

2023 Annual Registration Statement/ Annual Report

(Form 56-1 One Report)



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In the event that this Form 56-1 One Report refers to any information disclosed on the Bank's website, such information is part of this Form 56-1 One Report. Besides the information on this Form 56-1 One Report, the Board of Directors is responsible for the accuracy and completion of such referred information on the website.

Part 1

Business Operation and Operating Performance

1. Group Structure and Operation

1.1 Policy and Business Overview

1.1.1 Background

Kiatnakin Phatra Financial Group (“the Group”) emerged from the merger between Kiatnakin Bank Public Company Limited (“the Bank”) and Phatra Capital Public Company Limited (“PHATRA”) on September 13, 2012, to synergize their business expansion and pursue the achievement of operational excellence in each of their core businesses with the aim of combining their relevant banking expertise and capital market proficiency. As a result of the merger, the Bank acquired 99.93% of PHATRA and offered newly-issued ordinary shares of the Bank to PHATRA’s shareholders at a swap ratio of 1 ordinary share of PHATRA to 0.9135 ordinary shares of the Bank in accordance with the merger plan approved by the 2012 Annual General Meeting of Shareholders.

After the merger, the Group operates two main businesses, namely the commercial banking business operated by the Bank and the capital market business operated by the Group companies, which consist of PHATRA, Phatra Securities Public Company Limited (“PTSEC”), KKTRADE Securities Company Limited (“KKTRADE”) (previously known as Kiatnakin Securities Company Limited-KKS), and Phatra Asset Management Company Limited (“PASSET”) (previously known as Kiatnakin Fund Management Company Limited-KKF).

In 1971, the Bank was established as Kiatnakin Finance and Securities Company Limited with Baht 10 million in registered capital to operate the finance and

securities businesses. The company was listed on the Stock Exchange of Thailand (“SET”) in 1988 before its transformation to a public company in 1993. In 1999, the company separated its finance business and securities business.

Kiatnakin Finance and Securities Company Limited was operating at the time of the financial boom, and it also experienced several national economic crises, especially the 1997 economic crisis, in which the company was one of the fifty-seven financial institutions that were forced to temporarily discontinue operations. However, with its perseverance, commitment, and support from its strong alliance with shareholders, clients, management, and employees, the company was granted permission by the Ministry of Finance to resume business operations in 1998. The company grew steadily until it was granted permission to upgrade from a financial company to Kiatnakin Bank Public Company Limited and begin operations as a commercial bank on October 3, 2005.

Since April 1, 2010, PHATRA has operated as a public company limited under the business restructuring plan of PTSEC, engaging directly in the investment business and holding shares in PTSEC.

PTSEC is a broker member of the SET (no. 6). PTSEC was founded on September 17, 1997, under the policy of separating the finance and securities businesses of Phatra Thanakit Finance and Securities Public Company Limited, which was set up in 1972, in order to carry on the securities business. PTSEC’s main business consists



of the securities and derivatives brokerage business for local and foreign institutional clients. PTSEC has BofA Securities (formerly Bank of America Merrill Lynch) as its exclusive business partner. For high-net-worth individuals, PTSEC operates a private wealth management business covering several asset classes and focusing on asset allocation, the investment banking business, and the investment business.

On September 25, 2012, the newly-issued ordinary shares of the Bank started trading on the SET, while PHATRA's shares were delisted from the SET. Later, the Bank officially changed the stock trading ticker from "KK" to "KKP," effective August 1, 2013, onwards.

On July 8, 2016, PHATRA sold a total of 49,999,998 shares, or 99.99% of KKTRADE, to Yuanta Securities Asia Financial Services Limited. On September 1, 2016, KKTRADE renamed itself Yuanta Securities (Thailand) Company Limited.

On August 17, 2020, the names of the Bank, PHATRA, and PTSEC were changed to Kiatnakin Phatra Bank Public Company Limited, KKP Capital Public Company Limited ("KKP CAP"), and Kiatnakin Phatra Securities Public Company Limited ("KKPS"), respectively. Moreover, on September 28, 2020, PASSET changed its name to Kiatnakin Phatra Asset Management Company Limited ("KKPAM"). This rebranding effort has united and truly completed the merger process carried out since 2012.

On November 11, 2021, KKP CAP incorporated a new subsidiary, holding 99.99% of the shares, under the name KKP DIME Company Limited, to provide financial and investment services through digital channels. Later, on April 18, 2022, KKP DIME Company Limited changed its name to KKP DIME Securities Company Limited ("KKP DIME") and was allowed to operate its securities brokerage business from August 26, 2022, onward.

1.1.2 Corporate Strategy

The Bank's Board of Directors has considered and set the vision, mission, purpose, and corporate principles in accordance with the current business strategies as follows:

Vision

Growing alongside the success of our clients, the economy, and society

Mission

Allocating resources to clients appropriately and efficiently through services beyond expectation

Purpose

Driving the economy sustainably to optimize the benefits of all stakeholders

Principles

Winning attitude, grit, community, and market

For its long-term strategies, the Group emphasizes businesses in which it has expertise and competitiveness through the development of a wide range of financial and investment products to serve target clients' needs. To accomplish these goals, the Group strives to create business innovations, generate synergies within the Group, and expand into new businesses to enhance its full commercial banking operation capabilities.

The Group plans to increase its service effectiveness and respond to the various needs of clients through a variety of service channels. The Group also focuses on improving its internal business processes, including risk management and efficient monitoring and control. For sustainable organizational development, the Group concentrates on its human resources development and information system improvement, as well as strengthening its corporate culture, which is fundamental for its sustainable business development.

The Group has a policy on organizational development in five major areas, as follows:

1. **Flexibility:** To be a highly flexible organization in order to be able to respond to various clients' needs;
2. **Speed:** To be able to service clients rapidly with its precise decision-making process;
3. **Innovation:** To be an innovative organization with continuous product and process development in line with market trends;
4. **Quality:** To be an organization with robust resources in terms of employees, capital, and information systems;
5. **Efficiency:** To be an effective organization by keeping its operating costs at a competitive level.

1.1.3 Major Changes and Developments

2021

Development of Products and Service Channels

The KKP Mobile Application Development

Since 2020, the KKP mobile application, a mobile banking application for retail clients, has undergone a revamp and was fully launched in April 2021. It reflects the Bank's commitment to developing digital service

channels, focusing on the development of digital infrastructure and the constant improvement of services to meet clients' needs in terms of client experience and service and product offerings.

During 2021, the Bank focused on the development of features to make them more available and improved the efficiency of the KKP mobile application to enable clients to make transactions anywhere and anytime. The Bank developed key features such as KKP Savvy, a digital savings account; loan-related services including loan information inquiry, loan service request, and payment; insurance renewal and reminders to ensure continued client benefits and coverage; and card-less withdrawal, which aimed to provide clients with additional touch points to access cash via ATM or CDM of SCB nationwide without the need for an ATM or debit card subscription.

Going forward, the Bank would continue to expand the products and services of the KKP mobile application to serve new trends and new client demands, ensuring that the application has comparable features with those of industry-leading players. The Bank intended to provide a new feature for online loan requests as well as improve end-to-end loan services on mobile, such as digitized document processing and providing online debt relief measures through the KKP mobile application. For investment services, the Bank would enhance the application to be a "Super Application" to serve clients of the Bank and the capital market business. In addition to new features for each type of financial service, personalized offers and the best deals would be available on the mobile application, leveraging the Bank's ongoing investment in client analytics and campaign platforms to provide the right offer to the right segment at the right time.

The Development of Online Deposit and Foreign Currency Deposit Account Products

In 2021, the Bank introduced a new online savings product, namely KKP Savvy, to offer more convenience and reduce transportation time for clients. Clients could open accounts, transfer money, and make payments and bill payments by themselves without having to visit any branch.



Moreover, the Bank launched foreign currency deposit (“FCD”) products, including savings and fixed deposits, in four foreign currencies: US dollar (USD), pound sterling (GBP), Hong Kong dollar (HKD), and Singapore dollar (SGD), to increase savings options and reduce the risk of foreign exchange fluctuation for clients, both individual and corporate.

Insurance Product Development in Collaboration with a Business Partner

In 2021, the Bank collaborated with Generali Life Assurance (Thailand) Public Company Limited (“Generali”) to develop and offer a variety of insurance products, including: 1) KKPGEN Wealth 15/5 (Par) that aided in short-term financial planning and had low risk with long-term return, dividend payment within the specified period of time, and a tax deductible benefit; 2) KKPGEN CI Care Plus that aided in the prevention of health care risk, reduced anxiety and expense burden, and supported financial planning in the event of illnesses and medical expenses for future critical illnesses; and 3) KKPGEN HB Care Plus that was an additional contract supporting daily compensation in the case of hospitalization and covered medical expenses for both OPD and IPD.

In addition, due to the COVID-19 outbreak, the Bank offered insurance products for COVID-19 infections and vaccine allergies, which helped reduce clients’ concerns and increase protection for clients during the crisis.

Introduction of Personal Loans through an Online Channel

The Bank expanded its cooperation with True Money Company Limited (“True Money”) and Ascend Nano Company Limited (“Ascend Nano”), a financial company of Ascend Group Company Limited, in order to provide clients with financial services and loan products by offering a personal loan product under the name KKP Cash Now via the True Money Wallet application (“True Money Wallet”).

The key feature of KKP Cash Now is that clients can apply for loans through True Money Wallet by verifying their identity through e-KYC and submitting electronic documents via the application without having to contact the Bank’s staff or branches.

Furthermore, clients can track their loan approval status, review their terms and conditions, monitor their credit line and outstanding balance, and make payments via the application. Accordingly, KKP Cash Now empowers clients to complete their online transactions with more convenience and efficiency.

Progress of the Global Investment Service for High-Net-Worth Clients

In 2021, KKPS continued to expand its Global Investment Service (“GIS”) offerings (offshore mutual funds, structured notes, and private markets) by onboarding additional global elite counterparties, with details as follows:

- Twelve additional fund houses for offshore mutual funds, namely AllianceBernstein L.P., Allianz Global Investors, Amundi Asset Management, AXA Investment Managers, Baillie Gifford Overseas Limited, Barings, CPR Asset Management, DWS Investment S.A., Invesco Ltd., Morgan Stanley Investment Management, Robeco, and T. Rowe Price, through the fund platform provider;
- KKPS added European stocks as an underlying for physical delivery in addition to the existing cash settlement option, and
- In addition to the partnership with Kohlberg Kravis Roberts (“KKR”) and Oaktree Capital Management, which has been engaged since 2019-2020, KKPS connected with two more global managers, namely Blackstone and Brookfield Asset Management, to provide more exclusive access to alternative investment in 2021. Thanks to the right clientele and proper offering approach, clients responded overwhelmingly to the opportunities, with oversubscription demand for all three new offering funds in 2021. Consequently, KKPS has offered seven private market funds altogether since the inception of GIS.

Issuance and Offering of Structured Notes

In 2021, KKPS’s structured note offerings continued to gain popularity among investors. The issuance amount improved over the previous year, and the Autocallable Fixed Coupon Note and the Bonus Digital Note were among the main products offered. In 2021,

KKPS enhanced the features of structured notes linked to foreign underlying securities. Risk management frameworks were established and had already obtained approval from regulators. KKPS expects to offer the new products with enhanced features in 2022. In addition, KKPS enhanced the internal processes and systems to increase efficiency and facilitate the operation of documentation. The updated documentation includes information required by the latest regulations, presented in a more reader-friendly format.

The Development of KKPAM's Asset Management Business

In 2021, KKPAM introduced a variety of products to meet investors' evolving demand, including FIFs, thematic funds, and passive strategy funds.

- With more than 80% of NAV, the KKP Global Thematic Opportunities Fund-Hedged is a fund of funds that invests in foreign mutual funds, such as ETFs. The invested mutual funds may have an investment strategy and/or investment policy that focuses on a specific sector, sub-sector, or groups of sectors and sub-sectors. They may also invest in thematic investments and global equity instruments that are relevant to changes in factors such as technology, political economy, and geopolitical science.
- KKP Global High Yield Bond Fund-Hedged Not For Retail Investors is a feeder fund investing in Janus Henderson Horizon Global High Yield Bond Fund that primarily invests in high-yield corporate bonds (sub-investment grade) with credit ratings equivalent to "BB+" or lower.
- KKP Semiconductor Fund-Hedged is a feeder fund investing in a master fund, the iShares Semiconductor ETF, with the investment objective of tracking the performance of the ICE Semiconductor Index using a passive investment strategy. The index measures the performance of U.S.-listed securities in the semiconductor business.
- KKP Global Impact Fund-Hedged is a feeder fund investing in the master fund Wellington

Global Impact Fund, which invests primarily in companies whose core business, in the opinion of the master fund's manager, aims to generate social and/or environmental change alongside financial return.

- KKPAM offers two retirement mutual funds ("RMF"), namely KKP Expanded Tech Fund RMF-Hedged and KKP Passive Global Equity Fund RMF-Hedged, and offers SSFs as a share class of ten existing funds currently under management, covering different types of funds as a choice for investors who seek long-term investments with tax benefits.

In addition to the developments in KKPAM's mutual fund products, KKPAM also continued to introduce private funds that invest in various assets both locally and globally.

In addition to new product launches, KKPAM has continued to expand distribution channels in order to increase accessibility to its products via selling agents. KKPAM has offered more funds through banks with the open-architecture platform, as well as through life insurance companies via their unit-linked products and securities companies.

2022

Development of Products and Service Channels

The Development of Online Deposits and FCD Products

Apart from digital savings accounts such as KKP Savvy and KKP Start Saving, in 2022 the Bank launched a new deposit product, namely KKP e-Fixed Deposit, to respond to clients' needs as clients could open deposit accounts easier and with more convenience on the KKP mobile application. In the meantime, KK Phatra Smart Settlement ("KKPSS") and KKP Smart Growth helped facilitate investment, securities trading, and/or other transactions with KKPS and could be used as settlement accounts.

