



การรายงานตามหลักการ ธนาคารที่รับผิดชอบ ประจำปี 2564

2021 Principles for Responsible Banking
Reporting and Self-Assessment

Principles for Responsible Banking Reporting and Self-Assessment



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Principle 1: Alignment



We will align our business strategy to be consistent with and contribute to individuals' needs and society's goals, as expressed in the Sustainable Development Goals, the Paris Climate Agreement and relevant national and regional frameworks.

1.1 *Describe* (high-level) your bank's business model, including the main customer segments served, types of products and services provided, the main sectors and types of activities, and where relevant the technologies financed across the main geographies in which your bank has operations or provides products and services.

The Government Savings Bank (GSB) is a legal entity under the supervision of the Ministry of Finance, operating under the Government Savings Bank Act B.E. 2489, with the mission specified in the Act and the Statement of Direction for state enterprise Financial Institutions, which determines the roles in promoting opportunities for people to access to finance, in order to reduce social inequality and financial gaps, improve and strengthen financial literacy with innovation and technology, for long-term sustainability.

GSB has a duty for operating business in accordance with the Act, in conjunction with the Royal Decree stipulating the business as the job of Government Savings Bank (No. 2), B.E. 2541, the Ministerial Regulation on the Conduct of Business as a Government Savings Bank B.E. 2547 and the Ministerial Regulation on The Business of Banking Affairs (No. 2) B.E. 2548, with purposes to operate business as follows.

- 1) savings deposits
- 2) saving bonds and premium savings bonds
- 3) deposit in aid of life and family
- 4) a receive, payment and transfer of money
- 5) selling and purchasing of the Thai Government's bonds
- 6) investment for procuring profits as permitted by the Minister
- 7) other savings businesses as determined by the Royal Decree
- 8) businesses considered as the banking businesses to be conducted according to the stipulations and conditions prescribed in the Ministerial Regulations.

The GSB's major products and services include

1. Deposits (deposits, savings bonds, life and family deposits, and funds)
2. Loans (public sector and state enterprise private sector, general public, and grassroots people)
3. other financial services (card and electronic service, and insurance)

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GSB Operation Management Authorities



The Government Savings Bank Act (No. 4) B.E. 2560



The Government Savings Bank Act B.E. 2489



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	<p>GSB's head office is located in Bangkok with 1,054 branches nationwide. Moreover, GSB has 161 service units (at district offices, on mobile vehicles and boats), and 1,256 school banks, including digital platforms, such as 8,012 self-service automatic machines (ATM/passbook update/ADM), Internet Banking with 208,403 users, and Mobile Banking (MyMo) with 10.93 million users.</p> <p>GSB's customers are classified into 3 groups:</p> <ol style="list-style-type: none"> 1. Personal customer group (37.6% of the total customers) 2. Grassroots customer and Government's policy supporting group (62% of the total customers) 3. Business and Customer public sector group (0.4 of the total customers) 	
<p>1.2 <i>Describe</i> how your bank has aligned and/or is planning to align its strategy to be consistent with and contribute to society's goals, as expressed in the Sustainable Development Goals (SDGs), the Paris Climate Agreement, and relevant national and regional frameworks.</p>	<p>GSB prepared the 2021-2025 enterprise plan an operational direction for being a "Social Bank", aiming to "reduce inequality and create fairness in the society. It is in line with the 2 United Nations Sustainable Development Goals: 1. No Poverty, and 2. Reduced Inequalities.</p> <p>Under the operational framework that focuses on three dimensional balancing or Triple Bottom Line (3Ps). People dimension focuses on improving access to finance with fair interest rates; Planet dimension focuses on increasing efficiency in resources consumption and environmental care, and Profit dimension focuses on building financial strength and giving balanced care to stakeholders. GSB pays attention to both external and internal sustainability. For external, GSB emphasision building strength to grassroots economy, society and communities. For internal, GSB determines to operate commercial missions to build financial strength, as well as taking care of the staff and employees, and integrate social mission at every major process in order to drive the organization to sustainability.</p> <p>The GSB has considered the concordance and connection with the 20-year National Strategic Plan, the 12th Economic and Social Development Plan, the National and Policy Plan: Thailand 4.0, the Digital Development for National Economic and Social Development, the Overall State Enterprise Strategic Plan, and the State Enterprise Strategic Plan for Financial Institutions including current trends such</p>	<p>GSB Sustainability Report 2021 Pages 49-52</p>

