



## MUANGTHAI CAPITAL PUBLIC COMPANY LIMITED

332/1 Jaransanitwong Road, Bangplad, Bangkok Thailand 10700 Tel. +662 483 8888

### Responsible Lending Policy

According to the Bank of Thailand's Notification No. SorKorChor. 7/2566 regarding Responsible Lending, dated December 28, 2023, entities under its supervision are required to establish policies and practices in alignment with this notification.

Muangthai Capital Public Company Limited and its subsidiaries ("Company") are aware of the importance of addressing household debt as a structural issue in Thailand that needs to be addressed to control the level of household debt. Therefore, the company deems it appropriate to establish a Responsible Lending policy to explain responsible and fair lending practices throughout the loan cycle, encompassing the following 8 criteria:

#### **Criterion 1: Product Development**

The company will develop and design loan products to suit the needs and repayment capabilities of customers. This involves establishing conditions and repayment structures that align with the customers' income or cash flow used for debt repayment, without encouraging excessive borrowing. The company will manage loan risk in a way that does not place an undue burden on customers. Once the debt has been fully repaid, the company will return the collateral, including any registration documents received as security for the debt, to the debtor within 10 days.

The company established fair contract terms for customers, using clear and understandable language, and will not include any provisions that unduly benefit the company at the expense of potential harm or loss of benefits to the customer. Additionally, the company will not add interest, fees, penalties, and charges beyond what has been actually paid and is reasonable, together with the outstanding debt amount, to calculate interest and additional fees.

#### **Criterion 2: Advertising**

The company provides important information that is easy to understand without distortion or misleading content, displaying the actual annual interest rate (effective rate) and conducts responsible marketing. The company supports and promotes good financial discipline among customers, encouraging them to consider the necessity of borrowing and their ability to repay. Additionally, the company will establish processes for reviewing and approving operational systems, as well as appoint individuals responsible for controlling, supervising, and auditing (3 lines of defense) to ensure that advertising and marketing promotions comply with regulation.

#### **Criterion 3: Sale Process**

The company has processes in place to ensure that customers are offered products by being explained, informed, or provided with documents related to product essential information. The focus is on offering loan products that align with the objectives or characteristics of customers' spending needs, without encouraging excessive borrowing. Additionally, the company provides additional information to help customers make informed decisions in choosing loan products.

**INTIMATE SERVICES LIKE CLOSED FAMILY MEMBERS**



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Customers should be aware of the debt burden that may arise, plan for debt repayment appropriately, and recognize the importance of timely debt repayment.

The company has established a remuneration structure including individual or group Key Performance Indicators (KPIs) and incentive payments, as well as measures for warnings and penalties. This structure takes into account the principles of responsible lending for all employees involved in customer service, including managers responsible for oversight.

### **Criterion 4: Affordability Assessment**

The company assesses customers' ability to repay, considering the total debt burden and taking into account the net income after deducting all debt obligations (residual income), sufficient for the customer's livelihood to the best extent possible (best effort). Additionally, in cases where customers applying for loan wish to know the reasons for the loan rejection, the company will provide a reasonable explanation for the loan rejection.

### **Criterion 5: Promote Financial Discipline and Debt Management During Indebtedness**

The company will notify debtors to make their payments before the due date for those who are at high risk or have a high probability of defaulting. This is to encourage disciplined repayment behavior, allowing debtors to plan their finances and make timely payments. Additionally, the company will provide information about various repayment methods and the cost of borrowing to make debtors aware of the associated costs and motivate them to repay as much as they can. For payments made through the company's mobile application, the default setting will be set to full payment.

### **Criterion 6: Assistance to Persistent Debt Debtors (Persistent Debt: PD)**

The company provides important information to debtors with persistent debt issues, making them aware of the negative consequences of prolonged indebtedness. Additionally, the company offers standardized assistance guidelines to help debtors see a suitable path to debt resolution.

### **Criterion 7: Assistance to Debtors with Debt Repayment Difficulties**

The company has established a debt restructuring policy, starting from the moment there are signs that the debtor is facing debt repayment problems, continuing until they become non-performing loan, particularly before legal proceedings, debt transfer, contract cancellation, or asset seizure. The policy is designed to align with the debtor's repayment capacity, ensuring an installment plan that align with the debtor's repayment capabilities, taking into account the net income after deducting the total debt burden (residual income). The residual income should be sufficient for the debtor's livelihood to the best extent possible. Additionally, the policy aims not to exacerbate the debtor's financial difficulties. The company also provides accessible and adequate contact channels and personnel for consultation and debt resolution.



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### **Criterion 8: A Legal proceedings and Debt Transfer Operations**

In case the debtor inquires, the company will inform debtor of their rights and important information when legal action is taken against them. Additionally, the company will provide opportunities for debtor to negotiate and resolve their debt issues.

### **Policy Review and Revision**

The company or an appointed representative will conduct a review of the policy at least once a year or whenever there are significant changes.

The Responsible Lending Policy were reviewed and approved by the Board at meeting No.7/2025 on 5<sup>th</sup> August 2025. Therefore, the policy has been effective since 5<sup>th</sup> August 2025 onwards.

( Adm. Apichart Pengsritong )  
Chairman of the Board of Directors