



SET Sustainability Awards 2024

KASIKORNBANK

BANK OF SUSTAINABILITY

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บริการทุกระดับประทับใจ

Presenters



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Content

Risk and Challenges and KBank's Overview

KBank's Strategic Challenges

- I. Climate Change
 - II. Technology and Data Protection
 - III. Financial Literacy
-

Summary

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Risk and Challenges & KBank's Overview

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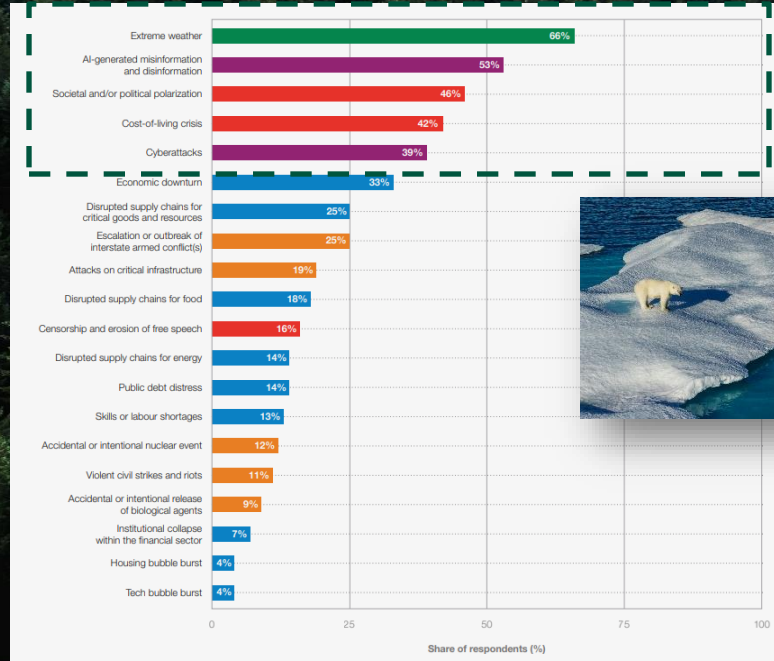
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Global Risk

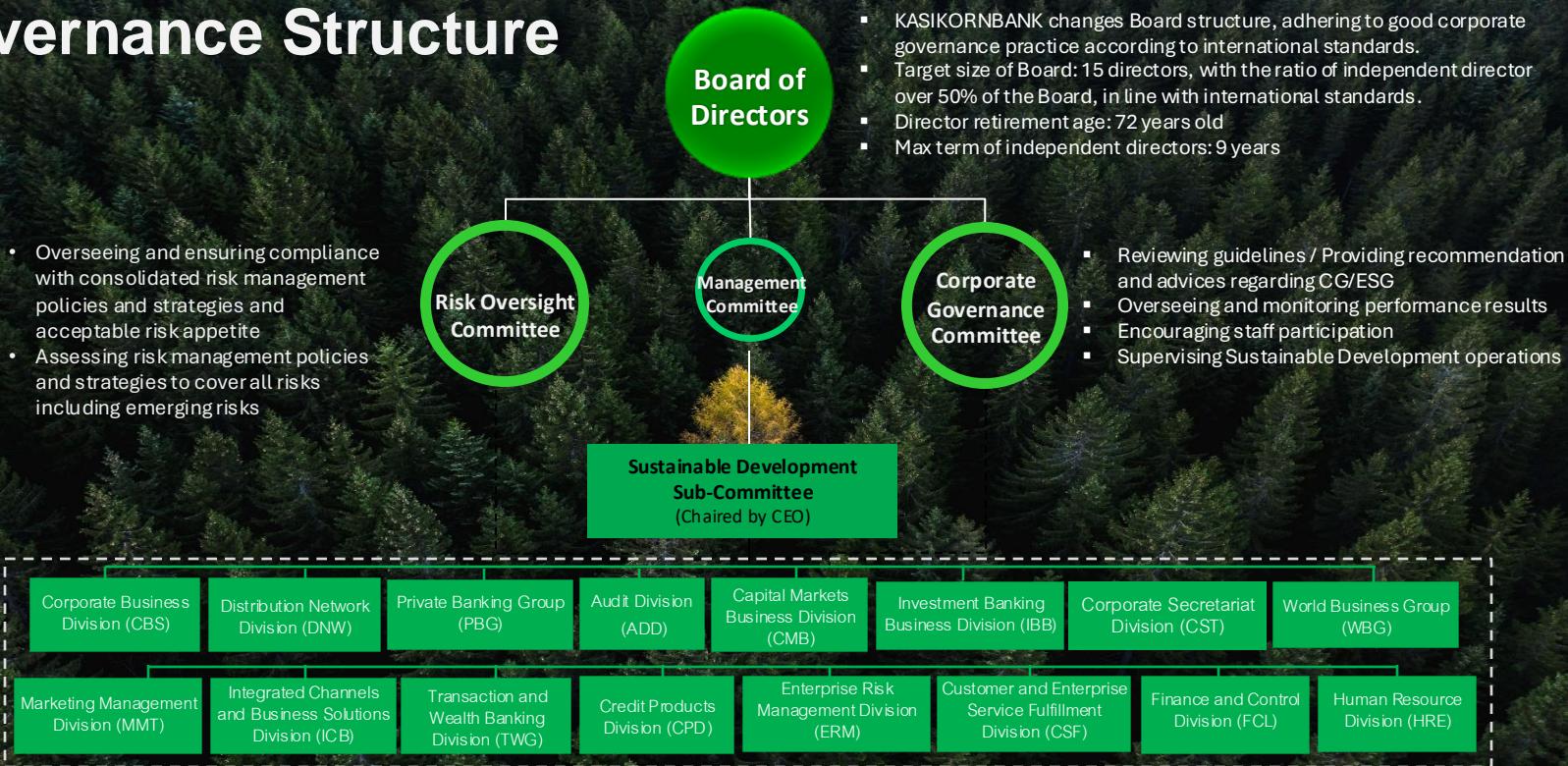
Significant strategic risks /challenges that impact the operational resilience and long-term sustainability.



- Climate Change
- Financial Literacy
- Cybersecurity



Governance Structure



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Vision and K-Strategy Focus on three strategic priorities +1 in medium- and long-term to increase competitiveness, capture growth opportunities, and deliver sustainable value to all stakeholders

Vision

BANK OF SUSTAINABILITY

“KASIKORNBANK aims to be the most innovative, proactive, and customer centric financial institution, delivering world class financial services and sustainable value to all stakeholders by harmoniously combining technology and talent”

K-Strategy

Stakeholders

Shareholder
Generate **sustainable total return**



Customer
Make our customers **successful** in their life and business

Reinvigorate **credit performance**



3 + 1 Strategic Priorities



Scale **capital-lite fee income** businesses



Strengthen and pioneer **sales and service models** to deliver value-based results



New revenue creation in medium- and long-term

Enabled by **modern technology, scalable data & analytics, and performance-driven organization**