Moreover, the Bank offered FCDs for individual and business clients to help manage their foreign currencies efficiently. In addition to foreign currency savings deposit accounts, the Bank launched foreign



currency account time deposits as an alternative to enhance cash flow management with a fixed interest rate. In addition, for added convenience, the Bank provided foreign exchange services via a telecom communication channel with financial consultants.

Developing Insurance Products in Collaboration with a Business Partner

In order to provide complete financial solutions and help clients prevent any risk or damage that may arise, the Bank intends to design and develop a wide range of insurance coverage with insurers and provide suitable insurance policies for each client group under the current circumstances. The Bank offered various insurance products, such as:

- New unit-linked insurance product: It is one of the flagship life insurance products that offered a cost-effective alternative for financial planning during times of market volatility. Clients would receive a maximum five-fold protection with a three-year premium payment period and a long-term investment return. According to the product design, clients could select a payment period of 1 year, 3 years, or monthly installments. The Bank would provide investment market information, services, and a policy portfolio on a monthly and quarterly basis.
- Savings insurance product, KKPGEN Wealth 5/1 (SP): High-net-worth individuals are the target market for this product. It has a single premium payment with low financial risk planning over a short period and provides an annual cash return worth 3% of the sum assured and a 103% maturity benefit, which equates to 115% of the sum assured for the whole term of the agreement.
- Digital Channel, the new distribution channel on the KKP mobile application. Clients can easily access insurance product information and insurance applications over the insurer's platform with a single click on the KKP mobile application. Currently, personal accident (PA) and motor insurance are available on the KKP mobile application.

Progress of the GIS for High-Net-Worth Clients

It has been five years since KKPS first launched the GIS. KKPS has been continuously exploring a greater variety of global products as well as continuously onboarding additional global elite counterparties who have different core competencies in different strategies.

- The fund platform provider onboarded thirteen additional fund houses, including Aberdeen Standard, BNY Mellon, BNP Paribas, Comgest, Credit Suisse, Dragon Capital, Gemcap, HSBC Investment, Invesco, Lazard, M&G, Neuberger Berman, and Nomura.
- An additional structured note platform provider, Leonteq, enabled KKPS to get access to a wide selection of structured products from different issuers as well as compare investment yields for end-clients.
- KKPS connected with an additional global manager, Warburg Pincus, in the private market counterparty pool. In 2022, KKPS offered three new alternative investments from Warburg Pincus, KKR, and Blackstone, with investment strategies of global growth, global equity, and global buyout, respectively. Consequently, KKPS has offered ten private market funds altogether since the inception of the GIS.

D-Edge Business Development

In 2022, KKPS, in cooperation with the Bank, developed a digital investment service for the mass affluent segment. This service, which operated under the brand EDGE starting in December 2022, aimed to deliver quality and convenient investment services to clients whose investments are below Baht 2 million, mainly through the KKP mobile application.

Investors could open an investment account and a KKPS account via the KKP mobile application and start trading. Investors have various investment alternatives, including high-yield savings, mutual funds from nineteen asset management companies, Thai equities, and a model portfolio (EDGE Intelligent Portfolio). Moreover, investors can utilize KKPS's digital channels, such as Facebook, YouTube, Line@, and the website, to accumulate knowledge, information, and investment views from KKPS to optimize their investment decisions.

Issuance and Offering of Structured Notes

In collaboration with the Bank in 2022, KKPS continued to issue principal-protected notes, such as the Saving Plus Note and the Bonus Digital Note, which gained popularity among investors and increased the issuing notional amount compared to last year. For product development, KKPS also initiated new types of yield enhancement notes, such as the Bonus Equity Linked Note and the Quanto Booster Note, which increase investment alternatives for investors.

In addition, KKPS developed an internal pricing system to efficiently create catalogs and offer prices for structured notes that were flexible for product offerings and responsive to dynamic market circumstances.

Offering Financial Products and Services through Partnership Channels

In 2022, the Bank started a new collaboration with AIS Digital Life Company Limited, a digital advertising and e-financial marketplace company of Advanced Info Service Public Company Limited ("AIS") and Advanced Wireless Network Company Limited. The collaboration is to provide the Bank's financial products and services for AIS customers via AIS channels, such as the myAIS application, digital advertising, AIS social media accounts, and AIS partnership websites. There are three initial products and services, consisting of KKP Savvy, KKP Personal Loan, and financial and investment contents and media. This enabled AIS customers to easily access financial products and services and participate in privileges and sales campaigns through this collaboration.

Development of KKPAM's Asset Management Business

In 2022, KKPAM introduced a variety of products to meet investors' evolving demand, covering several types of funds, including FIF, both passive and active strategies, private market funds, local equity funds, fixed income funds, and structured note funds. These funds included:

- KKP NDQ100 Fund-Hedged, which is a feeder fund investing in the master fund-Invesco NASDAQ 100 ETF-that primarily invests in securities

that comprised the NASDAQ-100 Index, which includes the 100 largest, based on market capitalization, domestic (U.S.) and international (non-U.S.) and non-financial companies listed on NASDAQ.

- KKP Global Multi-Asset Income Fund-Hedged, which is a feeder fund investing in the master fund, BGF Global Multi-Asset Income Fund, with the multi-asset strategy. The fund invests globally in various assets, for example, equity-related securities, fixed income, high-yield fixed income, units of undertakings for collective investment, cash, and money market instruments.
- KKP Vietnam Growth Fund Not For Retail Investors, which is a feeder fund investing in the master fund, Vietnam Long-term Growth Fund, which is a Vietnam-domiciled mutual fund investing primarily in Vietnam equities. The master fund applies an active investment strategy, aiming to achieve long-term capital appreciation through predominant investments in high-quality stocks.
- KKP Private REIT Fund Not For Retail Investors, which is a feeder fund investing in non-voting participating shares of the segregated portfolio of Blackstone Real Estate Income Trust iCapital Offshore Access Fund SPC, which invests in Blackstone Real Estate Income Trust, Inc. ("Underlying REIT"). The underlying REIT seeks to primarily invest in commercial real estate and, to a lesser extent, real estate debt.
- KKP Thai Quality Growth Equity Fund, which is an equity fund that primarily invests in stocks of companies listed on the SET. The fund selects companies with growth potential and/or the ability to generate earnings based on their fundamentals.
- KKP Smart Plus Fund, which is a fixed-income fund that primarily invests in onshore and/or offshore government, state enterprise, and/or corporate bonds, deposits, and/or deposits equivalent. The fund aims to maintain a portfolio duration of approximately no more than one year.
- KKP Complex Return 2022A Fund Not For Retail Investors, which is a multi-asset fund with a maturity of one year. During the first approximately six months, the fund primarily invests, using a

buy-and-hold strategy, in structured notes linked to a basket of securities consisting of shares of companies listed on the SET. After the first period of approximately six months, if the payment at maturity of structured notes was a physical delivery of the underlying share(s), the fund shall use its discretion to sell some or all of the underlying share(s) within the remaining time of the fund's maturity.

- KKP Fixed Income 1Y6M 1 Fund Not For Retail Investors and KKP Fixed Income 2Y 1 Fund Not For Retail Investors (For Big Retail Investors), which are term funds that primarily invests in investment-grade domestic bonds.
- Tax-deductible funds: KKPAM offered SSF as a share class of two existing funds currently under management, including the KKP Global Infrastructure Equity Fund-Hedged and the KKP Strategic Asset Allocation Fund-Ultra Light, as a choice for investors who seek long-term investments with tax benefits.

In addition to new product launches, KKPAM has continued to expand distribution channels in order to increase accessibility to its products via selling agents. KKPAM has offered more funds through banks with the open-architecture platform, as well as through life insurance companies via their unit-linked products and securities companies.

Setting up KKP DIME to Provide Financial and Investment Services Through Digital Channels

On November 11, 2021, KKP CAP incorporated a new subsidiary under the name KKP DIME Company Limited to provide financial and investment services through digital channels. On April 18, 2022, KKP DIME Company Limited rebranded as KKP DIME Securities Company Limited and gained permission to operate its securities brokerage business from August 26, 2022, onward.

KKP DIME has the objective of offering digital financial and investment services for retail clients regardless of their knowledge, level of income, or wealth. KKP DIME perceives that Thai people have limited

access to investment compared to people in developed countries or even other countries in the ASEAN region due to their limited investment knowledge. In addition, a financial institution's cost of serving retail clients is high relative to the income generated by them. Therefore, KKP DIME started developing the mobile application, Dime!, using its own human resources to respond to retail clients' needs for savings and investments that are convenient, fast, smart, and fun, as well as requiring a low initial investment. Clients can open a Dime! savings and investment account on the application in ten minutes without having to pay any fees.

At the initial stage, the Dime! application provides three services, which are: 1) savings and money transfers; 2) U.S. securities trading; and 3) Thai mutual fund investment. Moreover, KKP DIME uses investment and economic research articles from KKPS and simplified them for retail clients.

As of December 31, 2022, the Dime! application had attracted more than 70,000 users. KKP DIME plans to collaborate with its partners to provide access to more retail clients and add more digital financial and investment services.

2023

Development of Products and Service Channels

Insurance Product Development in Collaboration with a Business Partner

The Bank aims to ensure that bancassurance will become part of financial solutions to help serve its clients and to ensure that products will be beneficial for the right clients for the mitigation of potential risk and damage that may be incurred in the future. The Bank, as a life and non-life insurance broker, provides advice and financial planning services to clients. The Bank has cooperated with leading insurance companies with strong financial positions to be able to serve its clients nationwide. Its aim is to design and develop a wide range of insurance coverage with the insurers and provide suitable insurance policies for each client group under the current circumstances. The Bank offers various insurance products, such as:

- KKPGEN Infinite Return 90/5, 90/10, is a savings insurance product that caters to working-age clients and the new generation. It allows them to create a stability plan for retirement, pass on planning and heritage to their heirs, and have life protection.
- The KKPGEN Wealth 10/3 (Par) is a savings-oriented life insurance plan that combines life protection with cash returns over a short period of time. It requires only a 3-year premium payment, making it suitable for the Bank's target client segment. The Bank often promotes this product alongside special interest deposit accounts to facilitate low-risk financial planning.
- Digital insurance on the KKP mobile application: the Bank has provided the digital platform as a new channel to offer insurance products. Clients can apply for insurance products on the KKP mobile application simply and with convenience and directly connect to insurers' platforms 24 hours a day. In the first phase, the Bank provides health and accidental insurance and motor insurance, namely KKPGEN Preferred Health, Simply e-Cancer, and KKPGEN PA One, which allow clients to know the approval results immediately without a health check-up. The second phase includes motor insurance, which provides both voluntary and compulsory motor insurance products.

To increase opportunities and enhance competitiveness by offering motor insurance products with full-range coverage at a reasonable price, the Bank developed a 10-month cash installment program to convince clients to continue to pay. The Bank adapted the payment method to align with the auto finance business. Moreover, clients can pay the premium on the KKP mobile application with convenience and simplicity.

The Development of Online Deposit and FCD Products

The Bank has offered more online deposit products, such as KKPSS, KKP Savvy, KKP Start Saving, DIME! SAVE, and KKP e-Fixed Deposit. These digital deposit products well respond to the needs of clients. Clients can open the accounts with more ease and convenience using the KKP mobile application.

Moreover, the Bank offers FCD for individual and business clients to help manage their foreign currencies efficiently. In addition to foreign currency savings deposit accounts, the Bank also offers foreign currency account time deposits as an alternative to enhance cash flow management with a fixed interest rate term.

In 2023, the Bank launched a supplementary KKP FCD Smart Settlement account for both individual and juristic clients. Clients can use this product to settle investment transactions involving the purchase of securities or offshore investments. The Bank introduced this product through telemarketing officers to provide clients with convenient service and reduce the number of required documents.

Furthermore, the Bank offers nine foreign currency deposit accounts and expanded its services to branches countrywide. This provides clients with more saving alternatives and helps them better manage the currency exchange.

Offering Financial Products and Services through Partnership Channels

In 2023, the Bank collaborated with True Money to introduce initiatives aimed at promoting savings. Clients now have the ability to schedule monthly deposits through the True Money Wallet, directing funds into their KKP Start Saving accounts. The program also provides an additional bonus interest rate for clients demonstrating good saving habits. The Bank also delivers articles on personal finance management through the True Money Wallet to further incentivize savings.

Furthermore, in partnership with True Money and Ascend Nano, the Bank has consistently worked on developing products and services throughout 2023. The Bank expanded the maximum credit limit for personal loans under the KKP Cash Now product via the True Money Wallet from Baht 400,000 to Baht 2,000,000. This expansion aims to address clients' financial needs and enhance liquidity management. Additionally, the Bank has improved payment services through the KKP Start Saving deposit account in the True Money Wallet, providing added convenience for users.



Progress of the GIS for High-Net-Worth Clients

GIS has been offered to our clients since 2018. KKPS continuously onboards offshore products every year in order to complete its offering shelf. Likewise, in 2023, KKPS launched offshore bonds to the public for the first time.

Below is GIS's development and progress during 2023.

- Franklin Templeton Investment Funds, Fullerton Fund Management Company, and PGIM Inc. joined as new asset management counterparties for offshore mutual funds.
- Structured products: KKPS added structured notes issued by Goldman Sachs and Deutsche Bank.
- Private markets: KKPS has played a leading role in the private market field in Thailand in terms of the number of various fund offerings and the number of counterparties.

In 2023, KKPS offered two Oaktree Capital funds under direct lending and global opportunistic credit strategies.

In addition, KKPS hosted a seminar on the topic, "An Afternoon with Howard Marks", under the theme of Navigating Market Realities Through Sea Changes. Howard Marks, a globally renowned investment guru, shared his experience and view on future investment trends according to changes in the economic environment and the investment landscape for Thai ultra-high-net-worths. This event successfully drew the attention of Thai investors toward private market investment.

- Offshore bonds: With the supporting investment environment of an increasing interest rate, the offshore bond was launched in 2023 as the newest asset class of offshore products added to KKPS's platform. Investors now have access to bonds issued by international corporations, international commercial banks, or even Thai corporations that issue bonds in other jurisdictions.