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as financial technology advancement, customers' behavior, market competition, and rules of regulators, in order to determine challenges, strategic advantages, organizational specialization, risk factors, short and long-term business operation models, including satisfying needs and expectations of stakeholders and customers. The organizational development and improvement plan has been arranged in accordance with State Enterprise Assessment Model (Core Business Enablers) and the Principles for Responsible Banking (PRB), in order to improve management to the international standard and create sustainable growth for the organization.

Principle 2: Impact and Target Setting



We will continuously increase our positive impacts while reducing the negative impacts on, and managing the risks to, people and environment resulting from our activities, products and services. To this end, we will set and publish targets where we can have the most significant impacts.

2.1 Impact Analysis:

Show that your bank has identified the areas in which it has its most significant (potential) positive and negative impact through an impact analysis that fulfills the following elements:

- a) **Scope:** The bank's core business areas, products/services across the main geographies that the bank operates in have been as described under 1.1. have been considered in the scope of the analysis.
- b) **Scale of Exposure:** In identifying its areas of most significant impact the bank has considered where its core business/its major activities lie in terms of industries, technologies and geographies.
- c) **Context & Relevance:** Your bank has taken into account the most relevant challenges and priorities related to sustainable development in the countries/regions in which it operates.
- d) **Scale and intensity/salience of impact:** In identifying its areas of most significant impact, the bank has considered the scale and intensity/salience of the (potential) social, economic and

GSB analyzed the impacts from lending portfolio by using UNEP FI's Portfolio Impact Analysis Tool for Bank to evaluating impact areas, including risk and opportunities, in the economic, social and environmental dimensions. This enables GSB to identify impacts caused by the bank's lending activities in Thailand context.

The analysis shows two main impact areas GSB can make significant impact, which are, Inclusive, Healthy Economies and Economic Convergence. These impact areas are appropriate to Thai context due to high-country need, and to GSB's business operation due to high proportion of grassroots and personal customers (Consumer Banking). GSB's directions toward each impact areas are as follows:

1. "Inclusive, Healthy Economies"
GSB gives priority to the grassroots group by creating opportunities to access to finance with fair interest rates, promoting saving and creating lifetime financial disciplines to sustainably improve quality of life.
2. "Economic Convergence"
The GSB places important in creating opportunities for people, university students, and small entrepreneurs, SMEs/Start Up to

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environmental impacts resulting from the bank's activities and provision of products and services.

Show that building on this analysis, the bank has

- Identified and disclosed its areas of most significant (potential) positive and negative impact
- Identified strategic business opportunities in relation to the increase of positive impacts / reduction of negative impacts

access sources to finance (Financial Inclusion). Reduce social inequality and financial gaps by providing financial literacy and using innovations and technology to improve financial strength for long-term sustainability.

Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Impact Analysis.

The GSB has conducted an impact analysis in order to identify the most significant impact caused by the bank's activities. The results obtained lie in two areas: Inclusive, Healthy Economies and, Economic Convergence. The next step is to set goals, make an operation plan, monitor the results. Finally, the report on progression will be included in 2022 Self-Assessment Report.

2.2 Target Setting

Show that the bank has set and published a minimum of two Specific, Measurable (can be qualitative or quantitative), Achievable, Relevant and Time-bound (SMART) targets, which address at least two of the identified "areas of most significant impact", resulting from the bank's activities and provision of products and services.