Employee
Provide **learn and lead opportunities**



Regulator
Co-create **future of finance**



Social
Thrive for **better quality of living**



Purpose

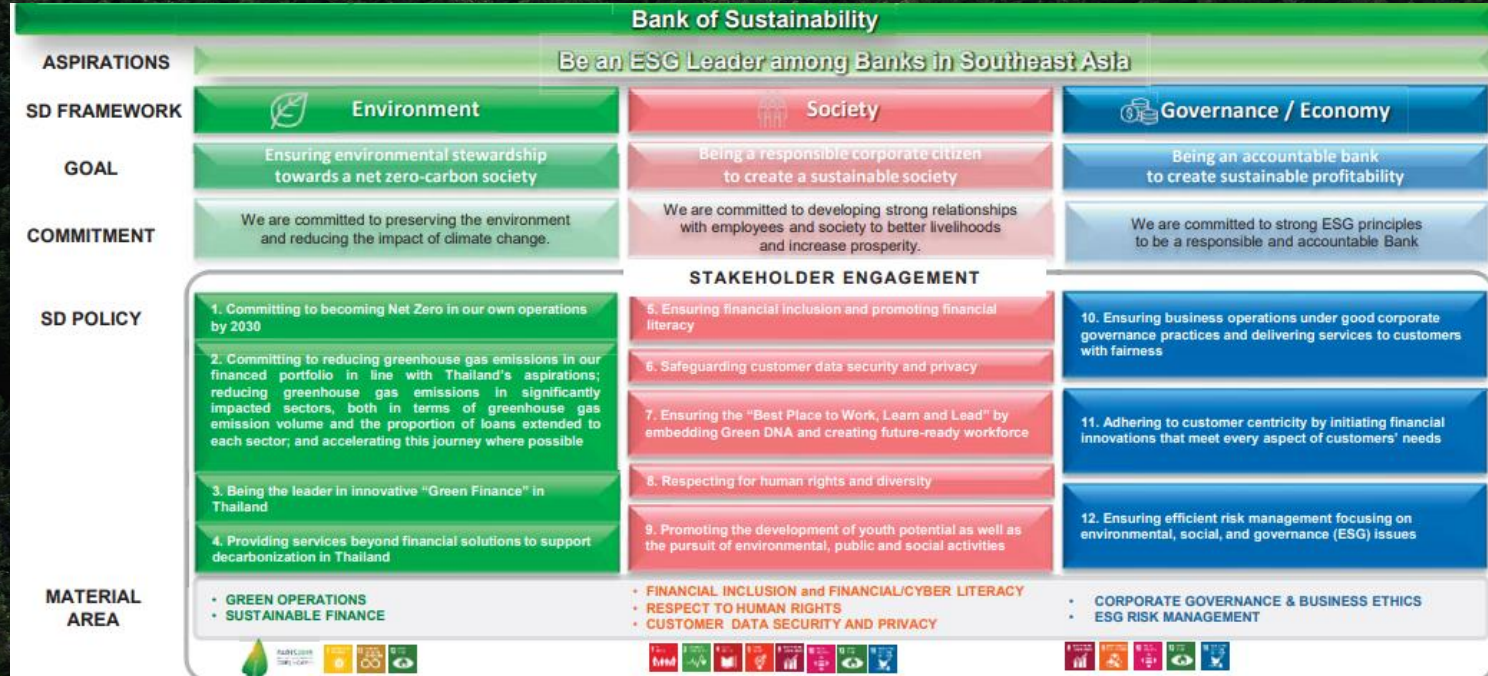
“Delivering Sustainable Value to all Stakeholders”

Conduct business with good corporate governance principles and appropriate risk and cost management

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Sustainable Development Framework and Policy





KBank's Strategic Challenges

Climate Change

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KBank's Strategic Challenges : Climate Change

Importance

- Global warming is a major concern for the world and business practices.
- Banks are key sources of funding and loans for businesses and projects.
- Stakeholders expect banks to support eco-friendly initiatives that combat global warming.
- Current customers transitioning to low-carbon businesses need banks' financial support, knowledge, and technology.

Risks

- Changing laws and regulations place pressure on banks and may impact their clients' businesses.
- The reputation and image of the bank
- Customer expectations for the bank to facilitate their transition. If the bank fails to provide support, it may lose its competitive edge.

Opportunities

- Offering sustainable finance, including green loans
- Supporting new businesses that address climate issues
- Strengthening customer relationships
- Portfolio decarbonization and Beyond banking solutions

Delaying the Transition Could Lead to Irreversible Consequences for Humanity.



U.S. Clean Competition Act



European Green Deal & CBAM



China's Full-Life Cycle Carbon Footprint Tracking System



AS-IS: Green Transition

To Green

HEALTH
MAXIMIZATION

GHGs
REDUCTION

SCALING
NEW S-CURVE

WEALTH
BALANCE

OVER THE
HORIZON:
Sustainable
Business Model

UP UNTIL NOW:
Conventional
Business Model

PROFIT
MAXIMIZATION

GHGs
EMISSION

HEALTH
DEGRADATION

BIOSPHERE
DEGRADATION

From Brown

	IN-SETTING	OFF-SETTING
Enabler	Affordable Decarbonization Technology	Carbon Market
Facilitator	Government Policy & Public Finance	
Accelerator	Innovative Financing	

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AS-IS: Green Transition

To Green

HEALTH
MAXIMIZATION

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SCALING
NEW S-CURVE

WEALTH
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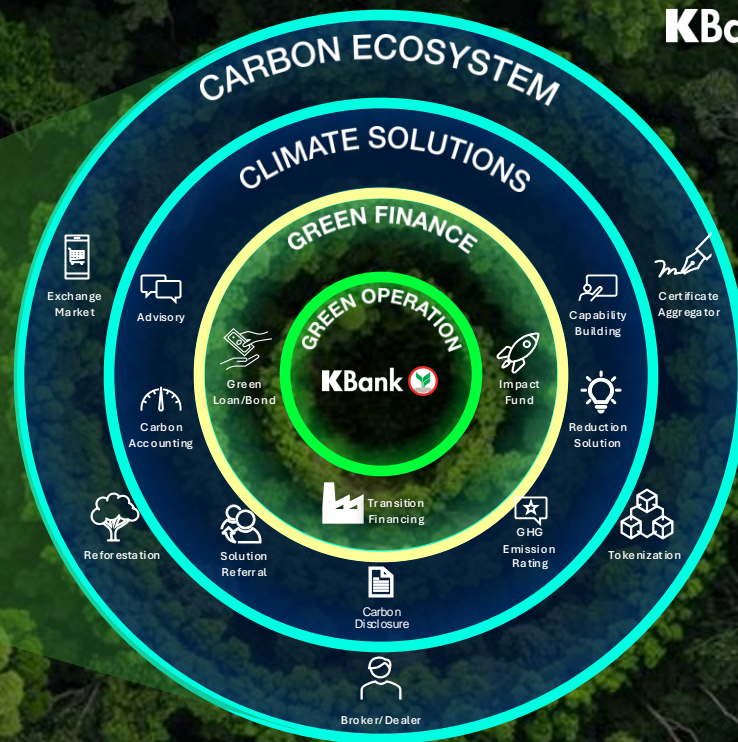
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	IN-SETTING	OFF-SETTING
Enabler	Insetting at Scale	Offsetting with Market Efficiency
Facilitator		
Accelerator		
Bankability & Investability of Climate-tech and Nature-based Solutions		

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KBank Actions for Change



KBank Actions for Change

Being A Leading Partner To Drive, Facilitate And Accelerate Stakeholders' Transition Toward A Net Zero-Carbon Society.