Issuance and Offering of Structured Notes

KKPS, in collaboration with the Bank, continued to issue and offer both principal-protected notes and yield enhancement notes, including the Saving Plus Note, Bonus Digital Note, Shark-fin Note, Bonus Equity-linked

Note, and Dual Currency Note, for clients. These notes remained popular investment choices. New product development in 2023, including the Twin-win Note, Booster, Quanto Booster Note, and Index-linked Note, further adds an investment option for investors. As a result, the Group reported the highest amount of new structured note issuance in the market for 2023.

In addition, KKPS developed an internal operational system to manage orders and operate as a pricing and risk management tool. The systems helped improve efficiency in offering prices for structured notes and enhanced flexibility for product offerings that meet dynamic investors' requirements.

Issuance and Offering of Derivative Warrants on the Hang Seng Index (HSI DW)

In 2023, KKPS began issuing and offering derivative warrants that reference the Hang Seng Index (HSI), a leading Asian stock market index reflecting the overall investment condition of the Hong Kong stock market. This presents an opportunity for investment in derivative warrants to generate returns and manage risks for investors' portfolios.

Development of KKPAM's Asset Management Business

On top of the existing funds, KKPAM has been expanding its product offerings, with the following eight IPO funds launched in 2023:

- KKP China Fund-Hedged (KKP CHINA-H), a fund of funds that invests in multiple offshore listed ETFs that provide exposure to listed companies that operate in and/or benefit from conducting businesses relevant to China. KKP CHINA-H seeks to track MSCI China All Shares Net Total Return USD.
- KKP Passive Global Equity Fund-Unhedged (KKP PGE-UH), a feeder fund that invests in iShares MSCI ACWI ETF. The master fund seeks to track MSCI ACWI, an index that is composed of medium-to-large capitalization stocks in developed and emerging markets. KKP PGE-UH does not hedge its currency exposure.

- KKP NDQ100 Fund-Unhedged (KKP NDQ100-UH), a feeder fund that invests in Invesco NASDAQ 100 ETF, which provides access to NASDAQ-100 constituents, i.e., the largest 100 non-financial US and non-US stocks by market capitalization that are listed on NASDAQ. KKP NDQ100-UH does not hedge its currency exposure.
- KKP Complex Return 2023A Fund Not For Retail Investors (KKP CR23A-UI), which is a multi-asset fund with a maturity of 1 year. During the first approximately six months, the fund primarily invests, using a buy-and-hold strategy, in structured notes linked to a basket of securities consisting of shares of companies listed on the SET. If the payment at the maturity of the structured note is a physical delivery of the underlying share(s), the fund may sell some or all of the underlying share(s) within the remaining time of the fund's maturity after the first period of approximately six months.
- KKP Thai Government Bond 6M1 (KKP THG6M1) and KKP Japan Government Bond 6M1 (KKP JPG6M1) are term funds that invest in a Thai government bond and Japanese government bonds, respectively.
- Tax benefit fund: KKPAM has launched two Thai ESG funds, i.e., KKP Government Bond Thailand ESG Fund (KKP GB Thai ESG), which is a government bond fund that focuses on ESG

bonds, and KKP Equity Thailand ESG Fund (KKP EQ THAI ESG), which invests in SET-listed stocks with outstanding environmental or sustainability aspects or discloses information on CO2 emissions, plans, and goals to reduce nationwide CO2 emissions.

In addition, KKPAM remains committed to expanding its product variety and distribution channels for investors to better access its investment products.

Development of Financial and Investment Services Through Digital Channels

In 2023, KKP DIME enhanced its investment services by offering two new products on the Dime! application, which are: 1) bond investment starting in March; and 2) Thai stock trading starting in September. Additionally, in October, KKP DIME introduced Dime! Fan subscription packages, both monthly and annually, for users to save more when trading stocks.

KKP DIME also added a QR scanner function to the Dime! application to increase convenience for users making transfer transactions and introduced the Dime! Analytics feature, allowing users to visualize an overview of their investment portfolios from different dimensions.

The Dime! application has been downloaded approximately 651,000 times and has approximately 170,000 clients as of December 2023.

1.1.4 General Information

Name of Company	Kiatnakin Phatra Bank Public Company Limited ("the Bank" or "KKPB")
Stock Ticker	KKP
Type of Business	Commercial banking business, capital market business and other related businesses under the Financial Institution Business Act, Securities and Exchange Act, and other related regulations
Type and Number of Shares	846,751,109 ordinary shares and none of preferred shares with a par value of Baht 10 per share (As of December 31, 2023)
Authorized Share Capital	Baht 10,478,762,930
Issued and Fully Paid-up Share Capital	Baht 8,467,511,090 (As of December 31, 2023)
Head Office Address	209 KKP Tower, Sukhumvit 21 (Asoke) Road, Khlong Toey Nua, Wattana, Bangkok 10110
Company Registration Number	0107536000986
Telephone	0-2165-5555
Website	www.kkpfng.com



1.2 Business Operations

The Group's business is divided into two main sections: the commercial banking business operated by the Bank and the capital market business operated by the Group companies, which are comprised of KKP CAP, KKPS, KKP DIME, and KKPAM. Both the commercial banking business and the capital market business work closely together.

The Group has set the goal of becoming a high-performance financial institution operating three key businesses and has set its business operation categories in accordance with the business objective to ensure collaboration between the commercial banking business and the capital market business while placing focus on synergy within the Group. The Group leverages the expertise of each business in order to achieve combined results in terms of expanding the Group's scope of services and continuously enhancing overall business operations. The three key businesses are as follows: 1) credit business and related transactions,

2) private banking, and 3) investment banking. For the credit business which focuses on loan expansion to the retail and SME segments, the Bank emphasizes building efficiencies, creating standards, and identifying new alternative channels to reach targeted client segments while maintaining effective risk management. For the private banking business, which targets high-net-worth clients and is a business in which the Group has long-term expertise, the goal is to grow the business by creating good yields and diverse investment opportunities for clients by capitalizing on the capital market group's expertise in the wealth management business together with the commercial banking business's distribution channels and clientele. Lastly, the investment banking business will combine the expertise of several functions within the Group to allow the Group to offer more comprehensive financial products and services to meet clients' demands.

1.2.1 Revenue Structure

The revenue structure of the Group in accordance with the consolidated financial statements for the years ending December 31, 2021 - 2023 is as follows:

	2021		2022		2023	
	Baht Million	%	Baht Million	%	Baht Million	%
Interest income	19,489	80.4	23,671	86.0	30,717	106.8
Interest expense	3,788	15.6	4,589	16.7	8,424	29.3
Net interest income	15,701	64.8	19,081	69.3	22,294	77.5
Fees and service income	6,974	28.8	7,183	26.1	6,460	22.5
Commercial banking business	2,329	9.6	2,878	10.5	2,661	9.3
Capital market business	4,644	19.2	4,305	15.6	3,799	13.2
Fees and service expenses	900	3.7	1,018	3.7	983	3.4
Net fees and service income	6,074	25.1	6,165	22.4	5,476	19.0
Gain (loss) on financial instruments measured at fair value through profit or loss, net	(158)	(0.7)	831	3.0	441	1.5
Gain (loss) on investment, net	(10)	0.0	(4)	0.0	(12)	0.0
Dividend income	1,329	5.5	507	1.8	340	1.2
Other operating incomes	1,309	5.4	958	3.5	224	0.8
Total operating income	24,246	100.0	27,539	100.0	28,763	100.0

1.2.2 Information on Products and Services

(1) Nature of Products and Services and Business Innovation

Commercial Banking Business

The commercial banking business provides the following key products and services:

- **Auto-Hire Purchase**

The Bank provides many types of motor vehicle hire purchase services for both new and used vehicles, including passenger cars, multi-purpose vehicles, and commercial vehicles, such as pickup trucks, for individuals and corporate entities. Clients can choose the payment scheme that best suits their needs. The auto-hire purchase products offer clients the choice of equal or unequal installments (flexi-payment) to best suit their financial requirements in terms of their profession and income. Moreover, the Bank also offers other related automobile products and services, such as motor insurance, life insurance, engine warranty, the annual motor vehicle tax, other automobile-related services, etc. The Bank's services cover all provinces and provide options to respond to clients' needs.

The auto-hire purchase portfolio quality has deteriorated because of unfavorable macroeconomic conditions. As the Bank and the industry tightened lending criteria, auto sales also dried up correspondingly. The pent-up demand created by the EV subsidy prevented domestic car sales for the first 11 months of 2023 from declining by more than 7% YoY. The sluggish sales are clearly evident in internal combustion engine (ICE) cars and the used car market. The decrease in sales had a profound effect on the resale value of repossessed cars. The deteriorated loan quality and asset value are expected to continue impacting the acquisition quality of hire purchases into the first half of 2024, despite its improvement from the prior year.

- **Rod Riak Ngern**

Rod Riak Ngern is a multi-purpose loan offered to car owners (both under financing and freehold). The car's ownership has to be transferred to the Bank as collateral while the car remains in the client's possession for everyday use. Clients pay equal installments with a

fixed interest rate. With increasing brand awareness, the Rod Riak Ngern portfolio grew satisfactorily to Baht 26,553 million at the end of 2023.

- **Personal Loan**

Personal loan products are multi-purpose loans, and the Bank offers both loans with collateral and unsecured loans. There are two types of unsecured personal loans that the Bank currently offers:

- 1) A term installment loan, which is an unsecured loan with a scheduled repayment plan, and
- 2) A revolving loan (under the KKP Cash Card), which is an unsecured loan in the form of revolving credit, in which clients can withdraw cash via the ATM pool nationwide and can use the card to spend via the UnionPay network with a minimum repayment as prescribed by the Bank.

For secured personal loans, the installment loan feature is offered using a KKP savings or fixed deposit account as collateral in the case of financial emergencies, and clients can enjoy the lower interest rate by pledging the deposit with the Bank.

The Bank has continuously developed its personal loan services and underwriting processes through both traditional and online channels to better serve clients' needs while offering interest rates that suit the client's profile and ability to repay, as well as the market situation, to ensure responsible lending and sustainable growth for the Bank. Nowadays, the Bank has a new feature offered via online called "Quick Cash" for new clients or existing clients who could apply for the loan and receive the money instantly once the application has been approved and the loan agreement has been signed. Clients can manage repayment to suit their needs with the flexibility to choose either an installment (fixed monthly installment according to the term set), a minimum due payment, or an overpayment to reduce the interest they have to pay. The interest rate will be offered to clients based on the Bank's assessment of their financial circumstances (risk-based pricing).

- **Housing Loan**

Homebuyers can obtain housing loans to finance the purchase of new and used houses, including housing loan refinancing. The Bank focuses on improving the loan approval process to shorten its turn-around



time with flexibility in pricing schemes to match each target clients' needs and increase its competitive capability. In 2023, the Bank coordinated with its partners to provide a digital document service and allow clients to initially review their credit information so they could assess their repayment ability. In cooperation with the Bank's Real Estate Lending Department, the Bank offers post-financing with special packages and other privileges to retail clients purchasing real estate projects where the Bank provides pre-financing. In addition, the Bank coordinated with its partners to provide loans for solar roofs that are more energy efficient and environmentally friendly.

- **HomeQuickCash**

The Bank offers a multi-purpose (non-business-related) loan facility with flat interest rates, using freehold houses as collateral or for the refinancing of multi-purpose loans from other financial institutions.

- **SME Loan**

SME loans are credit extended to individuals or corporate entities conducting small businesses, which include the service industry, retail and wholesale business sectors, etc. SME loan solutions include a range of products to respond to clients' needs, such as a business working capital line, an O/D, business expansion loans, etc. Clients can use different types of collateral, such as a fixed-base asset and a clean loan. The Bank will consider the ability to repay as well as the willingness to repay the loan in order to provide the optimal product to clients with the appropriate risk and return. In addition, the Bank also uses credit scoring tools, which ensure the quality of assets and provide benefits to clients.

- **Lombard Loan**

Lombard loan is a multi-purpose credit facility offered to high-net-worth clients of KKPS who require loans for their investment opportunities or for personal use by using financial assets under KKPS's management as collateral, such as cash, ordinary shares in the SET100 (except KKP shares), property funds, REITS, infrastructure funds, mutual funds, and private funds managed by KKPAM, securities, and/or offshore financial assets traded on KKPS's platform (GIS) or managed by KKPS (Mandate Service), and from 2024, structured notes issued by KKPS as collateral.

There are two types of loan terms available: flexible terms (less than twelve months) and fixed terms (one, three, six, nine, or twelve months). KKPS's financial consultants are responsible for introducing this product to clients. The Bank plans to allow additional types of financial assets to be placed as collateral in the future.

- **Portfolio for Property Financing**

Portfolio for Property Financing ("PPF") is a credit facility offered to individual and corporate clients of KKPS who want to acquire real estate or increase financial liquidity as asset owners for investment in financial assets through KKPS or for multi-purpose loans. Clients can use land, land with a building that can be a house or commercial building, or other types of buildings, such as an apartment, hotel, or condominium, together with the financial assets under KKPS's management, such as cash, SET100 securities (except KKP shares), property funds, REITS, infrastructure funds, mutual funds, and private funds managed by KKPAM, securities, and/or offshore financial assets traded on KKPS's platform (GIS) or managed by KKPS (Mandate Service), and from 2024, structured notes issued by KKPS as collateral. The Bank plans to allow additional types of financial assets to be placed as collateral in the future.

- **Deposit and Investment**

The Bank offers online deposit products such as KKPSS, KKP Savvy, KKP Start Saving, DIME! SAVE, and KKP e-Fixed Deposit. These digital deposits help facilitate the opening of accounts with more ease and convenience using the KKP mobile application. Moreover, the Bank offers FCD (foreign currency deposit) for individual and business clients to help manage their foreign currencies efficiently. In addition to foreign currency savings deposit accounts, the Bank also offers foreign currency account time deposits as an alternative to enhance cash flow management with a fixed interest rate term.

In 2023, the Bank launched the KKP FCD Smart Settlement account for both individual and juristic clients. This deposit product is a foreign currency savings account that can be used to settle investment transactions when purchasing securities or offshore investments. The Bank has introduced this product through telemarketing officers, which offer clients convenient service and reduce required documents.