Show that these targets are linked to and drive alignment with and greater contribution to appropriate Sustainable Development Goals, the goals of the Paris Agreement, and other relevant international, national or regional frameworks. The bank should have identified a baseline (assessed against a particular year) and have set targets against this baseline.

Show that the bank has analysed and acknowledged significant (potential) negative impacts of the set targets on other dimensions of the SDG/climate change/society's goals and that it has set out relevant actions to mitigate those as far as feasible to maximize the net positive impact of the set target

GSB was in the process of setting goals, following the bank's two main impact areas: Inclusive, Healthy Economies, and Economic Convergence. The details will be provided in 2022 Self-Assessment Report.

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Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Target Setting.

The GSB was in the process of setting goals. The details will be provided in 2022 Self-Assessment Report.

2.3 Plans for Target Implementation and Monitoring

Show that your bank has defined actions and milestones to meet the set targets.

Show that your bank has put in place the means to measure and monitor progress against the set targets. Definitions of key performance indicators, any changes in these definitions, and any rebasing of baselines should be transparent.

GSB was in the process of setting goals, following the bank's two main impact areas: Inclusive, Healthy Economies, and Economic Convergence, The details will be provided in 2022 Self-Assessment Report.

Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Plans for Target Implementation and Monitoring.

The GSB was in the process of setting goals. The details will be provided in 2022 Self-Assessment Report.

2.4 Progress on Implementing Targets

For each target separately:

Show that your bank has implemented the actions it had previously defined to meet the set target.

Or explain why actions could not be implemented / needed to be changed and how your bank is adapting its plan to meet its set target.

Report on your bank's progress over the last 12 months (up to 18 months in your first reporting after becoming a signatory) towards achieving each of the set targets and the impact your progress resulted in. (where feasible and appropriate, banks should include quantitative disclosures)

GSB was in the process of setting goals, following the bank's two main impact areas: Inclusive, Healthy Economies, and Economic Convergence, The details will be provided in 2022 Self-Assessment Report.

Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Progress on Implementing Targets

GSB was in the process of setting goals. The details will be provided in 2022 Self-Assessment Report.

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Principle 3: Clients and Customers



We will work responsibly with our clients and our customers to encourage sustainable practices and enable economic activities that create shared prosperity for current and future generations.

3.1 Provide an overview of the policies and practices your bank has in place and/or is planning to put in place to promote responsible relationships with its customers. This should include high-level information on any programmes and actions implemented (and/or planned), their scale and, where possible, the results thereof.

GSB has in place the charters and standards of services in order to show its strong intention to provided services that satisfy customers' needs. GSB will give customers good and appropriate advice, and offer quality financial products and services to create satisfaction and good experiences. GSB focuses on five main areas, which are 1. services 2. fairness 3. safety 4. responsibility and 5. transparency.

GSB's customer centric approach is as follows:

1. Customer and Marketing Strategic Plan: customer needs and expectations are used as input on customer and marketing strategic planning. The plan, approved by GSB's board of directors (the Board), covers the bank's three main customer groups. To ensure the execution, the plan is communicated to all related parties both, internal and external. The monitoring process and performance assessment, are in place to report the performance assessment results to the GSB's executives and the Board.
2. Classification of customers and market segments according to products, services, demographic profile, geographic area, types and sizes of business. Customer Segment Profile is prepared for each customer group and applies for products and services development/ improvement, with an aim to satisfy needs of specific customer groups.
3. Customer hearing
 - Customer hearing via GSB's hearing channel is accessible for every customer group. The information received is used for products and services improvement.
 - Satisfaction and engagement evaluation is conducted to assess customer's satisfaction in products used, and services provided by employees. The result will be used for products and services development/ improvement.