Scope 1 & 2

Green Operation

Achieve net zero by 2030 with cost-efficiency



- Improve Energy efficiency
- Increase Renewable Energy
- Use EV & Hybrid Car

Scope 3 Portfolio Decarbonization



- **Glidepath and sector strategies** are completely developed 5 sector
- At least 200 Billion Baht in Sustainable financing & investment
- Customer Empowerment, Solutions, and Technological Support in transitioning towards Net Zero Economy

Scope X

Climate Solutions & Carbon Ecosystem



KBank Green Operation

Solid Evidence Showcasing our Know-how

1x
Own operation
Scope 1&2

Installed a **Solar Rooftop** System at

100%
of Main Buildings
(As of June 2024)

And at
60 Branches

Fleet Vehicle
Conversion to EV fleets

200 Vehicles

EV Currency Exchange **2** Vehicles
(As of June 2024)

In 2023

12.74%

Reduction of **GHG Emissions*** in Own Operations
* Scope 1&2, base year 2020

Achieved **Carbon Neutral Organization** for

6 Consecutive Years



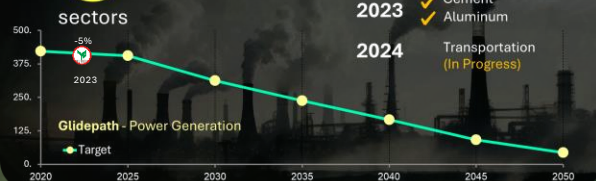
KBank Scope 3: Portfolio Decarbonization

Climate Financing and Solutions Empowering Customers and Business in Transition

480x
Financed Emission
Scope 3

Developed Glidepath and Sector Strategies

5
sectors



- 2022 ✓ Power Generation
- ✓ Oil & Gas
- ✓ Coal
- 2023 ✓ Cement
- ✓ Aluminum
- 2024 ✓ Transportation (In Progress)

Accumulatively Providing

Sustainable Financing and Investment

94.67

Billion THB 2022-1H2024

Target to reach

100-200

Billion THB By 2030

GREEN LOAN FOR THE BETTER PLANET



Loans

- Sustainability-linked Loan
- Green Loans
- EV Car Leasing and Hire Purchase
- Environmental and Energy Conservation Loans



BCPG มีกับ KBank ออก "Bond Plus Carbon Credit" มูลค่า 2 พันล้านบาท เป็นครั้งแรกในประเทศไทย



Investment

- Sustainability-related bond/ Environmental-related bond Investment and Underwriting
- VC Investment (Invest in ESG startups)

KOP50

A new holding company - Capturing new business frontier of sustainability by providing knowledge and tools to drive **Thailand decarbonize solution**



KCLIMATE 1.5 Carbon Solutions

The most impactful carbon management system with expert advisory and streamlined system.

- Data Mastery, Guiding Efficient Collection**
Efficient organization setup & Effective Data conversion
- Carbon Calculation**
Accurate emission factors
- Reporting & Analysis**
Audit-ready numbers & Customized dashboard

Launched by Q4/2024

KENERGY+ Energy Solutions

Making renewable energy accessible for sustainable living

- WATT'S UP**
e-Market place for Electric Motorbike
Application downloaded = 1,750 people
Partnership station = 118 outlets
- Green Pass**
A platform for Renewable Energy Certificate or REC registration and sale
A collaboration between KBank & Innopower to facilitate Individual/ SME with solar roof
110 customers are applied for service

*Subject to relevant rules and regulations

CREATIVE CLIMATE Research Center by KBank

Knowledge Provider Channel

A one-stop shop for climate comprehensive knowledge

- Education Channel**
- Research**
- Knowledge Sharing**
- Collaboration**



เครือข่ายธุรกิจเพื่อการจัดการสภาพภูมิอากาศประเทศไทย ผลักดันประเทศไทยสู่เป้าหมาย Net Zero



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Environment: Targets & Performance

OKRs	Performances		Targets		
	2022	2023	2024	2025	2026
Percentage of GHG scope 1+2 reduction compared to 2020	-16.75%	-12.74%	-16.80%	-21.00%	-25.20%
Glidepath and sector strategies are completely developed	3	2	1	1	0
Total Green Loan and Investment (New Bookings) : million bath	26,026	43,218.5	35,338	41,156	41,156



KBank's Strategic Challenges

Technology and Data Protection

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Technology and Data Protection

Importance

- Technology enhances business efficiency and competitiveness, It improves customer convenience However, technology also creates vulnerabilities
- Malicious actors may exploit these to access critical bank and customer data Potential consequences include; Financial losses and Damage to bank's reputation and credibility

Risks

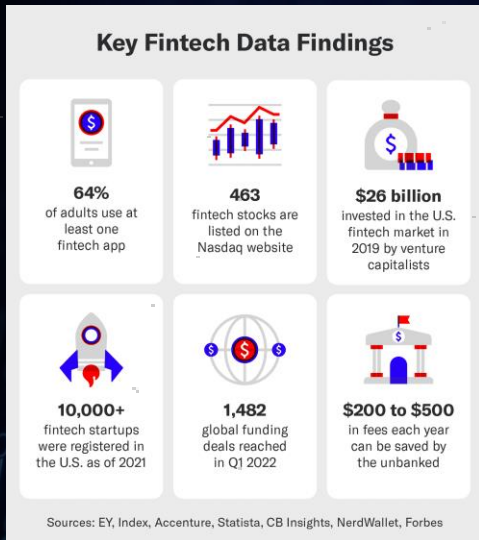
- Cyber attacks
- Shifting consumer behavior
- Intensifying competition
- Potential Consequence:
- Banks may lose competitive edge if unable to keep pace with new technologies

Opportunities

- Invest in user-friendly mobile and online platforms e.g., visual bank
- Implement AI for personalized customer experiences
- Explore blockchain for secure transactions

Technology and Data Protection

The fintech industry is experiencing significant transformation driven by technological advancements, changing consumer behaviors, and evolving regulatory landscapes.



- Roughly 90% of global fintech companies are already heavily relying on artificial intelligence and machine learning.
- Fraud detection systems powered by AI or machine learning algorithms are estimated to minimize the time of fraud investigations by 70%, while increasing accuracy by 90%.
- As fintech **continues to expand**, particularly in emerging markets, the intersection of innovation, regulatory compliance, and cybersecurity will be critical for sustainable growth and consumer trust.



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Technology and Data Protection

Cybersecurity

Global

Since 2020, the aggregated reported direct losses from cyber incidents have amounted to almost \$28 billion (in real terms), with billions of records stolen or compromised.



Thailand

Thailand is 35th in the world globally for cyber security readiness.

57% of Thai businesses reported more than 10 cybersecurity incidents in the last year.

65% of Thai incurring a financial impact of at least 1 million in the last 12 months from cyber attacks.