The deposit account is available in nine foreign currencies, with services available at all branches countrywide. The KKP FCD Smart Settlement service offers clients saving and financial management alternatives in several foreign currencies.

- **Bancassurance**

The Bank aims to ensure that bancassurance will become part of financial solutions to help serve its clients and to ensure that products will be beneficial for the right clients for the mitigation of potential risk and damage that may be incurred in the future. The Bank, as a life and non-life insurance broker, provides advice and financial planning services to clients. The Bank has cooperated with leading insurance companies with strong financial positions to be able to serve its clients nationwide. Its aim is to design and develop a wide range of insurance coverage with the insurers and provide suitable insurance policies for each client group under the current circumstances. The Bank offers various insurance products, such as:

- KKPGEN Infinite Return 90/5, 90/10, is a savings insurance product that caters to working-age clients and the new generation. It allows them to create a stability plan for retirement, pass on planning and heritage to their heirs, and have life protection.
- The KKPGEN Wealth 10/3 (Par) is a savings-oriented life insurance plan that combines life protection with cash returns over a short period of time. It requires only a 3-year premium payment, making it suitable for the Bank's target client segment. The Bank often promotes this product alongside special interest deposit accounts to facilitate low-risk financial planning.
- Digital insurance on the KKP mobile application: the Bank has provided the digital platform as a new channel to offer insurance products. Clients can apply for insurance products on the KKP mobile application simply and conveniently and directly connect to insurers' platforms 24 hours a day. In the first phase, the Bank provides health and accidental insurance and motor insurance, namely KKPGEN Preferred Health, Simply e-Cancer, and KKPGEN PA One, which allow clients to know the approval results immediately without a health

check-up. The second phase includes motor insurance, which provides both voluntary and compulsory motor insurance products.

To increase opportunities and enhance competitiveness by offering motor insurance products with full-range coverage at a reasonable price, the Bank developed a cash installment program to convince clients to continue to pay. The Bank adapted the payment method to align with the auto finance business. Moreover, clients can pay the premium on the KKP mobile application with convenience and simplicity.

- **PRIORITY Banking**

The PRIORITY service is specially created by the Bank for high-net-worth clients whose combined value of deposit and investment (average asset) is Baht 10 million or higher. The Bank analyzes the clients' needs and offers a wide range of funding and wealth products and services suited for the needs of each individual client, such as deposits, investment-related onshore and offshore products covering all types of mutual funds: money market funds, fixed income funds, equity funds, alternative funds, bonds, structured notes, private markets, and bancassurance, namely savings, annuities, life insurance, and unit-linked products. There are also services providing family wealth management and the Lombard loan, which is a credit facility for liquidity support.

The main PRIORITY services are:

- Deposit: Comprises several types of accounts, specially selected for clients to choose from, such as KKPSS, a savings account for investors, in order to facilitate onshore and offshore investment transactions made through KKPS and increase opportunities for a higher return; fixed deposit; and FCD, which offer greater convenience when making cross-border transactions.
- Investment: The Bank provides advice on clients' investment plans to best suit the clients' financial goals through the Bank's relationship managers at the Bank's branches, together with a team of financial experts from KKPS, via both local and global investment products. There are two types of services. Clients with a portfolio value of Baht 50 million or greater who are interested in diversified investments can gain access to



Kiatnakin Phatra Wealth Management services. The Group's financial experts provide advice on appropriate asset allocation to ensure proper investment and financial proportions while paying attention to all relevant angles of the clients' financial status to ensure the best-fit advice on risk management for each individual client. Kiatnakin Phatra Edge is the financial planning service for clients with a portfolio value of Baht 2 million and higher, which offers greater coverage for tax planning, retirement planning, and educational planning for their children through an investment allocation strategy and an appropriate risk management scheme via local and foreign financial products.

- Lombard loan: a multi-purpose credit facility offered to clients who are high-net-worth clients of KKPS, using financial assets under KKPS's management as collateral.

In addition, to provide clients with investment choices, the Bank acts as a mutual fund selling agent for KKPAM and has formed a business alliance with insurance companies to conduct bancassurance business through the Bank's distribution channels. The Bank also offers online services such as e-Banking and mobile banking, as well as investments to improve the convenience of self-service transactions.

Besides our PRIORITY services, the Bank also gives various PRIORITY privileges throughout the year with exclusive events, aiming to increase knowledge in finance and investment for clients, such as updates on worldwide investment situations and providing investment advice, such as the NeXtGen Program: From Study to Success, which is a serial yearly seminar that aims to prepare clients' business successors and further strengthen and advance their businesses. Events are held both online and on-site to best fit the situation and the convenience of clients, including special activities for loyalty clients such as concerts by famous artists in Thailand.

• Corporate Banking

After the merger with KKP CAP, the Bank formed the Corporate Banking Group. The aim is to extract synergies from the merger by leveraging strength from existing KKPS relationships with clients, which are

mainly listed companies on the SET and other large corporations, for which KKPS is providing investment banking, financial consultancy services, raising capital through the sale of assets, and other financial and investment services. This is done in conjunction with the Bank's expertise in offering credit products. As a result, the Group is able to provide a full financial service platform for clients.

The Corporate Banking Group is responsible for offering credit facilities to all industries under the credit policy of the Bank but does not include those already managed by the Commercial Lending Group. The target market is listed companies, their subsidiaries, and their affiliates; non-registered major companies; multi-national companies; and cross-border lending, mainly in Southeast Asia. The credit services include revolving credit lines, project finance, loan syndication, loans for business expansion, and other credit products that evolve with the financial and capital markets.

The Corporate Banking Group coordinates closely with KKPS's team, the Financial Markets Group, and other departments under the Wholesales & Investment Banking Business to offer various financial services to clients, resulting in a broader and deeper understanding of the targeted businesses.

The Corporate Banking Group will continue to selectively grow assets and revenues with a suitable portfolio to broaden the Bank's revenue base by working on key KKP competitive segments and focusing on potential sectors such as tourism, green lending, government spending, and capital market disruption situations, as well as working closely with the KKP network to extract untapped potential clients.

As of December 31, 2023, the Corporate Banking Group booked a record high loan balance of Baht 57,720 million, or an increase of 11% YoY, due to the continuous acquisition of new clients, mainly driven by utilizing KKP's network.

• Commercial Lending

The Commercial Lending Group's aim is to strengthen clients' businesses by providing a comprehensive range of products and services to meet their needs. The Commercial Lending Group provides services to the following three sectors in which the Bank has expertise: 1) real estate lending; 2) apartment and

hotel lending; and 3) general industry, which consists of logistics lending, commercial and industrial lending, and construction materials and machinery lending. The details of each sector are as follows:

1. Real Estate Lending

The Bank provides real estate lending to real estate developers within Bangkok and its vicinity. Real estate lending aims to facilitate the sale of real estate projects. The Bank concentrates on facilitating clients with a timely approval process, suitable types of credit facilities, an adequate loan amount, and an appropriate repayment schedule that suit the clients' anticipated cash flow scheme.

The Bank has a wide variety and full range of financial products to facilitate real estate developers, such as long-term loans for both project financing and investment in future project development, working capital, Aval and letter of guarantee ("LG") limits, etc.

The Bank is equipped with a qualified credit team and technical specialists who are business partners capable of providing a full range of services, including technical advisory services on engineering works, construction, architectural designs, and research and development information. The Bank also has a network that can provide client support for project management. These support services are aimed at enhancing the clients' business potential. The Bank also continually develops the working process to ensure a timely and efficient credit approval process.

2. Apartment and Hotel Lending

Apartment and hotel lending is credit extended to clients who operate rental apartments, service apartments, dormitories, rental offices, and hotels, both for new investments and for renovation work. The Bank has architectural and engineering teams that can offer advice on construction plans and construction work for the projects to ensure the standard is met. The Bank offers a wide range of products to support entrepreneurs, such as long-term loans for both new construction projects and renovation projects, working capital, Aval and LG limits, etc.

3. General Industry

General industry focuses on lending to various manufacturing and service businesses as follows:

- Commercial and industrial lending focuses on providing support to entrepreneurs in both manufacturing and service businesses, for example, in the food industry, healthcare industry, communications equipment, telecommunication, the manufacturing of electrical appliances and hardware, the packaging business, etc. The Bank's lending products include long-term loans for factory expansion and machinery purchases, secured revolving facilities, and credit for refinancing.
- Logistics lending is credit extended to finance logistics activities, which include the transportation of containers, automobiles, vehicle spare parts, etc. In this regard, the Bank offers various credit types, such as hire purchase for owners of car rental fleets and hire purchase for trucks, lorries, and tow trucks. Term loans for land purchase and building construction, as well as working capital facilities, are also available for logistics lending.
- Construction materials and machinery lending provides support to businesses related to the construction industry and businesses engaged in the sale and rental of construction machinery. Facilities consist of revolving credit lines, leasing and hire purchases, Aval and LG limits, etc.

In addition to lending products, the Bank also provides financial solutions to meet clients' needs, such as business cash management, risk protection, and wealth management, to ensure that the clients' businesses can grow sustainably.

• Special Asset Management (SAM)

Special asset management or distressed asset management businesses are operated by the Bank together with mutual funds in which the Bank holds unit trusts. The Bank began its distressed asset management activities in 1999, when it auctioned some debt portfolios from the Financial Sector Restructuring Authority (FRA). During 2003 - 2006, the Bank also auctioned debts under the liquidation process from the Legal Execution Department. In 2010, the Bank acquired unit trusts in Gamma Capital Fund and Bangkok Capital Fund, both of which operate mutual fund operations that are similar to those operated by the Bank's subsidiaries. The Bank is now a main unit trust holder for six mutual funds, all of which are in liquidation.



The Special Asset Management Group manages the special asset management business, with the Debt Restructuring Department responsible for handling debt restructuring negotiations and the Foreclosed Property Management Department responsible for sales of foreclosed assets. Clients and interested parties can view the details of assets for sale, including property type, location, size, and price range, at <https://bank.kkpfg.com/th/kkproperty>.

- **Financial Markets**

The Financial Markets Group offers financial products and services for investment, business operation, and hedging purposes to serve corporate and high-net-worth clients through collaboration within the Group and serve retail clients through the digital platform of KKP DIME. Our range of products and services covers foreign exchange, primary and secondary bonds, structured notes, and financial derivatives with an array of asset classes such as foreign exchange, interest rate, commodity, and equity.

In 2023, the bond trading business performed well and gained a lot of attention from financial institutions and high-net-worth clients, resulting in the 2nd rank, with a market share of 39.65% for bills of exchange and 16.54% for corporate bonds. In addition, the collaboration between the Bank and KKPS has initiated an offshore bond business to serve high-net-worth clients as an alternative asset class.

Furthermore, the continuous collaboration within the Group yields an increase in derivative trading volume for hedging purposes from corporate clients entering hedging activities to minimize the impact of an increasing interest rate environment. In addition, revenue was also generated from the foreign exchange business contributed by foreign investment services through KKP DIME's digital platform and KKPS's global investment service and financial product solutions for the Wholesales & Investment Banking Business's clients.

The Financial Markets Group continues to play a key role in fund raising through debt instruments in both the short and long terms. The Bank and KKPS have put in the fullest conceivable effort to improve suitable product solutions. Product variation resulted in a good and valuable response and led the Group to be the top issuer for two consecutive years.

Moreover, the Bank successfully went live and implemented a new treasury system in 2023 as planned. The system enhances new product development and end-to-end operational efficiencies in line with the market environment and business requirements. These activities conform to the Bank's business guidance, which aims for excellence and focuses on client-centricity by utilizing its expertise and collaboration within the Group.

In 2024, the enhancement of both products and services via the new treasury system and the Group's platform will continue to be carried out to enhance clients' experience and value-added outcomes.

In addition to product and service offerings, the Bank also places great importance on enhancing internal efficiencies through support groups, with developments as follows:

- **Personnel**

The Group has continuously placed great emphasis on the development of employees and leaders, with the belief that efficient personnel and leadership are the keys to success in driving the Group's short- and long-term strategies in achieving its mission, vision, and purpose. The Group recognizes the importance of its employees and strives to create a supportive working environment and corporate culture under the common corporate principles, which underline employee participation and collaboration to maximize the most benefit for clients and the Group, as well as society, to ensure sustainable business growth.

The Bank aims to be a "great place to work" by creating an impressive experience for both employees and candidates throughout the employee journey (employee and candidate experience). Our initiatives include searching for qualified candidates through the KKP principle-based selection interview technique and attracting candidates through various channels to gain access to the most qualified personnel; an effective performance management system to drive towards a performance-driven organization and provide advice and assistance frequently to enhance employee performance and expertise; and a regular review to ensure fair employee benefits and compensation to remain competitive in the industry, as well as flexible welfare and benefit programs that respond to the individual's specific needs and changing economies.

and living conditions. Moreover, the Bank pays attention to all viewpoints aligned with its principles “Respect Individual” which emphasizes on treating everyone equally, supporting diversity, and respecting individual differences among employees in terms of race, religion, culture, physical ability, gender, and experience, etc.; creating opportunities for employees to manage their own career growth; and providing a wide range of training and development in line with the aim to become a learning organization through supporting the theme of “Freedom to Learn and Freedom to Grow” and encouraging employees to acquire more knowledge and skills by having access to anytime, anywhere digital learning (Taxila Platform), thereby supporting their self-development. The Bank promotes employees’ health through the Happiness Inside program, which comprises four dimensions of happiness (physical, mental, social, and financial), with the belief that healthier employees will be happier and more productive, which are key to the success of the organization. Additionally, the Group has invested in new technology to modernize the human resource system, which is an important tool for the future work platform “Anytime, Anywhere,” enabling positive employee experiences throughout their journey.

- **Transactional Banking and Operations**

In 2023, amid many changes in the business environment, both in the financial market and the capital market, which continuously have an impact on the business operations, the Bank focuses on developing various aspects of its capabilities, namely, payment system services, digital infrastructure, securities business services, and the development of operating systems in order to adapt to these changes. These will continue to be developed and expanded with the goal of creating a positive client experience for both retail and corporate clients. The Bank also places importance on the management of operational systems by adhering to appropriate risk management principles, developing work systems and processes to meet international standards, and being able to support a greater volume of transactions by emphasizing appropriate cost management and ensuring maximum efficiency in operations.