[GSB Sustainability Report 2021 Pages 36](#)

[GSB Annual Report 2021](#)

- Stakeholders Management Pages 171-172
- Channels of Customers Hearing Page 175

[GSB's Service Charter and Standard](#)



[Customer Hearing Report](#)



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4. Development of innovative products and services is a result of customers' feedbacks on products and services. With these, GSB can ensure that its products and services are developed in accordance with customers' needs and business outcome, including risk management.
5. Customer relationship building
 - GSB has various channels and guidelines for customer support that cover every customer group; identification of needs for customer support at every touch point throughout the customers' life cycle; preparation of charters and standards of the GSB's services in accordance with customers' needs and expectations; creation of customer centric corporate culture that approved by GSB's board.
 - Engagement building and customer relationship management by integration of data from every channel, including customer hearing, these help in monitoring/ analyzing customer information as well as trends from various perspectives, which is crucial for relationship management through digital technology
 - Complaint management, GSB provides various complaint management channels. Policies and complaint management guidelines are in place and communicated to internal and external stakeholders. The KPI is set for employees who are responsible for complaint management. Technology is used for control & monitoring.

3.2 Describe how your bank has worked with and/or is planning to work with its clients and customers to encourage sustainable practices and enable sustainable economic activities. This should include information on actions planned/ implemented, products and services developed, and, where possible, the impacts achieved.

The GSB operation focuses on both commercial and social missions. Profits gained from commercial operation will be used to support social missions. GSB also supports the Government's policies for developing and driving the country's economy. During COVID-19 pandemic, which has extensive effects on people and entrepreneurs, GSB initiated 36 relief measures and projects that help 11.6 million people by providing sources of funds to increase liquidity and develop careers, lessen debt burden to prevent the customer from record on default on debt repayment. In addition, service channels via Mobile Banking (MyMo) is developed to provide quick and easy access without contacting GSB's branches.

[GSB Sustainability Report 2021 Pages 41 and 120](#)

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	<p>This channel suits for the pandemic situation as more than 1.5 million customers get credit approved.</p> <p>For grassroots customer group, GSB helps increase in access to finance with fair interest rates by providing a car and motorcycle title loan with the lowest interest rate in this segment, Through its joint venture, Fast Money Company Limited, This helps increase daily life liquidity for those in suffering and putting pressure on interest rate structure in this market segment to reduce from 24-28% to 16-18% per annual, enabling 3.5 million customers with low-income to access to finance with lower costs and being part of reducing loan shark problem.</p> <p>Moreover, GSB gives priority to improve financial literacy, which is an important mechanism that mitigates impact from loan shark problem and promotes creation of opportunities to elevate quality of life, improve proficiency in use of products and services to resolve excessive debts problem, including other financial risks. GSB also promotes savings for stable future of the grassroots and country sustainability as a result.</p>	<p>GSB Annual report 2021</p> <ul style="list-style-type: none"> • Reports on Performance Analysis and Financial Status Page 84 • Overview of Business and Service Development Pages 98-103

Principle 4: Stakeholders



We will proactively and responsibly consult, engage and partner with relevant stakeholders to achieve society's goals.

4.1 Describe which stakeholders (or groups/ types of stakeholders) your bank has consulted, engaged, collaborated or partnered with for the purpose of implementing these Principles and improving your bank's impacts. This should include a high-level overview of how your bank has identified relevant stakeholders and what issues were addressed/results achieved.

Stakeholder engagement is at the heart of GSB business operation. GSB is aware of the importance of all stakeholders and categorizes them into 5 groups as follows:

- 1) regulator and government agencies
- 2) business alliances and partners
- 3) Customers
- 4) Society and communities
- 5) the board of directors, executives, staff and employees.

The GSB gives priority to build engagement via related units which is important mechanism that enabling the bank to understand need, expectations and concern of all groups of stakeholders. These will be used for setting fair and appropriate operational guidelines and practices for stakeholders and also helps prevent risks and reduce possible negative input. GSB apply the AA1000 Stakeholders Engagement Standard

[GSB Sustainability Report 2021 Pages 60-61](#)

Engagement of People and Stakeholders



Activities of Engagement Opportunities



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(AA1000SES), including preparing the master plan on stakeholders and an action plan regarding stakeholder's relationship or management, in order to create a good, long-term relationship with stakeholders, and promote mutual benefit across value chain, resulting in sustainability.