Key Achievement and Investment

Maturity @ 3.5

- Achieved cyber risk maturity at the level playing field with Leading Asian banks

2021

2023 Outcomes

- KBank and subsidiaries achieved maturity target
- CSOC maturity achieved target at 4.0
- Phishing Resiliency Ratio is at 43.3 (10x from industry performance), and all depts & subsidiaries passed target
- Digital fraud literacy reach 28.2 M audience

2023

2024



2024 Plan

- Proactive protect customer from digital fraud scam and improve digital channel availability
- Uplift cybersecurity maturity to be at 4.0
- Strengthen risk management for AI/ML Usage
- Continues uplift Cybersecurity in our subsidiaries and Strengthen 3rd party risk management

2024



2024 Maturity @ 4.0

Achieve cybersecurity maturity at the World Class



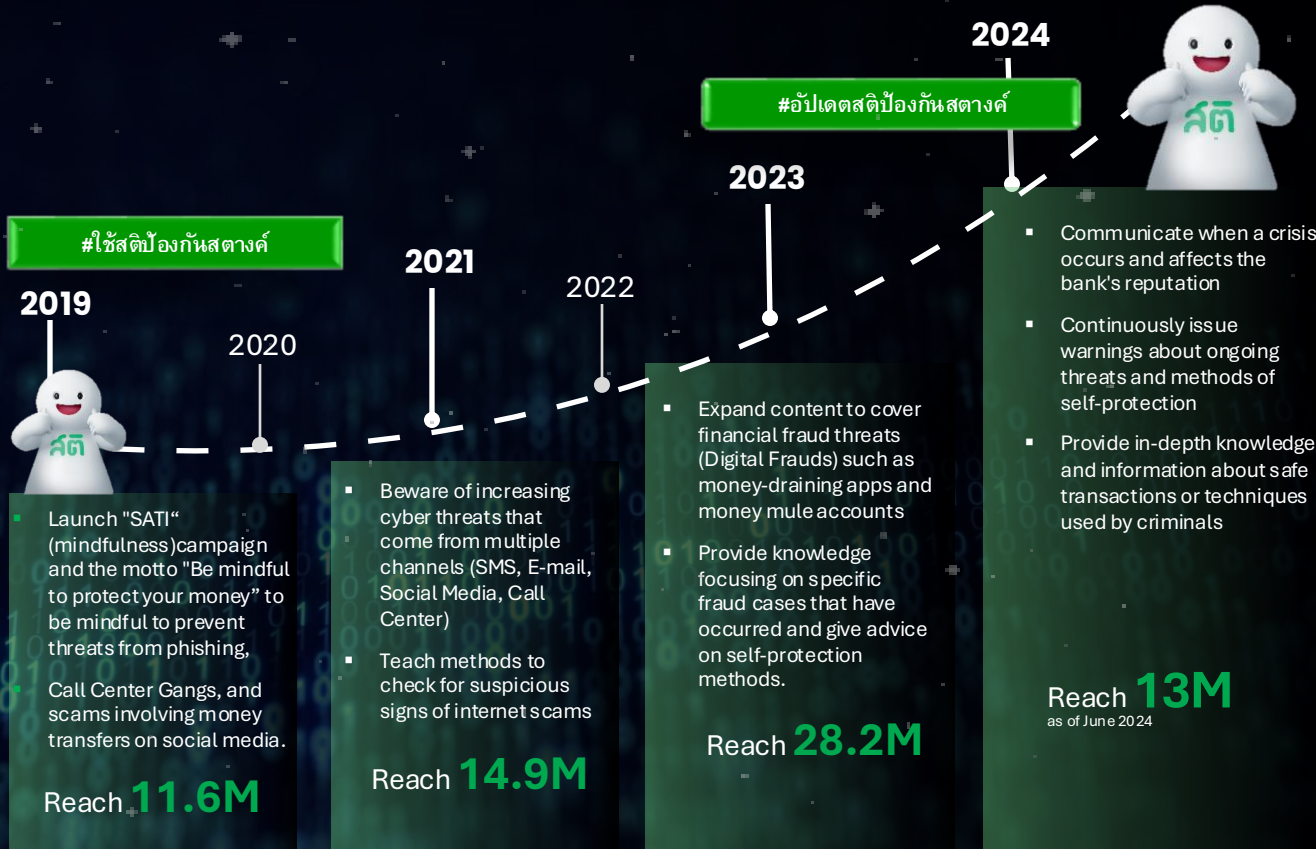
<p>Corporate Scorecard Key Measurement</p>	Financial Performance		Stakeholder	
	Strengthen and pioneer sales and service model		Regulator	Social
	C/I Ratio	Co-create future of finance	ESG & Sustainability Rating	
Aspiration	Achieve cybersecurity maturity at the world class level by 2024			

<p>2024 Strategy</p> <p>Key Deliverables</p> <p>Key Capabilities</p>	<p>1 Digital Frauds Protection & Digital Channel Availability</p> <p>Reduce loss of customer due to digital frauds & cyber crime and improve system availability of critical services</p>	<p>2 Strengthen IT & Cyber Resilience Capabilities</p> <p>Continues enhance prevention, detection, response & recovery capabilities</p>	<p>3 Uplift Risk Mgmt & Governance for Third Parties and Subsidiaries</p> <p>Continues uplift cybersecurity maturity of subsidiaries, and mgmt 3rd party risks</p>	
	<ul style="list-style-type: none"> Uplift mobile banking security Provide API Security Protection & Monitoring Tool Identify single point of failure of critical channels Launch Sati Campaign 	<ul style="list-style-type: none"> KBank Cybersecurity maturity level is at 4.0 Uplift AI/ML Framework and controls Feasibility study Zero-Trust capabilities and define improvement plan Complete deploy EDR both Endpoints and Servers Strengthen data protection controls 	<ul style="list-style-type: none"> Cybersecurity maturity of all subsidiaries achieve target Expand CSOC coverage to subsidiaries High risk security issues at 3rd party are managed within SLA 	
	<p>1 Effective Risk Identification</p>	<p>2 Advance Threat Prevention</p>	<p>3 Situation Awareness & Threat Detection</p>	<p>4 Effective Incident Response & Recovery</p>

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SATI Campaign

KBank has launched 'SATI' Campaign to raise awareness of our customers and consumers about digital frauds and self-protection tips from current threats since 2019. Our target is to **roll-out awareness campaign to customers with 15 million reach audiences** every years.



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SATI Campaign 2024

#อัปเดตสติป้องกันหลากหลาย

Emergency

แจ้งเตือนภัยที่กำลังระบาดหนัก
และวิธีป้องกัน











Engagement

ทดสอบเช็ก "สติ" ว่ารู้ทันมิจฉาชีพ
จริงหรือไม่ และวิธีป้องกัน

Education

ความรู้-ข้อมูลเชิงเทคโนโลยีที่
มิจฉาชีพใช้/ความปลอดภัยใน
การทำธุรกรรมการเงิน

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Jan	Feb	Mar	Apr	Apr
อัปเดต K+	หลอกแอดไลน์ปลอม	จับโป๊ะเฟสปลอม	พริตซ์บัตร ATM แบบปลอมจับ	หลอกผู้สูงอายุ
				
May	Jun	Jul	Jul	Aug
แอบอ้างบุคคลอื่น	หลอกลงทุนทาง	หลอกสแกน QR Code	หลอกโอนเงินทำบุญ	ระบาดหนักแม้อ้างหน่วยราชการ
				

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Governance: Targets & Performance

OKRs	Performances		Targets		
	2022	2023	2024	2025	2026
Digital banking leadership (NPS in mobile banking channel) achieved the highest score in the Thai banking industry	#1 of NPS in Mobile Banking	#1 of NPS in Mobile Banking	#1 of NPS in Mobile Banking	#1 of NPS in Mobile Banking	#1 of NPS in Mobile Banking
Number of K PLUS users (million people)	20.0	21.7	22.7	25.0	28.2
Online Payment Adoption	-	91.04%	91.40%	≥ 92%	≥ 92%

Social: Targets & Performance

OKRs	Performances		Targets		
	2022	2023	2024	2025	2026
Average phishing resiliency ratio	19.8	43.3	≥ 20	≥ 20	≥ 20
No significant incident of customer data privacy infringement (zero fine charged from relevant regulatory bodies)	Zero fine charged	Zero fine charged	Zero fine charged	Zero fine charged	Zero fine charged
Number of audience reached by cyber literacy campaign (million people)	10.8	28.2	15	15	15