The Bank continues to focus on understanding and approaching the needs of clients by finding solutions and creating flexibility and customized services. These are key to building a sustainable partnership and providing reliable, efficient, and superior services for clients. The key successful actions taken in 2023 in transactional banking and operations activities are as follows:

1. **Securities Business Services**

The Bank has continuously expanded its capabilities in the securities business with comprehensive services. In 2023, the Bank focused on expanding its custodian services for domestic financial institutions and non-resident investors, supporting investment transactions of both domestic and cross border-covered investments in equities, debt instruments, and foreign currency deposits, and developed a system to support high-volume transactions via straight-through processing (STP), which increases speed, agility, and service efficiency.

In addition, the Bank provides fund accounting services, which are back-office outsourcing services for group companies whose business operations are adjusted to be efficient in organizational management. The Bank can develop data and prepare various reports to meet the needs of clients in various types of businesses, such as mutual funds, private funds, provident funds, general companies, etc.

In 2023, many companies focused on raising funds through the issuance of debentures, with the Bank’s ability to provide services as the debenture holder’s representative, securities registrar and paying agent, and escrow account. The Bank can continue to expand the bond registrar and payment agent services compared with last year. The Bank also expanded its capabilities by developing a system to connect with the Thailand Securities Depository Co., Ltd. (TSD) to act as a sending bank to support dividend payments of listed ordinary shares, for which the Bank is acting as the sending bank of KKP listed shares.

2. **Payment and Cash Management Services**

The Bank aims to create stable and sustainable business growth through continuous development of financial innovation in order to support the digital transformation that affects lifestyles and business



operations. The Bank has focused on building a stronger payment infrastructure to support the Bank's payment system development plan. In addition, the Bank has continuously developed new service capabilities to meet all the needs of business clients, such as the KKP BIZ e-Banking, both web based and via the mobile application under the name KKP Biz, expanding API development to provide clients with the speed of instant financial transfers and online payment infrastructure connectivity with FinNet Innovation Network Co., Ltd. (FinNet), a subsidiary of the SET, acting as a payment intermediary for more capital market transactions in various projects. All connectivity and developments aim to provide clients using the Bank's accounts with greater convenience and speed in making payment transactions through the ability to connect in the form of online transactions. This has resulted in increased business capacity to extend investment decisions in mutual funds for clients who use the Bank's deposit account as an investment account.

In addition, in developing the payment system to support each client's transactions, the Bank has developed cardless withdrawal through mobile banking using the ATMs of partner banks (SCB, BAAC, and GSB). This allows customers to withdraw cash from more than 19,000 ATMs nationwide. The Bank has also focused on expanding connections with agencies such as temples, schools, and hospitals, where the general public is interested in donating money through the electronic donation project (e-Donation). Clients can donate via the KKP mobile application, and donation information will be sent directly to the Revenue Department. This provides convenience in using tax deduction rights without the need to show evidence for annual tax filing with the Revenue Department.

3. Infrastructure Development for the Digital Journey

The Bank emphasizes developing infrastructure to support the digital journey and serve clients continuously. An example of infrastructure development is the development of dContract, a system for signing digital signatures, which is a reliable electronic signature under Section 26 of the Electronic Transactions Act, B.E. 2544 (2001), which the Bank applies for signing applications and contracts, simplifying document

preparation and reducing the time needed for clients to apply for various services with the Group. In addition, the Bank is also committed to changing the familiarity of clients from receiving the Bank's documents by mail to electronic channels by developing an internal system for digital rendering. Clients can receive documents through digital channels and postal channels, including retrieval via the KKP mobile application.

4. Development of Systems to Support Regulatory Data Transformation (RDT) Projects

The Bank has developed a system to support the Regulatory Data Transformation (RDT) projects, which is the Bank of Thailand's big data retrieval from commercial banks for comprehensive financial market stability monitoring and governance. The project plan is divided into four phases: credit, FX/derivatives, payment, and securities. The project is currently operating the credit phase with a development period from 2020 - 2024. This will help reduce the process and increase the efficiency of data reporting. The Bank participated in the project and was able to perform well according to the overall project timeline.

5. Process Improvement

The Bank emphasizes improving operational processes to be efficient and reduce operating costs continuously. The key projects are summarized as follows:

- The new appraisal process makes collateral quality assessment more efficient, reduces the cost of the appraisal review process, and supports the Bank's credit expansion very well.
- Improving cash center service providers: By providing service between branches and the Bank of Thailand, this results in an effective reduction in operating costs.
- Automating data preparation and delivery to government agencies has enabled faster and more efficient data delivery.
- The use of artificial intelligence (AI) technology in operational processes that require repetitive work on behalf of personnel to reduce the workflow of personnel includes the use of various technologies to automate operations in a digital format to deliver good, fast, and convenient services to clients.



6. Business Continuity Management

In addition to the availability of quality and efficient services, the Bank also recognizes and places importance on crisis management to ensure that the Bank's business continuity management system is effective and appropriate for the situation. The Bank must ensure that critical business functions are executed continuously within a timely recovery period. Such preparation is executed in line with the guidelines of the Bank of Thailand and to ensure that employees have awareness and can perform their functions efficiently in crisis situations. The Bank conducts annual testing to ensure that relevant departments, operators, and systems are prepared to operate in emergency situations and the process is practical.

The Bank recognizes impacts in four key areas: 1) personnel, 2) premises, 3) information systems and work processes, and 4) business-related persons. In order to respond to the situation in a timely manner, the Bank implemented important measures as follows:

- Prepare adequate equipment to support work from home under the Bank's policy.
- Update the call tree chart for all units.
- Prepare BCP sites to be ready for activation at any time.
- Establish suitable measures for allowing access to the Bank's premises.
- Maintain health and safety measures in the working space and prepare sufficient protection equipment.
- Focus on technology development to serve clients and ensure effectiveness in serving clients' needs.

• Information Technology

In 2023, the Bank continued its commitment to create innovation, improve its IT platform, and provide new tools to upgrade products and services with leading and/or world-class technology in response to the rapidly changing working environment and consumer behavior accelerated by market competition and global trends in order to deliver a good client experience.

In addition to the consistent effort in modernizing the core IT platform, enhancing data intelligence, implementing a new data center, upgrading digital sales and service tools, and adopting automation, the Bank

also invested more in the cyber security area to improve detection and protection capabilities and minimize potential risk. The Bank's key initiatives for each area can be summarized as follows:

- Modernizing the IT Platform and Automation

In response to digital transformation initiatives and to deliver new products and services, the Bank has completed the replacement of its core treasury system with world-class technology by Murex Solution. With powerful functionalities and features, the Bank can now easily deliver new products and services to compete in the financial market with controllable market risks in accordance with the Bank of Thailand's regulations.

Together with add-on foreign exchange rates for three more currencies (AUD, CHF, and CNY), the foreign real-time exchange rate on the deposit FCD product makes it more competitive for online channels, including partnership businesses.

Related to the loan products, the Bank also added more capabilities while clients can carry out real-time payment over the counter of five big banks, which are KBank, SCB, BBL, KTB, and Krungsri Banks. The Bank also extended capabilities and added the Advance Lead Management functionalities to increase the efficiency of debt collection.

The Bank has upgraded the internal collaboration tools to improve the operational efficiency of the organization, especially the LowCode and Power Apps platform (part of Microsoft Office 365), which can deliver powerful workflow processes and dashboard monitoring. During 2023, the Bank added additional usage, procedures, and policies to be in line with regulatory requirements and also to be compliant with the Bank of Thailand's guidelines regarding Shadow IT, which has allowed for greater internal efficiencies as well as reducing operating cost significantly.

For the digital payment infrastructure (National ePayment), the Bank continues to improve while adopting the eTAX invoice and e-receipt (approved and allowed by the Revenue Department) for the insurance business to gain more efficiency and reduce operating costs effectively. Electronic documents include the digital signature according to ETDA standards. The Bank also adopted the capital market process while allowing clients to open unitholder accounts for trading



stocks and fund-included eStamp duty seamlessly by using an online service.

In addition, the Bank is the first in Thailand to adopt NDID for implementing the dContract, which can pay stamp duty (eStamp duty) through seamless online processing. In 2023, the Bank is also the first to develop the prototype for SME/juristic clients to open deposit accounts and request loans online. The Bank has been invited by the Bank of Thailand to make an exhibit at the BOT Digital Finance Conference 2023.

Furthermore, since 3Q2023, the Bank has launched the Thinker system, a new powerful data-driven tool with a decision tree to support the loan origination system, which is the next generation of the credit underwriting platform that uses clients' data and a decision tree to review and approve credit and reduce judgment from underwriters, significantly improving the operation efficiency.

A cashless branch with a modernized service tool called iBranch has been able to provide mobility banking services, including digital onboarding. The Bank also launched and plans to continue development to support offsite services for both the Bank and the capital market in 2024. Moreover, the Bank also continued to develop the Banking as a service platform, which enables all banking services to be delivered to partnership channels through APIs, while the real-time foreign currency deposit and exchange rate services are a significant improvement.

- Data Intelligence Development

The effort to uplift and strengthen data analytic capabilities has continued since last year, when the Bank adopted the latest cloud-based technology for its bank-wide enterprise data platform. A series of new and advanced analytic data marts and dashboards have been continuously developed throughout the year, and the Bank anticipates fully sunsetting the legacy platform next year. The best practices in data management and policy governance are in place, and the aim is to expand coverage to the entire financial group, leveraging synergies of data insight across the organization to enhance the competitive edge in securing business opportunities and providing the best-fit offers to clients. Solid data structures are a core foundation to enable the success of new business use cases and new project

implementations, such as the decision management upgrade for loan application and collection areas and campaign tools for personalized offers with seamless handover experiences across channels. Furthermore, the Bank is focused on and will continue to develop Data Mart with data analytic tools and training programs aimed at enabling employees to maximize the use of analytic tools and provide sufficient insight access to valuable dashboards in a secure environment while also complying with the Personal Data Protection Act.

- Improving Cyber Security Capabilities

With cyber threats exponentially increasing and becoming more targeted nowadays, the Bank realizes that existing defensive mechanisms can never be enough and understands the need for continuous improvements to keep up with the threats. As a result, the Bank strives to improve its cyber security capabilities by preparing for, defending against, and responding to threats, including recovery processes to ensure operational uptime. Besides improving monitoring capabilities, user awareness is also an important factor that will enforce the organization's capabilities. Consequently, cybersecurity knowledge is continuously provided to employees in the organization.

• Risk Management

During 2023, the Group improved many aspects of risk management in order to strengthen overall risk management, such as the development of both new and existing risk management tools to increase effectiveness, the establishment of a recovery plan for solving problems that may arise in the future, and the promotion of a good risk management culture.

- Risk Management Development

In 2023, the Group developed several risk management initiatives to increase the efficiency of risk management activities, as follows:

1. Existing tool applications and new tool development
 - Developed an internal credit rating (ICR) system to classify the risk levels of commercial lending and corporate lending clients. The results from the ICR will be used in each client's credit approval and credit review processes.
 - Developed and improved monitoring of the watchlist process to increase surveillance and supervision of debtors more closely so the Bank

can solve problems or provide assistance to debtors faster and in a timely manner.

- Improved NCB Score (acquisition score) across various retail products, including personal loans, new car hire-purchase loans, used car hire-purchase loans, Rod Riak Ngern (RRN), housing loans, and SME loans. For some products, new Re Cut-off scores were calibrated to align with the prescribed risk appetite and enhance predictive accuracy.
- Improved the acquisition score for clients with limited or no NCB data for retail lending in many products, such as new car hire-purchase loans, used car hire-purchase loans, Rod Riak Ngern (RRN), etc.
- Developed behavior score for housing loans, which was formally implemented this year and continues to be enhanced, such as for cash card loans, to increase the accuracy of distinguishing debtors in order to determine and enable additional use cases such as:
 - Setting collection strategies, tailored cross-selling, and credit line increases (top-up) aligned with client risk levels
 - Risk-based segmentation to customize collection strategies
 - Being a key input to determine the probability of default (PD) for provision under TFRS 9 accounting standards.
- Developed risk segmentation by developing CHAID as a loan collection tool for retail lending. Additionally, the Bank developed a forward PD (forward-looking probability of default) model, allowing default risk prediction starting from loan booking rather than a lag indicator. This enables more accurate and timely adjustments to the lending criteria without having to wait 3 - 6 months as before.
- Determined the indicator to monitor the credit quality of each retail lending product to promptly monitor the credit quality of the new loans. This is a proactive action to prevent NPLs. Therefore, there is no need to issue measures to improve the product program.

- Developed early indicators to improve product programs and launched test programs for new channels and new segments in order to increase business opportunities within acceptable risk levels of the Bank and determine the exposure for the test to reduce the Group's concentration risk.
- Reviewed the risks of retail credit clients at the portfolio level to manage the risk in setting limits. Implementation of a program to assist clients in timely debt restructuring in cases of significant increases in risk. Additionally, it formulates credit quality improvement strategies tailored for each client's situation.
- Specified special financial assistance measures in accordance with the client's repayment ability for retail lending in every lending product to alleviate the impact of the economic situation. Developed and improved the provision model under TFRS 9 accounting standards for volatile economic situations in the future.
- Developed or provided various calculation tools, such as fair value, pricing, profit and loss, analysis of profit and loss, market risk and capital adequacy, counterparty credit risk, and the credit value adjustment for new products of the Financial Markets Group.
- Developed a model for adjusting the behavior of savings deposits (CASA) to be more accurate by reflecting behaviors based on client type and savings deposit product type for better liquidity risk management.
- Improved commercial credit risk and financial institution dashboards to increase stability and the level of information provided.
- Improved single lending limit (SLL) effectiveness.
- Developed and improved risk assessment of interest rate risk in banking book (IRRBB) to be more efficient and reflect reality by adjusting the risk factors of client behavior in re-pricing gap and testing the risk factors of deformation and slope of the yield curve in various patterns (The Risk Factors of Deformation and the Slope of the Yield Curve).



