Member and Secretary |

Work performance: In 2024, two meetings were convened to consider applications for waivers of tender offers for all securities for business takeovers including particular regulations for making a tender offer.

List of the Subcommittee's members and their meeting attendances in 2024.

| Names | Positions | No. of Meetings/ Total Attendances | Remarks |
|--|--------------------------------|---------------------------------------|---------|
| (1) Khunying Jada Wattanasiritham | Chair | 2/2 | |
| (2) Mrs. Pattareeya Benjapolchai | | - | |
| (3) Prof. Emeritus Khunying Suchada Kiranandana, Ph.D. | | - | |
| (4) Mr. Chavalit Chindavanig | Members (Financial Experts) | - | |
| (5) Mr. Paiboon Nalinthrangkurn | | 2/2 | |
| (6) Mr. Somphop Keerasuntonpong | | - | |
| (7) Assoc. Prof. Pantisa Pavabutr, Ph.D. | | 2/2 | |
| (8) Assoc. Prof. Aekkachai Nittayagasetwat, Ph.D. | Members (Legal Experts) | - | |
| (9) Mr. Charin Satchayan | | - | |
| (10) Mrs. Patraporn Milindasuta | | 2/2 | |
| (11) Mrs. Veeranuch Thammavaranucupt | | - | |

The Subcommittee holds a two-year term from 1 March 2023 to 28 February 2025.

15. Disciplinary Committee on Capital Market Business Personnel

Roles and responsibilities

(1) To consider facts and evidence, and give opinions to the SEC Office regarding the consideration of grounds for prohibiting the performance of duties, and the suspension or revocation of approval for capital market business personnel who fall under the Prohibited Characteristics Group 3;

(2) To consider and give opinions to the SEC Office on any matters related to compliance with Chapter 7 of the Capital Market Supervisory Board Notification No. Tor Lor Tor. 8/2557 Re: Rules on Capital Market Business Personnel, dated 3 June 2014;

(3) To consider establishment of guidelines and give opinions to the SEC Office on any related matters.

SEC Director of the Litigation Department shall serve as Secretary to the Subcommittee.

Work Performance: In 2024, five meetings were convened to consider the following matters:

(1) facts and evidence, as well as provision of opinions to the SEC Office regarding the consideration of grounds for prohibiting the performance of duties, and the suspension or revocation of approval for capital market business personnel, totaling four cases involving six individuals, and

(2) establishment of guidelines for considering the grounds for prohibiting the performance of duties, and the suspension or revocation of approval for capital market business personnel, totaling one case.

List of the Subcommittee's members and their meeting attendances in 2024.

| Names | Positions | No. of Meetings/ Total Attendances | Remarks |
|--|-----------|---------------------------------------|---------|
| (1) Member of the Capital Market Supervisory Board | Chair | 5/5 | |
| (2) Representative from the Thai Investors Association | Member | 4/5 | |
| (3) Representative from the SET | Member | 5/5 | |
| (4) Representative from the Association of Securities Companies | Member | 4/5 | |
| (5) Representative from the Association of Investment Management Companies | Member | 5/5 | |

The Subcommittee holds a four-year term from 1 December 2023 to 15 October 2024. Currently, the Disciplinary Committee on Capital Market Business Personnel whose term has expired, continues to perform its duties until a new Disciplinary Committee on Capital Market Business Personnel is appointed.

Information on Head of the Internal Audit Department

On 27 January 2022, the Audit Committee Meeting No. 1/2565 passed a resolution appointing Miss Kilina Karintasut, Director of the Internal Audit Department, as Secretary to the Audit Committee, effective from 1 January 2022.

Miss Kilina Karintasut, a certified fraud examiner (CFE), holds a bachelor's degree in Engineering (Computer) from King Mongkut's Institute of Technology Ladkrabang (KMUTL) and an MBA (Finance) from Eastern Michigan University, USA. She has joined the SEC Office since 1996 with work experience in the lines of Corporate Finance, Corporate Communication, Market Supervision, and Strategy and Planning.

List of Arbitrators

Roles and responsibilities

The arbitrators have the power to settle disputes regarding securities, derivatives or provident funds between aggrieved clients and securities companies, local share distributors, mutual fund supervisors, custodians of private funds or derivatives business operators, as specified in the Notification of the Office of the Securities and Exchange Commission concerning Arbitration Procedures of the Office of the Securities and Exchange Commission.

Comprises:

1. Mr. Kampanart Lohacharoenvanich
2. Assoc. Prof. Kulpatra Sirodom, Ph.D.
3. Assoc. Prof. Gasinee Witoonchart
4. Mrs. Jantima Phienveja
5. Mr. Yansak Manomaiphiboon
6. Assoc. Prof. Paiboon Sareewiwatthana, Ph.D.
7. Mr. Thinawat Bukhamana
8. Mr. Tawat Ananthothai, Ph.D.
9. Assoc. Prof. Tithiphan Chuerboonchai
10. Mr. Pratib Yongvanich
11. Mr. Patchara Surajaras, Ph.D.
12. Prof. Warapatr Todhanakasem, Ph.D.
13. Mrs. Voravan Tarapoom
14. Assoc. Prof. Wai Chamornmarn
15. Assoc. Prof. Somjai Phagaphasvivat, Ph.D.
16. Mr. Suparb Vongkiatkachorn
17. Prof. Anan Chantara-Opakorn, Ph.D.

The arbitrators above serve a two-year term from 1 January 2024 to 31 December 2025.

CONTACT INFORMATION

This report can be downloaded from www.sec.or.th

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