KBank's Strategic Challenges

Financial Literacy

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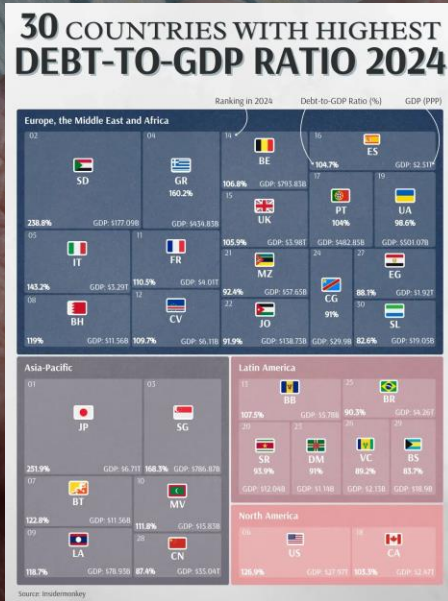
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Debt Crisis

- Global
 - Over 60% of the world's 75 poorest countries are now in or near debt distress



Thailand

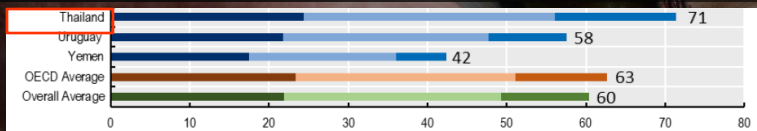
- Thailand has one of the highest household debt to GDP ratios in the world, with a debt-service coverage ratio (DSCR) of 22.3% compared to the 9.8% average for major countries



Finance Literacy Global VS Thailand

Global

- The OECD's survey, involving 39 countries, measures financial literacy levels among adults, focusing on financial knowledge, behavior, and attitudes.
- Results show **significant disparities in financial literacy, with some countries performing better than others**. For instance, countries like **Germany** exhibit higher financial literacy compared to others like the United States and Canada
- For Thailand, the financial literacy score reaches 71, higher than the overall average



Thailand

BOT conducts 2022 survey on Thailand's financial literacy, measuring 3 dimensions (knowledge, behavior and attitude). **Respondents with high financial literacy scored from all three dimensions contributed around 46.4% of total**. However, 9% still have low financial literacy, which need more financial education afterwards.

Other notable issues collected from the survey is that respondents have.

- Lower savings
- Lower savins for retirement
- Problems with digital literacy against online frauds and various forms of cyberattacks.



Financial Literacy

Importance

- Current economic conditions and the rising household debt problem, both business and individual customers are at risk of being affected, which could lead to bad debt issues.
- The bank is aware that enhancing financial literacy for customers is crucial for helping them achieve sustainable wealth.
- Additionally, providing responsible lending will help prevent customers from accumulating excessive debt in the future.

Risks

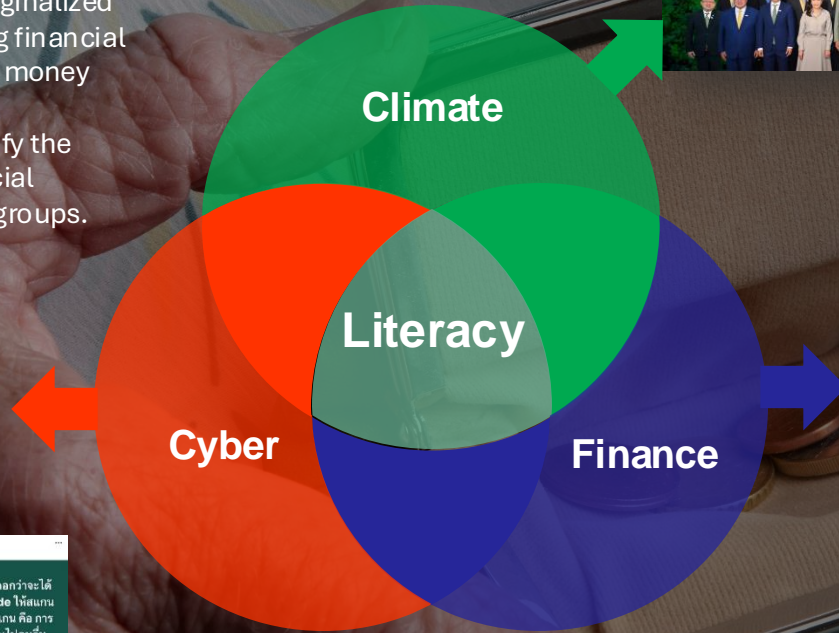
- Insufficient financial literacy among customers or the broader community could lead to future financial challenges, potentially affecting the economy and the bank's operations.
- When customers borrow beyond their repayment capacity, it may result in the creation of non-performing loans, increasing the risk of bad debt in the future.

Opportunities

- Enhancing customers' financial knowledge will not only reduce the risk of financial instability but also position the bank as a trusted advisor, potentially increasing customer loyalty and retention.
- Create tailored loan products and financial solutions that align with customers' repayment capacities.

Financial Literacy

Facilitating access to financial services for both customers and marginalized segments involves imparting financial knowledge to enhance their money management capabilities. This endeavor aims to amplify the potential for effective financial management among these groups.



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Responsible Lending

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Responsible Lending Framework

Intended outcome: Responsible and fair credit service providers throughout the period of indebtedness (end-to-end process)



Responsible Lending guideline should be implemented under appropriate management

Nudge: Financial Literacy and discipline

Information

Commitment tools

Incentive

Advertisement

Product offering

Product development

Considering affordability

Resolving persistent debt

Debt restructuring and troubled debt restructuring

Litigation and debt transferring

Examples of guidelines for using advertising messages

Do

- Each product should include correct and complete warning messages
- When advertising installment amounts or interest rates to attract customers, show complete calculation assumptions / conditions
- Mention which types of loans are in the media, and include complete warning messages for each
- Include warnings at every point, in every picture and posted clip, and if there's a caption field, include the warning in the caption as well
- The text must be clear, not too small, and not blend into the background color

Don't

- Do not use language that exaggerates the ease of loan approval
- Do not use language that disregards the ability to repay debt and implies that the loan approval process is not conducted carefully
- Do not use language that encourages or urges people to take on debt
- Do not promote sales that offer rewards or gifts before loan approval
- Words that should not be used: "Easy approval", "Easy loan pass, easy borrowing, easy money lending", "Get cash immediately"

Financial Literacy for Responsible Lending : Example

Warning messages are present in every image and caption that displays the bank's credit card products and loans / or contains the words "credit card" and "bank loan"

"ใช้เท่าที่จำเป็น และชำระคืนได้เต็มจำนวน ตามกำหนด จะไม่เสียดอกเบี้ย 16% ต่อปี"

ข้อความคำเตือนต้องอยู่ในทุกภาพ และ Caption ที่แสดงภาพผลิตภัณฑ์บัตรเครดิต และสินเชื่อของธนาคาร/หรือมีคำว่าบัตรเครดิต และสินเชื่อธนาคาร



"กู้เท่าที่จำเป็นและชำระคืนไหว อัตราดอกเบี้ยอยู่ระหว่าง 4%-8% ต่อปี"