- Developed and enhanced risk early warning systems for liquidity risk (liquidity risk management early warning system) to cover various risk factors in the current era, both internal bank risks and external risks.
- Developed financial crime risk management systems for both fraud prevention and audit as well as digital fraud monitoring functions and provided fraud awareness training to relevant departments to raise awareness on the importance of shared policies, guidelines, and responsibilities in managing financial crime risk.
- Improved and carried out fraud and financial transaction fraud investigations, as well as investigations into employee non-compliance with regulations, guidelines, and work procedures, including strictly pursuing criminal prosecution against perpetrators.

2. Preparation for upcoming systems and regulations planned for implementation by the Bank of Thailand, such as:

- Upgraded systems related to TFRS 9 accounting standards to accommodate future economic volatility.

3. Preparation for new product launches, optimization of work procedures, and accommodating the overall changes of financial markets to support the Financial Markets Group by the Market Risk Management Department, such as:

- Complex derivatives or adding a new underlying asset
- Purchasing the new treasury system to increase the efficiency of business operations
- Review of the market risk management criteria to suit the current business and be in line with the new treasury system
- Preparation for the termination of publishing IBOR and THBFX interest rates

4. New guideline implementation and process improvement

Apart from new developments for risk management, the Group also continued to develop the previous year's risk management actions, which have contributed benefits to the business as follows:

- 1) Reviewed the recovery plan to prepare for future financial crisis, especially the impact on liquidity risk and capital adequacy of the Group, so that the Group will be able to strengthen its stability more effectively with the integration of risk frameworks and crisis response plans in each area.
- 2) Monitored risk management involvement in the product and service development process along with business units.
- 3) Carried out risk management knowledge training for the Group's personnel to foster understanding and embed risk awareness and risk culture into the Group.
- 4) Developed the capital adequacy assessment process to cover all of the Group's significant risks and assesses three aspects of capital adequacy: forecast capital needs, current capital needs, and potential capital needs in crisis, to conform with the Internal Capital Adequacy Assessment Process (ICAAP) guidelines from Basel.
- 5) Prepared and improved the loan-to-value calculation rules of Lombard loans to accommodate new types of collateral and better reflect collateral risks.
- 6) Formulated a financial crime risk management policy for the Group, so that the Bank and the Group companies have adequate and appropriate financial crime and fraud risk management and control systems in relation to external criminal threats, internal fraud in the forms of credit fraud and internal fraud, as well as fraud risks from financial transactions that are adequate and appropriate for the amount of financial crimes or threats of fraud risks that occur with the Bank, the Group companies, and clients. This is to maintain risks at acceptable levels and in compliance with related laws.

In 2023, the Group aims to focus on actively managing risks, effectively managing bad debts, and providing financial assistance to debtors affected by any situations or natural disasters. The Group also focuses on the quality of new clients during the year.

The Risk Management Group will validate every model every quarter to assure the accuracy and effectiveness of risk management. The Group continues to encourage cooperation between the Risk Management Group and other business units to manage risk, develop risk management procedures, and initiate tools or processes to assess risks the Group may confront within the foreseeable future.

- **Compliance**

Compliance units under the Legal and Compliance Group are an independent control function of the Group and are responsible for supervising compliance risk with the purpose of enabling business units within the Group to operate in compliance with relevant laws and regulations, with an emphasis on working as a business strategic partner in cooperation with business functions and other support functions within the Group. While the principal responsibility for compliance lies with business managers and their teams, all employees are responsible for protecting the Group by: 1) understanding and adhering to compliance requirements that apply to their day-to-day activities, including the Group's Guidelines for Business Conduct Policy and other policies and procedures, and 2) seeking advice from relevant compliance units with questions regarding compliance requirements and promptly reporting violations of laws, rules, regulations, policies, or relevant ethical standards. Compliance risk management starts with the Board of Directors and senior management, who set the tone from the top by promoting a strong culture of ethics, compliance, and control, while the Compliance and Governance Committee shall assist the Board of Directors in achieving those goals.

Compliance units educate and provide advice and suggestions to business units to operate in compliance with changed laws and regulation requirements according to guidelines in conducting business and treating clients fairly, as well as oversee non-compliance risks by forming compliance surveillance programs, including serving as the contact center for the Bank and the Group companies to coordinate with relevant authorities during official inspections and monitoring the Group's

operations to ensure corrective procedures according to observations raised by the authorities. Also, they have the duty to ensure that the Group determines policies, rules, and regulations in accordance with relevant laws and the Group's Guidelines for Business Conduct Policy.

The overall regulatory landscape in 2023, following the COVID-19 pandemic situation, confronted the Group with updated or newly issued regulations. This included advancements in financial technology, focusing on strengthening financial stability, consumer protection, and cybersecurity. Prompted by the need to combat financial crimes, which in many cases could be linked to money laundering, regulatory bodies oversaw risk management at an operational level, ensuring responsiveness and efficiency within a rapidly changing environment.

The global shift towards sustainable business practices reflects regulatory expectations placed on financial institutions in Thailand. Market conduct regulations have been enforced for some time, while responsible lending criteria are set to be enforced in the coming year. Financial institutions are also expected to prioritize conducting business in line with banking sustainability concepts, emphasizing environmental, social, and governance factors. Thus, the Group not only needs to align its business strategies with sustainable banking principles but also be encouraged to invest in environmentally focused initiatives to achieve these goals.

Cybersecurity remains a critical concern, and regulatory bodies have elevated their supervision and anti-fraud management to reduce risks and impacts on customers through close monitoring measures, aiming to instill confidence in financial institution systems.

The regulatory focus in 2023 directs businesses to conduct operations in line with sustainable banking principles, emphasizing environmental, social, and governance factors. This also includes heightened cybersecurity and combating financial crimes through more stringent measures.



Capital Market Business

The capital market business is under the operation of the Bank's subsidiaries, comprising KKP CAP, KKPS, KKP DIME, and KKPAM, of which core businesses can be divided into five categories:

1. Securities and Derivative Brokerage

KKPS is the No. 6 registered broker, servicing foreign and Thai institutions as well as high-net-worth individuals on stock and derivatives trading in the SET, the mai, and the Thailand Futures Exchange ("TFEX").

In 2023, KKPS ranked first in market share, accounting for 20.79% of the total trading value of the SET and the mai combined (excluding proprietary trading), and generated revenue from brokerage fees in the amount of Baht 1,213.57 million. The proportion of revenues from institutional investors and high-net-worth individuals was 76.04% and 23.96%, respectively.

KKPS earned 41.83% of its total institutional brokerage fee income in 2023 from local institutional clients, comprising asset management companies, provident funds, private funds, the government pension fund, the Social Security Office, and insurance companies. As of December 31, 2023, KKPS had 41 local institutional clients that transacted at least once in the past year.

Foreign brokerage income accounted for 58.17% of the total, of which 29.13% was from BofA Securities, previously Bank of America Merrill Lynch, according to the securities brokerage and business alliance agreement.

In addition, KKPS's derivatives brokerage fee income from local and foreign institutions amounted to Baht 159.93 million, while income from securities borrowing and lending activities totaled Baht 88.12 million in 2023.

KKPS acts as a broker for high-net-worth individuals with investible assets worth more than Baht 50 million using financial consultants and client service assistants who are registered with the Securities and Exchange Commission ("SEC") in the capacity to advise clients on investment opportunities through SET- and mai-listed securities, debt instruments, derivatives instruments, and several investment products under the asset allocation concept. Additionally, KKPS offers personal wealth planning and investment to mass affluent clients who have investible assets between Baht 2 - 50 million, using an online investment platform and investment advisors with the capacity to advise clients under the Kiatnakin Phatra Edge brand.

As of the end of 2023, the value of assets under advisory for all high-net-worth clients of KKPS was approximately Baht 750,000 million, from a client list of around 38,000 accounts.

The table below illustrates the value of securities traded in the SET through KKPS and the brokerage fee and market share of KKPS as of December 31, 2023:

	Local Institutions	Foreign Institutions	High-net-worth Individuals
Total trading value of KKPS (Baht Million)	194,051.87	4,644,319.88	153,756.93
Market share ¹ (%)	9.17 ²	35.37 ³	1.75
Brokerage fee (Baht Million)	386.00	536.79	290.78
Proportion of brokerage fee (%)	31.81	44.23	23.96

Source: SET, KKPS

Remarks: ¹ The market share is calculated based on the figures collected by KKPS and data released by the SET.

² The market share of local institutions is calculated after deducting trading transactions of proprietary accounts.

³ The market share of foreign institutions of KKPS is divided by the transactions of foreigners after deducting the transactions of foreign individuals.

In servicing clients, KKPS offers macro and equity research with a team of 13 analysts covering 85 listed companies. KKPS's equity research covers an aggregate market value of 66.54% of the market capitalization of the SET. KKPS provides investment advice and trading ideas for clients with a dedicated sales and research team.

KKPS's research analysts collaborate with BofA Securities under an exclusive agreement on research cooperation. Under the agreement, KKPS's analysts produce research on the Thai economy and politics as well as SET-listed securities, which are distributed to BofA Securities' clients under the BofA Securities brand, while KKPS also distributes BofA Securities' research on regional and global macro as well as equities to Thailand-based clients.





2. Investment Banking Business

KKPS is one of the leading investment banks in Thailand, providing financial advisory services and securities placement services to government agencies, state enterprises, and leading companies in Thailand.

Previous projects include the IPO/POs of PTT PCL, Krungthai Bank PCL, Thai Airways International PCL, Thai Oil PCL, PTT Exploration and Production PCL, Tesco Lotus Retail Growth Freehold and Leasehold Property


Fund, Airports of Thailand PCL, Thai Beverage PCL, BTS Rail Mass Transit Growth Infrastructure Fund, Star Petroleum Refining PCL, B.Grimm Power PCL, Osotspa PCL, Thailand Future Fund, Asset World Corp PCL, Central Retail Corporation PCL, PTT Oil and Retail Business PCL, Ngern Tid Lor PCL, and Thai Life Insurance PCL as well as the issuance of exchangeable bonds of Charoen Pokphand Foods PCL into CP ALL PCL's shares, the issuance of Bangkok Dusit Medical Services PCL's convertible bonds, the merger of Bangkok Dusit Medical Services Group with Phyathai Hospital Group and Paolo Hospital Group, and the acquisition of Bank of Ayudhya PCL by the Bank of Tokyo Mitsubishi UFJ, Ltd.

KKPS continued to play a major role in the M&A market, advising major corporations in merger and acquisition transactions, facilitating joint ventures and business alliances, restructuring businesses, and advising on the issuance of financial instruments. KKPS served as the financial advisor for Bangchak Corporation PCL, Thai Beverage PCL, Sojitz Corporation, Pewdee Clinic Esthetics Co., Ltd., and Pongsak Medical Clinic Co., Ltd. in their M&A activities and restructuring, overseeing transactions worth over Baht 35,000 million in 2023.














Company	Details of the Project		Value (Baht Million)
 Bangchak Corporation PCL	The purchase of 66.0% stake in Esso (Thailand) PCL's shares from ExxonMobil Asia Holdings Pte. Ltd. and the purchase of 10.4% stake in Esso (Thailand) PCL's shares through a tender offer		26,154
 Thai Beverage PCL	The purchase of an 18.8% ownership stake and the subsequent delisting of shares of Oishi Group PCL through a tender offer		4,169
 Sojitz Corporation	The purchase of an 14.5% ownership stake and the subsequent delisting of shares of Thai Central Chemical PCL through a tender offer		3,385
 Pewdee Clinic Esthetics Co., Ltd. and Pongsak Medical Clinic Co., Ltd.	The amalgamation of Pewdee Clinic Esthetics Co., Ltd. ("Pewdee") and Pongsak Medical Clinic Co., Ltd. ("Pongsak"). After the share swap, Pewdee's and Pongsak's existing shareholders will hold 45.5% and 54.5% shares in the new entity, respectively.		1,103



KKPS has been appointed as the financial advisor for the IPO of Asia Network International PCL in the equity market in 2023.