Principle 5: Governance & Culture



We will implement our commitment to these Principles through effective governance and a culture of responsible banking

5.1 *Describe the relevant governance structures, policies and procedures your bank has in place/is planning to put in place to manage significant positive and negative (potential) impacts and support effective implementation of the Principles.*

The structure and responsibilities of the GSB's Board are in accordance with the Government Savings Bank Act B.E. 2489. The Board is responsible for policies setting and providing general supervision, determining the general scope and business terms for GSB. To ensure GSB's sustainable development that in line the corporate governance principles, the Board has assigned the Corporate Governance Committee to take charge in supervising the bank's operation in compliance with the sustainability development policy.

The GSB's structure for sustainable development is in compliance with corporate governance principles. The Board, top executives and staff jointly drive sustainability according to duties divided to the GSB's units. Enterprise Plan and long-term strategic plan are deployed via the action plan. Therefore, the adoption of sustainability through out the organization can be ensured.

[GSB Sustainability Report 2021 Pages 122-127](#)

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- Organizational Structure Pages 26-27
- GSB's Board of Directors Pages 28-58
- Corporate Governance Policy Pages 126-127
- Corporate Governance Master Plan of the years 2021- Page 127
- Structure and Responsibilities of the GSB's Board of Directors Pages 132-133
- Corporate Governance Pages 138-139

Corporate Governance



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5.2 Describe the initiatives and measures your bank has implemented or is planning to implement to foster a culture of responsible banking among its employees. This should include a high-level overview of capacity building, inclusion in remuneration structures and performance management and leadership communication, amongst others.

GSB has a clear management structure and chain of commands that in line with the policies and strategies of being a "Social Bank". Job descriptions, duties, responsibilities, and qualifications for the positions are clearly determined. GSB annually reviews the appropriateness of the structure to ensure that it can help deploy the bank's strategies with a good internal control environment. To cultivate culture of responsible bank, GSB has in place the following measures;

- 1) Corporate governance policy, code of ethics, and codes of conduct in order to cultivate corporate governance, ethics and conduct practices throughout the organization. In addition, GSB also provides the handbook of code of ethics and codes of conduct as guidelines for behavioral enhancement.
- 2) Issue anti-corruption policy which is used as a framework for the Board, executives, staff and employees. The GSB's president and CEO has issued order on measures to prevent corruption and conflicts of interest an operational guidelines for the employees, also announced the Intention of Honesty, and No Gift Policy, which are disseminated to all groups of stakeholders, in order to announce the intention to be an organization of governance and enhance honest culture.
- 3) Determine the organization value, GSB Way (Fulfil Thai Society and Think beyond the limits)
- 4) Prepare the Sustainability Development Handbook as guidelines for all levels of GSB's personnel to perform their duty in accordance with the Principles for Responsible Banking, such as directions for sustainability development, duties and responsibilities and disclosure of sustainability information.
- 5) Encourage the employees to join in the UNEP FI's activities, especially online forum or the training session for the members, such as Financial Inclusion and Financial Health Target Setting, Biodiversity Target Setting, Gender Equality Guidance, and UN Biodiversity Conference COP 15.

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- Overview of Business and Service Operation Page 98
- Corporate Governance Policy Pages 126-127
- Internal Control Pages 194-199
- GSB's Codes of Ethics and Conduct Pages 176-185

Corporate Visions, Missions and Values



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5.3 Governance Structure for Implementation of the Principles

Show that your bank has a governance structure in place for the implementation of the PRB, including:

- a) target-setting and actions to achieve targets set
- b) remedial action in the event of targets or milestones not being achieved or unexpected negative impacts being detected.