Funding K SME Benefits

Target	SME	MOL
Knowledge	SME Seminar พหุกิจกรรมที่ ฐารกิจต่าง Gen	Webinar ขายออนไลน์ ไม่อะไลน์
	Business Knowledge Sharing YouTube / Facebook / Website KBank (รอบรู้ธุรกิจ)	
	Line BC	
Business Support	K SME Business Privilege	1 on 1 Digital Advisory
	Big Brother	
	K SME Excellent Award / Good Governance Awards	
Networking	K SME Care Network Club	

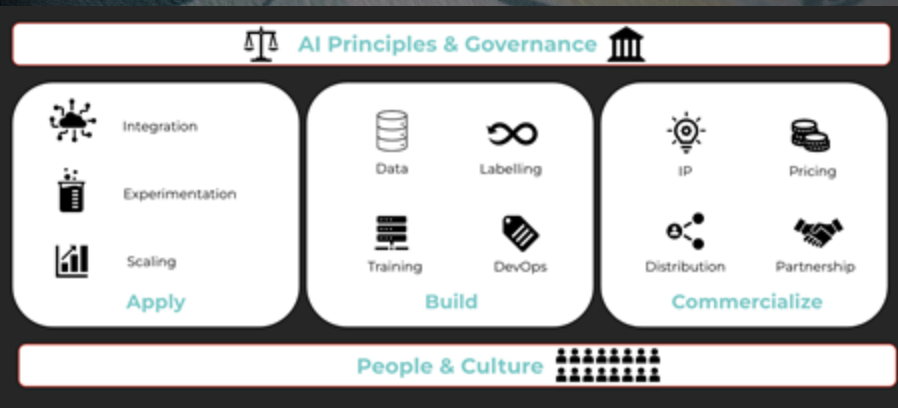


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Unlock AI Value through Ecosystem



DEEP TECH

Research & Development

KBTG Deep Tech Vision

"To be a regional leader in end-to-end, multidisciplinary research and innovation from ideation to commercialization"

FACE RECOGNITION

VOICE AUTHENTICATION

THAI NLP

BLOCKCHAIN

IoT

QUANTUM COMPUTING



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Financial Literacy for Technology

We Build Meaningful Tech Education Ecosystem

KBTG K&MPUS



AI Super Engineer



Our First Partner

KBTG K&MPUS



KBTG K&MPUS

KBTG K&MPUS ClassNest	KBTG K&MPUS Apprentice	KBTG K&MPUS Co-Research
<ul style="list-style-type: none"> Upskill for 5 weeks + intensive workshops Opportunity to work with tech company Get Nano Credit from KMITL (KLIX) 	<ul style="list-style-type: none"> On-Boarded Apprentice Engineers Student year 3,4 started working at KBTG Work full-time at KBTG with the ability to take credit as a senior project Topic: ML, AI, Software Engineering, Computer Science Since 1 Aug 2022 	<ul style="list-style-type: none"> Co-Research Speaker Verification Prototype Aim to publish as academic papers and commercialize to the industry Interested topic: Technology that makes people's life better Since 2021
<p>In collaboration with</p>	<p>In collaboration with</p>	

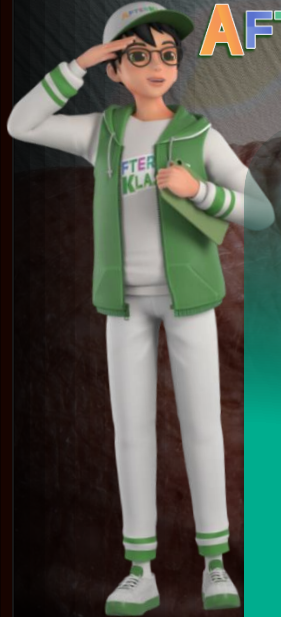


Annual Tech Event (KBTG Techtopia)

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Youth

AFTERKLASS



AfterKlass programs

KBank has developed numerous programs to keep learning motivating and fun for youths and designed financial literacy programs, including savings, spending, investment planning, and business startups.

Background:

KBank introduced the AFTERKLASS project in 2014 as an online platform to offer young people financial literacy for the first time in Thailand.

All youths can gain access to financial literacy via AFTERKLASS regardless of where they live, with the aim of offering financial literacy for youths, aged 15-20 years); especially high school.

The objective are:

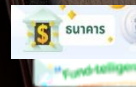
- To offer youths financial literacy.
- To offer youths opportunities to become successful in their life in accordance with KBank's business strategy of empowering every customer's life and business.



Free monthly workshop both online and on-site, with certificate



Financial content, written with easy dialogue to digest, and based on their interests and lifestyles



Simulation of banking and financial system, user-friendly savings, fund and stock investment



Business KAMP Hackathon, which is the first-ever hackathon for high school youth in Thailand, held as the main activity of the year. Participants will be trained and developed intensely during 3-days bootcamp and required to perform the pitch on stage for final competition on the last day.



Exclusivity of education Trip to create open-eyed experiences



Gamification to earn Koins from tasks and mini-game & redeem reward delivered to their homes.



Participants in various channels (as of Aug 2024)



39,614



56,800



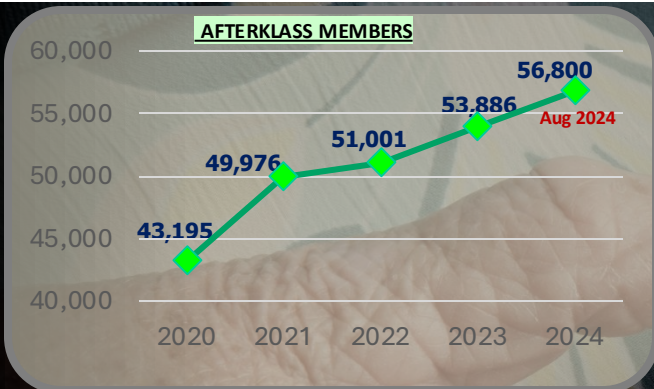
11,405



11,111

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AFTERCLASS

5-year milestone

2020

- First business hackathon, "AFTERCLASS Young Tech Start up 2020," was introduced.
- On-site school visits five sites in the province of NAN in order to enlist new participants

2021

- Monthly online workshop centered upon financial literacy and job advancement all year round.
- 'AFTERCLASS Tutor Day Special' is an online tutorial program with five essential disciplines taught by renowned teachers.

2022



- Rolled out the TikTok app to draw in younger
- A business hackathon with the theme "Start up for Better Society boot camp" aims to promote innovative business ideas that are in line with the SGD Goals.
- Social Return on Investment (SROI) at Baht 1.31 (or SROI at 1:1.31)

2023



- Improved Business Hackathon by advancing the contest to the stage of minimal viable products (MVPs)
- Launched a new program called "AFTERCLASS Exklusiv on Tour," which gives participants the chance to learn from Guru and experience a genuine environment.
- Social Return on Investment (SROI) at Baht 1.17 (or SROI at 1:1.17)

2024



- Launched the "AFTERCLASS Money Board Game Youth Tournament 2024," the first teen CASHFLOW boardgame competition in the country (four areas), with the goal of gamifying financial literacy education.
- The 'เดิมเงิน Podcast', including eight episodes, was co-developed with Dek-D, the largest Thai teen community, to disseminate financial literacy among teenagers.
- "AFTERCLASS Young Creator KAMP เกมปั้นต้นใจ" was organized to improve one's ability to create short VDOs and create one's own revenue channel

Confidential

Youth

เพราะพันธุ์ ปัญญา แก้ปัญ

Cultivation of Wisdom Camp

Background:

- KBank established the Cultivation of Wisdom Foundation on December 3, 2022.
- The Cultivation of Wisdom Camp, Thailand's first and only camp of its kind, provides youths with comprehensive business knowledge and hands-on experience.