Company	Details of the Project	Value (Baht Million)
 Asia Network International PCL	Initial Public Offering	2,912

In 2023, the fixed-income business continued to grow from the previous year. KKPS served corporate clients in 44 debt offerings with a total value of over Baht 290,438 million, with details as follows:

Company	Details of the Project	Value (Baht Million)
 Kiatnakin Phatra Bank PCL	Yen debentures No. 1/2566	3,000
 Kiatnakin Phatra Bank PCL	Yen debentures No. 2/2566	3,000
 Srisawad Corporation PCL	Guaranteed debentures No. 1/2566	6,000
 Ngern Tid Lor PCL	Senior unsecured debentures No. 1/2566	2,000
 Sansiri PCL	Senior unsecured debentures No. 1/2566	6,000
 Sena Development PCL	Senior unsecured debentures No. 1/2566	2,000
 Minor International PCL	Subordinated perpetual bond No. 1/2566	10,500
 True Move H Universal Communication Co., Ltd.	Senior unsecured debentures No. 1/2566	20,812
 Ngern Tid Lor PCL	Senior unsecured debentures No. 2/2566	3,000
 CP ALL PCL	Senior unsecured debentures No. 1/2566	12,000
 Thai Beverage PCL	Senior unsecured debentures No. 1/2566	9,262
 Origin Property PCL	Senior unsecured debentures No. 1/2566	2,500
 Phatra Leasing PCL	Senior unsecured debentures No. 1/2566	500

	Company	Details of the Project	Value (Baht Million)
	B.Grimm Power PCL	Subordinated perpetual bond No. 1/2566	8,000
	Kiatnakin Phatra Bank PCL	Senior unsecured debentures No. 3, 4, 5, 6, 7/2566	11,800
	Ek-Chai Distribution System Co.,Ltd.	Senior unsecured debentures No. 1/2566	31,500
	Ngern Tid Lor PCL	Senior unsecured debentures No. 3/2566	4,800
	Srisawad Corporation PCL	Guaranteed debentures No. 3/2566	9,168
	Indorama Ventures PCL	Senior unsecured debentures No. 1/2566	10,000
	IRPC PCL	Senior unsecured debentures No. 1/2566	10,000
	Sansiri PCL	Senior unsecured debentures No. 3/2566	6,000
	JMT Network Services PCL	Senior unsecured debentures No. 2/2566	1,147
	Central Plaza Hotel PCL	Senior unsecured debentures No. 1/2566	1,500
	Minor International PCL	Senior unsecured debentures No. 1/2566	4,000
	Origin Property PCL	Senior unsecured debentures No. 2/2566	3,024
	Thai Beverage PCL	Senior unsecured debentures No. 2/2566	15,000
	Singha Estate PCL	Senior unsecured debentures No. 1/2566	1,700
	Supalai PCL	Senior unsecured debentures No. 3/2566	4,120
	Kiatnakin Phatra Bank PCL	Basel III Tier 2 subordinated debentures No. 1/2566	3,000
	Ngern Tid Lor PCL	Senior unsecured debentures No. 4/2566	6,000
	Phatra Leasing PCL	Senior unsecured debentures No. 2/2566	1,500
	CP AXTRA PCL	Senior unsecured debentures No. 1/2566	15,000
	SCGJWD Logistics PCL	Senior unsecured debentures No. 1/2566	4,000
	Kiatnakin Phatra Bank PCL	Yen debentures No. 8, 9/2566	2,998



	Company	Details of the Project	Value (Baht Million)
	S Hotels And Resorts PCL	Senior unsecured debentures No. 1/2566	1,300
	Kiatnakin Phatra Bank PCL	Senior unsecured debentures No. 10/2566	3,000
	Xayaburi Power Co.,Ltd.	Green Baht debentures No. 1/2566	3,500
	CP ALL PCL	Senior unsecured debentures No. 2/2566	13,000
	BTS Group Holdings PCL	Senior unsecured debentures No. 3/2566	15,057
	Kiatnakin Phatra Bank PCL	Senior unsecured debentures No. 11/2566	300
	Central Plaza Hotel PCL	Senior unsecured debentures No. 2/2566	1,500
	Ngern Tid Lor PCL	Senior unsecured debentures No. 5/2566	5,000
	Charoen Pokphand Foods PCL	Subordinated perpetual bond No. 1/2566	11,932
	Kiatnakin Phatra Bank PCL	Yen debentures No. 12/2566	1,018

For 2024, KKPS will continue to provide clients with suitable financial advisory services and focus on working with the Bank, partners, and other stakeholders to offer more comprehensive wholesale banking solutions to its clients, as well as strive to push for the further development of the Thai capital market by initiating new and innovative financing solutions for its existing and potential clients via non-traditional products that are suitable for each of its clients.

3. Investment Business

The investment business is divided into two categories, as follows:

Medium-term and Long-term Investments

The Direct Investment Department of KKPS operates medium- and long-term investments. The Direct Investment Department operates under the supervision of the Investment Committee, which considers and approves each investment and

divestment proposed by the department and also considers the expected rate of return of the investment and the risk level. The Direct Investment Department has an investment horizon of approximately three to five years, covering both equity, equity-linked instruments, fund units, or other asset classes approved by the Investment Committee. This includes both listed and non-listed companies, as well as onshore and offshore companies. The Direct Investment Department seeks investment opportunities in companies with strong business models and sustainable competitive advantages, visible business growth opportunities, the ability to generate a high return on invested capital, capable management, and share prices that have yet to reflect their strong fundamental value. In order to evaluate investment opportunities, the Direct Investment Department conducts company visits and management interviews. The team then performs industry analysis

and evaluates the target companies' fundamental value, internal control process, and corporate governance structure. Finally, the team evaluate the key risk factors and key considerations for the target companies.

In terms of risk management, the Direct Investment Department's investment evaluation does not only consider the potential return from the investment but also the risks involved with the business. The department prepares the investment proposal, which includes an investment horizon, terms of investment, and divestment plans. The Investment Committee must approve the proposal prior to each investment. Once invested, the Investment Committee will assign the Risk Management Department to monitor such investments based on the risk management framework on a daily basis. The Investment Committee will be notified or called for meetings to review a particular investment once the market price of the investment exceeds the pre-determined threshold or the holding of such an investment exceeds the concentration limit. Also, market risk assessments will be conducted regularly. In addition, the Direct Investment Department regularly monitors the business performance of invested companies to re-evaluate investment positions. Under certain circumstances, the Direct Investment Department may also utilize appropriate financial instruments, such as derivatives, for hedging purposes, which must be approved by the Investment Committee.

As KKPS highly emphasizes protection against potential conflicts of interest, especially with the use of internal information, it strives to avoid any conflict of interest between the investment of KKPS and KKPS's clients. Thus, the Direct Investment Department is treated equally as one of KKPS's clients and has no access to information or research reports that differ from those of other investors. In addition, policies on the usage of internal information, employees' trading activities, and the Chinese Wall among entities within the capital market group are specified in order to promote transparency and good corporate governance and prevent any potential conflict of interest.

In 2023, the Board of Directors of KKPS set the net additional investment line for direct investment at Baht 2,000 million. Nevertheless, the net additional investment line can be adjusted according to the capital

market group's business plan or capital market situation. At the end of 2023, the Direct Investment Department's portfolio had a market value of Baht 2,330.72 million. It generated a total gain of Baht 73.43 million, consisting of dividend income of Baht 7.53 million, a realized gain of Baht 77.89 million, a change in unrealized loss of Baht 11.21 million, and other investment income of Baht -0.78 million.

Equity and Derivatives Trading

This Equity and Derivatives Trading Department of KKPS operates this investment with three investment strategies, as follows:

1) Arbitrage Trade

Arbitrage trading is a short-term investment of not more than one year in equity, equity-linked securities, and derivatives listed on the SET and the TFEX, notably securities listed on the SET100 index or with a minimum of Baht 3,000 million in market value, futures contracts and options (including their underlying assets), and ETFs under a market-neutral principle. Profit is generated from the market price discrepancy between the underlying asset and its derivatives, including securities or derivatives with the same underlying asset or liquidity provided for listed derivatives. Trade is made under the investment and risk framework approved by the Investment Committee and the Risk Management Committee to achieve a return rate specified by the Investment Committee. Securities and/or derivatives trading is done to reduce risk on the overall market price.

2) System Trade

System trade is short-term investment in equity, equity-linked securities, and derivatives listed on the SET and TFEX, utilizing information from the pricing model and back-test of market price and statistical relationship. The practice aims to define features and opportunities to make profit via the difference or behavior of the price movement. The trading of securities and/or derivatives is executed systematically according to the pricing model.

3) Financial Products and Services

The Equity and Derivatives Trading Department issues and offers financial instruments to investors, including investments in both local and offshore financial instruments for managing risk. Currently, the department issues and offers various financial



instruments, including equity-linked notes, derivative warrants, and OTC derivatives. An equity-linked note is a short-term bond whose payoff depends on the underlying asset as stated in the contract. A derivative warrant is a warrant that the department registers for trading via the SET's direct listing system, including both call warrants and put warrants. OTC derivatives are derivative contracts between counterparties whose payoff depends on the underlying asset as stated in the contract. To issue and offer the instruments, the department will evaluate and define the purchase and/or selling price based on related factors in order to generate a proper return rate. In addition, the department also performs market-making duties on ETFs for asset management companies.

In terms of risk management, the Risk Management Committee has set policies according to the investment value and liquidity of the invested securities, the value at risk (VaR) limit, and the accumulated loss limit. The committee also assigns the Risk Management Department of KKPS to monitor investments and report to related parties on a daily basis. In the event that the investment value or risk level is higher than the defined limits, the Equity and Derivatives Trading Department will have to reduce the exposure to meet the risk criteria within the defined timeframe.

The Board of Directors of KKPS approved a total cash limit for investment of no more than Baht 13,000 million for 2023, along with an additional maximum cash limit of Baht 5,000 million for arbitrage trades. The utilization of this extra limit requires approval from the Investment Committee of the Bank. Also, there is an additional maximum cash limit of Baht 5,000 million for OTC transactions with the Wholesales & Investment

Banking Business's clients, and the utilization of this extra limit requires the department to consult with the Finance and Accounting Department about cash availability for the transaction and the impact of the OTC transaction on the net capital requirement of KKPS, with approval from the Investment Committee of the Bank and the Risk Management Committee of KKPS. The Investment Committee also set limits within the approved total cash limit for three investment strategies, including: 1) a maximum of Baht 13,000 million for arbitrage trade (which allows transfers from other strategies due to its lower-risk nature), with an additional maximum cash limit of Baht 5,000 million for arbitrage trade. The utilization of this extra limit requires approval from the Investment Committee; 2) a maximum Baht 300 million for system trade; and 3) a maximum Baht 5,000 million for financial products and services (excluding proceeds from structured notes), with an additional maximum cash limit of Baht 5,000 million for OTC transaction with the Wholesales & Investment Banking Business's client which the utilization of this extra limit requires the department to consult with the Finance and Accounting Department about cash availability for the transaction and the impact of the OTC transaction to the Net Capital Requirement of KKPS, and approval from the Investment Committee of the Bank and Risk Management Committee of KKPS.

The department had a net cash usage for investment of Baht 5,212 million at the end of 2023.

4. Asset Management Business

KKPAM, as a provider of asset management services under mutual and private fund licenses, has continued to develop and launch new funds. The assets under management ("AUM") of KKPAM for 2021 - 2023 are as follows:

(Unit: Baht Million)	December 31, 2021	December 31, 2022	December 31, 2023
AUM	121,317	114,365	160,024

As of December 31, 2023, AUM recorded at KKPAM was Baht 160,024 million, comprising Baht 136,726 million in mutual funds, Baht 20,585 million in private funds, and Baht 2,713 million in property funds.

KKPAM has been expanding its product offerings, with the following eight IPO funds launched in 2023:

- KKP China Fund-Hedged (KKP CHINA-H), a fund of funds that invests in multiple offshore listed ETFs that provide exposure to listed companies that operate in and/or benefit from conducting businesses relevant to China. KKP CHINA-H seeks to track MSCI China All Shares Net Total Return USD.
- KKP Passive Global Equity Fund-Unhedged (KKP PGE-UH), a feeder fund that invests in iShares MSCI ACWI ETF. The master fund seeks to track MSCI ACWI, an index that is composed of medium-to-large capitalization stocks in developed and emerging markets. KKP PGE-UH does not hedge its currency exposure.
- KKP NDQ100 Fund-Unhedged (KKP NDQ100-UH), a feeder fund that invests in Invesco NASDAQ 100 ETF, provides access to NASDAQ-100 constituents, i.e., the largest 100 non-financial US and non-US stocks by market capitalization that are listed on NASDAQ. KKP NDQ100-UH does not hedge its currency exposure.
- KKP Complex Return 2023A Fund Not For Retail Investors (KKP CR23A-UI), which is a multi-asset fund with a maturity of one year. During the first approximately six months, the fund primarily invests, using a buy-and-hold strategy, in structured notes linked to a basket of securities consisting of shares of companies listed on the SET. If the payment at maturity of structured notes is a physical delivery of the underlying share(s), the fund may sell some or all of the underlying share(s) within the remaining time of the fund's maturity after the first period of approximately six months.
- KKP Thai Government Bond 6M1 (KKP THG6M1) and KKP Japan Government Bond 6M1 (KKP JPG6M1) are term funds that invest in a Thai government bond and Japanese government bonds, respectively.
- Tax benefit fund: KKPAM has launched two Thai ESG funds, i.e., KKP Government Bond Thailand ESG Fund (KKP GB THAI ESG), which is a government bond fund that focuses on ESG bonds, and KKP Equity Thailand ESG Fund (KKP EQ THAI ESG), which invests in SET-listed

stocks with outstanding environmental or sustainability aspects or discloses information on CO₂ emissions, plans and goals to reduce nationwide CO₂ emissions.

In addition, KKPAM remains committed to expanding its product variety and distribution channels for investors to better access its investment products.

5. Digital Financial and Investment Services

KKP DIME celebrated its first anniversary launch of the Dime! application in 2023. The key strategy in the past year was creating awareness about the application and encouraging clients to try it. The result was favorable, as expected. At the end of 2023, KKP DIME has more than 510,000 application users, and 90% of the investment accounts are owned by clients of generations Y and Z, which are different from clients of other securities companies, most of whom are of generation X. Although generations Y and Z may have low income at the moment, their value to the company will increase in the long run as their income rises.

The Dime! application launched new products and services in the past year, including a primary-market corporate bond subscription service offered by KKPS and a Thai securities trading service. This year, KKP DIME will continue to enhance its application, with a focus on the following aspects:

- *Fast and convenient:* The Dime! application was developed with users in mind. Clients wanting to try the application can simply log in with their email address, Facebook account, or Apple ID. Clients who would like to open a Dime! savings and investment account can open the account using the NDID system on the application without having to pay any fees. The process only takes 10 minutes, and clients will receive five services: a savings and payment service, a U.S. securities trading service with more than 9,000 U.S. securities offered, a Thai securities trading service, a Thai primary-market corporate bond subscription service offered by KKPS, and a Thai mutual fund investment service with more than 1,700 mutual funds offered.
- *Smart:* KKP DIME has received the rights to use investment and economic research articles produced by KKPS. KKP DIME uses these articles,



along with the client data analyzed by its data scientists, to produce personalized financial and investment recommendations for its clients.

- *Low initial investment:* The cost to serve clients, especially in the area of offshore investment services, is high for most financial institutions. As a result, investors must invest large sums of money. The Dime! application, aiming to overcome this pain point, allows clients to invest in around 5,500 U.S. securities starting at Baht 50. Since the cost to serve clients incurred by KKP DIME is low and will decrease as more users join the application, clients can start investing with a low amount of money.
- *Fun:* Although finance and investment are important for everyone, they are difficult and boring for most. With this in mind, KKP DIME has developed the application to make finance and investment fun and engaging with well-illustrated storytelling articles, a virtual portfolio for virtual investing, and finance and investment missions.