In December 2021, GSB established the Sustainability group, which is responsible for preparing/reviewing sustainability development policy and strategic plans, determining the Bank goals in accordance with the Principles for Responsible Banking and GSB's visions and missions. Its responsibilities includes monitoring and assessing the achievement of the plan and reporting the results to the executives. A review of the policy and strategic plan must be conducted on an annual basis, or reviewing when an incident which may lead to unexpected negative impact to the goals set. Its responsibilities cover preparing a sustainability report in line with the international standards, such as Global Reporting Initiative (GRI) framework, and the Self-assessment report according to the Principles of Responsible Banking (PRB) of UNEP FI, to communicate GSB's performance on sustainability to the public and stakeholders every year.

[GSB Sustainability Report 2021 Pages 53](#)

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- Organizational Structure Pages 27

Please provide your bank's conclusion/ statement if it has fulfilled the requirements regarding Governance Structure for Implementation of the Principles.

The structure and responsibilities of the Board is as defined in the Act. The Corporate Governance Committee has a duty to supervise GSB's operations on sustainable development. GSB's sustainability group is established to systematically drive sustainability within the organization, and ensure the Bank's operations are in accordance with the Principles for Responsible Banking. Moreover, the GSB has prepared its sustainability report according to the international standard to communicate its performance to the public and stakeholders every year.

Principle 6: Transparency & Accountability



We will periodically review our individual and collective implementation of these Principles and be transparent about and accountable for our positive and negative impacts and our contribution to society's goals.

6.1 Progress on Implementing the Principles

Show that your bank has progressed on implementing the six Principles over the last 12 months (up to 18 months in your first reporting after becoming a signatory) in addition to the setting and implementation of targets in minimum two areas (see 2.1-2.4).

Show that your bank has considered existing and emerging international/regional good practices relevant for the implementation of the six Principles for Responsible Banking. Based on this, it has defined priorities and ambitions to align with good practice.

GSB has implemented the 6 Principles of Responsible Banking (PRB) by integrating with the 2021-2025 enterprise plan. The plan gives GSB a direction towards "Social Bank" with an aim to reduce inequality and create fairness in society. GSB's aim is in accordance with two goals of the United Nations Sustainable Development Goal (SDGs), that is, SDG 1: No Poverty and SDG 2: Reduced Inequalities

Moreover, GSB has the sustainable development policy and the handbook with reference to UNEP FI's Principles for Responsible Banking (PRB). The policy and the handbook provide a framework for

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Show that your bank has implemented/is working on implementing changes in existing practices to reflect and be in line with existing and emerging international/regional good practices and has made progress on its implementation of these Principles.

sustainable development throughout the organization which all levels of the GSB's executives, staff and employees can refer to.

In addition, GSB has analyzed its lending impacts via the tool provided by UNEP FI (Portfolio Impact Analysis Tool for Bank) in order to assess impact areas, including risks and new business opportunities possibly caused by the bank's lending portfolio. The result will be used for determining goals and reported in 2022 Self-Assessment Report. Determined to be a "Social Bank" with concrete positive outcomes, GSB emphasizes its standpoint by joining the PRB Commitment to Financial Health and Inclusion on the 4th of November, 2021 in order to announce its intention to support all people to equally access to financial services and have good financial health. GSB is one of the 28 banks in the world and the first Thai bank that has joined and supported this commitment.

Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Progress on Implementing the Principles for Responsible Banking

The GSB has prepared 2021-2025 enterprise plan as a framework towards a "Social Bank", aiming to reduce inequality and create fairness in society. This in line with two goals of the United Nations Sustainable Development Goal (SDGs), that is, SDG 1: No Poverty and SDG 2: Reduced Inequalities. Moreover, GSB has joined the Commitment to Financial Health and Inclusion to announce the intention to support all people to equally access to financial services and have good financial health.