Impact:

- Success is measured by the youths' acquisition of new knowledge, skills, and real-life experiences.
- The camp provides participants with their first opportunity to become entrepreneurs and engage in the entire business process.



2023 Outputs

Students
40

School
8

Teachers
16

Business plans that
were implemented **8**

Measurement

An analysis of the social return on investment (SROI) for the Cultivation of Wisdom Camp reveals that every 1 Baht invested in the program yields a social return of 2.79 Baht (SROI of 1:2.79).

This ROI is calculated based on the following returns to the participating youths:

- Value of Business and Entrepreneurship Knowledge.
- Value from Competitions: Results from contests and competitions where students applied the knowledge acquired from the program.
- Value from Financial Behavior Changes: Savings from reduced expenses or increased income due to improved financial habits.
- Value of Income Growth: Income earned by students as a result of applying the knowledge gained from the Cultivation of Wisdom Camp.

Social: Targets & Performance

OKRs	Performances		Targets		
	2022	2023	2024	2025	2026
Financial Literacy for the underprivileged	51,001	53,886	55,000	58,000	63,000
Number of times customers received financial, investment, and business knowledge for high value customers (THE SIERRA), affluent customers (THE WISDOM), SMEs, and online merchants	843,000	731,000	700,000	720,000	750,000
Employees (>= 50 years old) received financial literacy for retirement	100%	100%	100%	100%	100%



Summary

Confidential

46

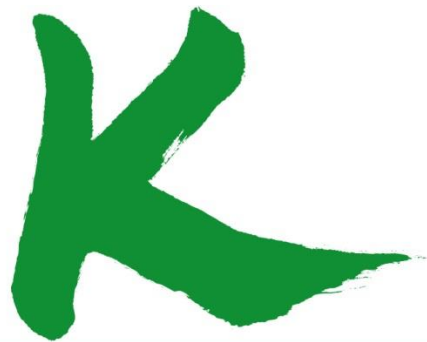
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TOGETHER, CHANGE IS POSSIBLE

We orchestrate collaborative efforts across stakeholders

to support Thai businesses and the Thai economy in their transition into the new business world



A large, bold, green letter 'K' with a brushstroke texture, positioned centrally at the top of the logo.

KASIKORNTHAI

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Appendix: KBank's Company Information

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KBank Journey

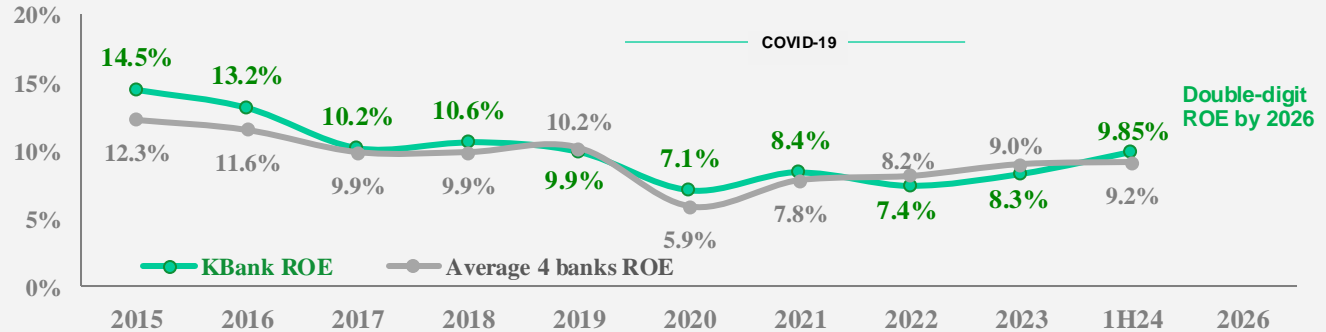
Key Operating Environment, Challenges and Risks

Operating Environment



Operating Environment – Lingering Economic Uncertainties, Multiple Challenges, and Intense Competition over the Past Ten Years
(Global and Domestic Economic Uncertainty; Digital Disruption; Geopolitical Risk; Climate Change; High Household Debt; COVID-19; etc.)

1992	Re-engineering
1997	Asian Financial Crisis
2000 – 03	Re-organization
2005	Customer Centricity
2007	Digital Transformation
2008	Subprime Crisis Airport Closed
2009	Political Unrest (2009 - 2014) - MTGH Acquisition - Mobile Banking App
2011	Thai Big Flood
2013	BASEL III
2014	SD Policy



Banking Sector



- Established KBTG
- AEC+3

Develop Ecosystem Strategy

Empower Every Customer's Life and Business; Dominate Digital Payment; Reimagine Lending; Democratize Investment and Insurance; Penetrate Regional Markets (AEC+3)

Announced Net Zero Commitment






Established KIV

Announced 3+1 Strategic Priorities

Note: * Average 4 banks : SCB, BBL, KTB, BAY
KBTG = KASIKORN BUSINESS-TECHNOLOGY GROUP; KIV = KASIKORN INVESTURE

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KBank: Company Structure by Investment Purpose

	 Credit	 Wealth	 Payment	 Digital Asset & Beyond Banking	 Regional Business	
Key Subsidiaries	KLeasing	KAsset		KX (Venture Builder and Venture Capital Fund) KUBIX (ICO Portal) KXVC (Venture Capital to invest in AI, Web3 & Deep Tech)	KASIKORNTHAI BANK (Lao PDR)	
	KFactory & Equipment	KSecurities			UNITA CAPITAL (Holding Company for DA Business) ORBIX TRADE (Digital Asset Exchange) ORBIX CUSTODIAN**** (Digital Asset Custodian) ORBIX INVEST (Digital Asset Fund Management) ORBIX TECHNOLOGY & INNOVATION (Blockchain Infrastructure Development)	KASIKORNBANK (CHINA)
		MTL*		KOP50 (Holding Company for ESG Business) KENERGYPLUS (e-Marketplace platform & IT Solution) KCLIMATE 1.5 (Supporting services for carbon accounting and reporting ESG data.)		KVF (KASIKORN VISION FINANCIAL) Bank Maspion (84.55%)
						KVISION KTech (China) KBTG Vietnam
		KASIKORN INVESTURE (KIV) JV/Investment (Partner Network & IT Capability)				
	KLINE (JV) & KLINE Insurance Broker (Loan, Insurance brokerage and channel for re-payment Business)					
	T2P Holding** (JV) (Lending & Financial Transaction Solutions)					
	KBAO (JV) TD TAWANDANG (Investment) CJ More (Investment) (Financial Services)		KGP (Investment) (Online Payment Solutions)			
	JK AMC (JV) JAM (Investment) (Asset Management Business)		KAPTURE ONE*** (JV) BUZZE BEES (Investment) (CRM Solution Platform)			
	NGERN HAI JAI (Investment) (Auto Loan)		Grab Holdings (Investment) (On Demand Service)			

Note : * Indirect subsidiary – MTL is a subsidiary of Muang Thai Group Holding
 ** In the restructuring process
 *** Dissolution of KAPTURE ONE COMPANY LIMITED according to letter to SET on 19 August 2024
 **** In a process of requesting for Business License

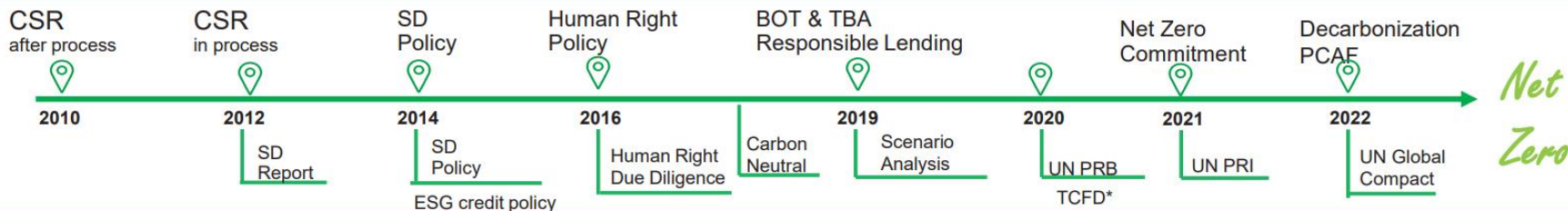


KBank Sustainable Development Journey

Bank of Sustainability

KASIKORNBANK conducts business with the principles of a Bank of Sustainability, supported by good corporate governance principles, as well as appropriate risk and cost management. We strive to balance economic, social, and environmental dimensions to achieve goals and create sustainable long-term returns. The philosophy of sustainable development is instilled in all our operations as part of our Green DNA, ensuring maximum benefit for all stakeholders and paving the way for sustainable growth.

KBank Sustainable Development Journey



Pride of KBank

INTERNATIONAL



The first **Bloomberg Gender-Equality Index (GEI)** member from Thailand. The Bloomberg Gender-Equality Index (GEI) distinguishes companies committed to transparency in gender reporting and advancing women's equality for five consecutive years (2019-present)



A member of the **FTSE4Good Emerging Index** for eight consecutive years (2016-present)



KBank's Leadership Level rating is at **AA** for its ESG performance among emerging market banking sector peers



The first Thai commercial bank with **CDP A List (Leadership Level)** in Climate Change, assessed by the **Carbon Disclosure Project (CDP)**



The first and only commercial bank in Thailand and ASEAN selected as a member of the **DJSI World Index and DJSI Emerging Markets Index** for eight consecutive years (2016-present)



KBank was ranked in the **top 5% of the S&P Global ESG Score 2022** for the banking industry with score of 84/100 in the S&P Corporate Sustainability Assessments 2023

NATIONAL



Included in the Thailand Sustainable Investment (THSI) for seven years (2015, 2017 - 2022), and **SET ESG Ratings AAA Level (2023)**



ESG 100 certificate 2023 (Certified by Thaipat Institute)



Climate Action Leading Organisation (CALO) award from the Thailand Greenhouse Gas Management Organisation (TGO) for 2023



Sustainability Disclosure Award 2023 granted by Thaipat Institute



The first and only commercial bank in Thailand granted **Carbon Neutral Certification** for six consecutive years (2018-present)



SET Sustainability Awards granted by the Stock Exchange of Thailand – **Best Sustainability Awards** for two consecutive years (2022 - 2023), and awarded Highly Commended in Sustainability Awards for three years (2018 - 2019, 2021)

*For more information on KBank Task Force on Climate-related Financial Disclosures (TCFD), please see our Sustainability Report or visit our website at www.kasikornbank.com

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KASIKORNTHAI

ธนาคารกสิกรไทย
开泰银行 KASIKORNBANK



KBank ESG Strategy 2024

BANK OF SUSTAINABILITY

Purpose

Delivering Sustainable Value to all Stakeholders

Goal

Be an ESG Leader among Banks in Southeast Asia

ESG Pillar Aspiration

E Environment

S Society

G Governance / Economy

Ensuring environmental stewardship towards a net zero society

Being a responsible corporate citizen to create a sustainable society

Being an accountable bank to create sustainable profitability

Material Areas

- 1. Green Operations
- 2. Sustainable Finance

- 3. Financial Inclusion And Financial/Cyber Literacy
- 4. Customer Data Security And Privacy
- 5. Respect For Human Rights

- 6. Corporate Governance & Business Ethics
- 7. ESG risk management

Key Strategy

Green operations with cost efficiency

- 1.Reduce bank's own emissions (scope 1&2) by 4.2% annually from base year 2020 which in line with SBTi
- 2.Incorporating internal carbon pricing for emission reduction project prioritization/selection
- 3.Optimize operational process to ensure eco-efficiency throughout bank's operations

Sustainable Finance

- § Portfolio decarbonization
 - 1.Develop sectoral glidepath and sector prioritization to controlled financed emission in highly polluted sectors
 - 2.Facilitate business community's overall transition toward sustainability by promoting green and transition finance
 - 3.Develop customer engagement plan for transition to NZ
- § Beyond banking solutions
 - 1.Collaborate with strategic partners to deliver knowledge and solutions at scale & developing ESG ecosystems
 - 2.Initiate innovating total solutions for decarbonization

Financial Inclusion and Financial/Cyber Literacy

- 1. Improve the livelihood of people by offering them greater access to financial products and services based on improved credit processes, risk-based offerings, affordability assessment, cost effectiveness, and fast collection & recovery
- 2.Enhance responsible lending to customer for support their goals and a better quality of life.
- 3.Strengthen financial literacy and resilience
- 4.Strengthen cyber literacy knowledge and awareness

Customer Data Security and Privacy

- 1. Deliver secure and efficient services & workplace
- 2. Strengthen third party risk management
- 3. Expand detection and response

Respect for Human Rights

Run all business activities in conformity with laws and international standards: UN Guiding Principles for Business and Human Rights, etc.

Corporate Governance & Business Ethics

- 1. Ensure that corporate governance and business ethics practices comply with requirements and guidelines of regulatory and other competent agencies: BOT, SET, SEC, IOD, etc.as well as international standards, frameworks and guidelines: DJSI, CDP, TCFD, PCAF, UNPRB, UNGC, GRI , etc

ESG Risk Management

- 1. Strengthen ESG credit assessment process

Key Capabilities

- **Building the ESG Data Infrastructure**
- **Building the capability** of our people and customers in decarbonization
- **Building the capability** of our people and customers in decarbonization
- **Building ESG/climate communication and behavior** to internal and external stakeholders

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Bank of Sustainability

Market Positioning

Corporate Business

Main Bank Status at 39% in 2023
#1 Mutual Fund Supervisor (39% market share)

SME Business

#1 SMEs Lending (22% market share)

Retail Business

#1 Retail spending volume, (34.8% market share for mobile payment)

Physical Channels

60+

Subsidiaries
(e.g KBTG, KAsset)

809

Domestic Branches
(+ 240k banking agent touchpoints)

16

Oversea Branches
(China, Japan, and AEC+3)

Digital Banking Performance



21.7+ million user

1st ranked mobile banking



6.3 million user

1st ranked SEA digital Bank



1.7 million user

Digital Platform for SME

Bank of Sustainability

Net Zero in

OUR OWN OPERATIONS

(Scope 1 & 2) by 2030

OUR FINANCED PORTFOLIO

(Scope 3)

In line with Thailand's aspirations.

Sustainable Finance

Commitment of

200,000 MB in 2030

✓ Achieved 73,397 MB in 1Q2024

Source: KASIKORNBANK Annual Report 2023

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