(2) Distribution Channels

The Group provides services through its entities, which are the Bank, KKPS, KKP DIME, and KKPAM. Details are as follows:

1. Kiatnakin Phatra Bank

1.1 Branches

As of December 31, 2023, the Bank has 61 branches. The breakdown by geography is as follows:

Region	No. of Branches
Bangkok and vicinity	33
Central	5
East	6
Northeast	5
South	6
North	6
Total	61

Additional details on the Bank's branches can be found on the Bank's website (<https://bank.kkpg.com/th/branch>) or by contacting 0-2165-5555.

The Bank strives to continuously improve its services to create the best-in-class client experience by developing its staff to be equipped with knowledge and skills as well as a service mindset to provide the best services and suitable advice on financial services and investment to clients, leveraging both traditional banking services and digital services in line with changing client behavior. The Bank has modernized processes and tools to improve service efficiency.

The Bank has continued to focus on enhancing service levels across all offline and online channels to ensure a positive client experience anywhere and anytime. Insights from client behavior and collective feedback have been actively utilized to uplift the service level, expand self-service coverage that best serves clients' needs, and also help promote the cost effectiveness of the company. Furthermore, the Bank will prioritize the effort to improve the handover experience across channels to truly deliver a seamless experience to clients.

1.2 Digital Channel

The Bank has accelerated the adoption of technology to provide seamless offline, online, and hybrid experiences to its clients. In addition to fundamental digital platforms, the Bank has continued to invest in data and analytic capability to develop a deep understanding of client behavior and preferences to sharpen its value proposition and tailor its offerings to client-specific needs. However, the rise in digital has led to a growth in cyberthreats, which is a major concern not only in banking but all industries. This issue is of utmost priority for the Bank to secure proactive protection on client assets. The Bank has taken all necessary measures and investments to uplift digital security with the best-in-class technology to prevent losses from fraudulent activities.

Digital services are developed with the aspiration of being the main channel for banking service delivery and client acquisition. The majority of the Bank's clients currently have the KKP Mobile application and are actively doing transactions on a daily basis. The Bank



has committed to providing high-standard quality and uninterrupted services through its continued efforts to upgrade core and supporting platforms to accommodate the immense growth of digital transactions, as proven by a track record of relatively better downtime rates compared to the industry average.

In 2023, the Bank added more products and services to be subscribed to via the application as part of its aim to provide end-to-end comprehensive digital sales and services in one application, including e-deposit, e-insurance, investment, and online loan applications. Chat service with live agents is available on the KKP mobile application to ensure a better client experience with instant assistance and boost product conversion. The Bank has expanded service scopes to support transactional banking, investment, and advisory, aiming to best serve the specific needs of different user personas and enhance application engagement. This includes expanding transactional partners for top-up and cardless ATM withdrawal, strengthening the experience of the onboarding journey, improving the presentation view for reports and the dashboard of investment consolidation, and adding electronic documents. Personalized recommendations and campaigns have been offered via multi-channels according to client preference, and the Bank has continued its effort to uplift a seamless experience between online and offline as well as minimize the hand-over process between organizations.

Furthermore, in response to growing demand of digital services, the Bank has been working to increase services and features on its LINE official partly to be an alternative channel for traditional SMS which has become less popular from higher fraud threats. LINE OA will be one critical digital touch point to provide easy self-services, notifications, on demand live chat with call center agents, and also access to new products and service with ease of use.

1.3 Contact Center Channel

The Bank provides multi-contact channel platforms to serve client inquiries and ensure a consistently positive client experience through every channel. The Bank has established dedicated lines to promptly respond to client inquiries, as listed below:

- KKP Contact Center (0-2165-5555): This is the main channel for serving retail clients. The Bank has streamlined the process, minimized handover, and upgraded tools to be able to handle client inquiries faster and more effectively. Chat services are available via multi-platforms, including chat in the mobile banking application, the LINE channel, and Facebook Messenger, in order to respond to today's clients' lifestyles. Advisory is still a core theme for agent knowledge and skill uplift to maintain the delivery of service excellence for all products. Client behavior and channel interaction insights have been embedded in the call center system to enable agents to provide meaningful support and recommendations for the next-best products or services for clients. Furthermore, mobile application subscriptions have been promoted to clients to perform simple inquiries and self-service with ease of use anytime and anywhere.
- KKP Asset Contact Center (0-2165-5577): This is a dedicated channel to provide online information for clients to inquire about assets, loan calculations, loan requests, as well as promotions and news.
- KKP PRIORITY Banking (0-2165-5566): A service channel dedicated to PRIORITY banking clients.
- KKP Anti-corruption (0-2495-1550): A channel for clients to report actions that are improper or against the Bank's good governance.
- KKP Biz Contact Center (0-2165-5599): Serves corporate clients and partners for their inquiries on KKP Biz e-Banking services.

1.4 Online Service Channel

The Bank has established several online media channels to enable online access to serve different client behaviors and lifestyles with the aim of developing long-term engagement. The main Group's website is www.kkpfg.com, which has corporate information and seamless navigation to all the different products and services of the Group. The Group continuously enhances the main website to improve the user experience and lead management journey for both existing clients and prospects. In addition, the Group



actively promotes other owned social media and online ads with relevant content to get traction and attract prospects to its online service channel.

1.5 Partnership Channel

The Bank sees the importance of building business alliances between different industries, as this can bring new opportunities to involved parties. For instance, expanding the client base through a business partner creates efficiency and cost effectiveness while also being more convenient for clients as they can access a variety of products and services without having to switch platforms. Here are the products that the Bank is offering with business partners:

The Bank has expanded its cooperation with True Money and Ascend Nano, a financial company of Ascend Group Co., Ltd., in order to provide clients with financial services and loan products by offering a personal loan product under the name KKP Cash Now via the True Money Wallet application. The key feature of KKP Cash Now is that clients can apply for loans through the True Money Wallet application by verifying their identity through e-KYC and submitting electronic documents via the application without having to contact the Bank's staff or branches. In addition, clients can track their loan approval status, review terms and conditions, monitor their credit line and loan outstanding, and make payments through the application. Accordingly, KKP Cash Now empowers clients to complete their online transactions with more convenience and efficiency.

KKP Start Saving is a savings account without a passbook. Clients can open an account through the True Money Wallet application. This product aims to encourage the new generation to open a micro savings account for interest. This also serves the new normal lifestyle, as clients can open an account without using documents and transactions can be done anywhere and anytime. With NDID's e-KYC practice, high security is ensured through the use of clients' IDs and facial recognition to verify their identities. Users can conveniently use KKP Start Saving as a source of funds in the True Money Wallet application for any daily transactions, including topping up wallets and making payments at various stores.

2. KKPS

The sales and service channel of KKPS is through its head office at 209, KKP Tower A, 9th, 12A-18th, 20th Floor, Sukhumvit 21 (Asoke), Khlong Toey Nua, Wattana, Bangkok 10110 (Tel. 0-2305-9000). In addition, KKPS offers services via its call center, internet, and the KKP Mobile Application, Kiatnakin Phatra Edge, providing convenient accessibility to clients nationwide.

3. KKPAM

KKPAM is currently located at 209, KKP Tower A, 17th Floor, Sukhumvit 21 (Asoke), Khlong Toey Nua, Wattana, Bangkok 10110 (Tel. 0-2305-9800). 52 selling agents distribute KKPAM's products, including 5 commercial banks, 30 securities companies, 3 asset management companies, 3 securities brokerages of investment units, 10 life insurance companies, and 1 other company. In addition, KKPAM provides online access, KKPAM Online, as a convenient channel for investors to invest in KKPAM's funds.

4. KKP DIME

KKP DIME is located at 252/10 Muang Thai-Phatra Office Tower 1, 6th Floor, Ratchadaphisek Road, Huai Khwang, Huai Khwang, Bangkok 10310 (Tel. 0-2165-5555). KKP DIME offers its service via the Dime! application, and clients can also open an account via AIS, its partner.

(3) Market Condition and Competition

1. Commercial Banking Business

As of the end of November 2023, total assets of the 13 domestically registered commercial banks were recorded at Baht 21.7 trillion, expanding at 1.8% YoY compared to a growth rate of 3.5% YoY in 2022. This acceleration was driven by a 1.1% YoY increase in asset growth among the four largest banks (which account for roughly 66.9% of the market share). Medium- and small-sized banks saw their assets increase by 2.6% and 4.7%, respectively, from the year earlier.

The table shows assets, deposits, and net lending of Thai commercial banks as of November 2023

No.	Thai Commercial Bank	Assets		Loans		Deposits	
		Baht Million	Market share (%)	Baht Million	Market share (%)	Baht Million	Market share (%)
1.	Bangkok Bank	3,904,833	18.0	2,076,405	15.2	2,707,333	17.4
2.	Kasikorn Bank	3,609,100	16.6	2,196,629	16.1	2,618,777	16.8
3.	Krung Thai Bank	3,528,445	16.3	2,330,861	17.0	2,628,082	16.9
4.	Siam Commercial Bank	3,464,426	16.0	2,290,276	16.7	2,475,704	15.9
5.	Bank of Ayudhya	2,527,596	11.7	1,703,718	12.5	1,805,834	11.6
6.	TMBThanachart Bank	1,757,017	8.1	1,284,911	9.4	1,330,316	8.6
7.	UOB Bank	872,680	4.0	595,428	4.4	691,069	4.4
8.	Kiatnakin Phatra Bank	518,069	2.4	389,817	2.8	357,504	2.3
9.	CIMB Thai	507,303	2.3	241,332	1.8	256,856	1.7
10.	Land and House Bank	297,395	1.4	217,254	1.6	238,019	1.5
11.	TISCO Bank	282,562	1.3	224,568	1.6	203,068	1.3
12.	ICBC (Thai)	229,420	1.1	105,349	0.8	151,697	1.0
13.	Standard Chartered Bank	195,615	0.9	22,562	0.2	89,157	0.6
Total		21,694,461	100.0	13,679,108	100.0	15,553,416	100.0
4 large-sized commercial banks		14,506,804	66.9	8,894,170	65.0	10,429,896	67.1
2 medium sized commercial banks		4,284,613	19.7	2,988,628	21.8	3,136,150	20.2
7 small commercial banks		2,903,044	13.4	1,796,309	13.1	1,987,370	12.8
All commercial banks		24,091,764		14,612,211		16,852,374	

Source : Summary Statement of Assets and Liabilities (C.B.1.1) as of November 2023, the Bank of Thailand

Remark : Total loans exclude interbank lending

Commercial banks' outstanding loans were at Baht 14.6 trillion at the end of November 2023, declining by 0.1% from the end of 2022, in line with weak household purchasing power and a tightening of bank credit standards.

Overall, commercial bank asset quality appeared to have worsened from the previous quarter at the end of 3Q2023, owing to a heightened interest rate and an income slowdown. The gross outstanding non-performing loans (NPL or stage 3) by the end of 3Q2023 were at Baht 494.6 billion, or 2.70% of total loans.

The Thai banking system remained sound with a high level of loan loss provisions and capital, as reflected by the Capital Adequacy Ratio (BIS ratio), NPL coverage ratio, and Liquidity Coverage Ratio (LCR) at 19.9%, 176.0%, 196.0%, respectively.

Outstanding deposits were at Baht 16.9 trillion as of the end of November 2023, falling by 0.5% from the end of 2022. This deceleration was driven by deposit migration.

Despite higher funding costs, the nine-month net profit of Thai commercial banks was recorded at Baht 199.0 billion, increasing from the same period last year primarily due to an increase in interest rate income.

Banking Industry Outlook

In 2024, the banking industry will face several challenges, including weak economic recovery, weak inflation, weak domestic and durable consumption, deposit migration, lower used car prices, and higher TDR after the forbearance program ends. This would pose challenges to the banking industry in three key areas:



- 1) Loan growth is expected to weaken in 2024 due to high interest rates, weak exports, and weaker domestic and durable consumers. Corporate loans will be relatively stronger in 2024, owing to the large corporate bond refinancing of around Baht 890 billion. While retail and SME loans remain sluggish, this is mostly due to high interest rates, increased supervision of retail loans by the Bank of Thailand, weak domestic demand, and exports.
- 2) Funding costs will climb in 2024 owing to increased deposit migration. Deposits with low interest rates will be migrated to high-interest deposits and other financial assets with higher yields, such as money market and fixed-income mutual funds, endowments, overseas assets, and so on. The net interest margin (NIM) in 2024 will be under pressure.
- 3) Asset quality should deteriorate in 2024, particularly for auto loans, clean loans, and SME loans, due to a weak economy and a higher TDR. After the forbearance program ended in 2023, TDR or stage 2 loans will grow dramatically, necessitating an increase in banks' ECL for these loans. In 2024, credit costs will be under pressure.

2. Real Estate Business

Thailand's real estate market plummeted in 2023 because of 1) a rising interest rate, 2) the tightening of the LTV measure, and 3) new launch collapses, especially in the condominium sector due to high inventory. However, foreign demand remains a growth driver for the sector.

On the supply front, new developer loans nationwide over the first nine months of 2023 totaled Baht 48,267 million, a collapse of 32.2% compared to the same period of the previous year. In the Bangkok metropolitan region alone, new project launches in the first eleven months of 2023 decreased by as much as 7.1% in units, new launches of condominiums decreased by 9.9%, and low-rise launches declined by 4.0%. However, total project value increased by 13.5% from the previous year, implying that most of the new launch projects were of the high-end segments.

Total new mortgage loans nationwide registered a marginal growth of 5.3% to Baht 500,874 million during the first nine months of 2023 compared to the same period of the previous year, partly due to a slowdown in housing demand corresponding to economic recovery. With regards to title transfers, over the first ten months of 2023, units transferred totaled 299,676, a contraction of 3.8% compared to the same period of the previous year.

Property Market Outlook

The property market in 2024 should see a slowdown from 2023 due to a slowdown in housing demand, rising interest rates, and the cancellation of LTV relief measures for mortgage lending. The impact of macro headwinds should negatively impact housing sales and mortgage loan growth, especially in the low- and low-to-mid-end segments (below Baht 3 million). However, the return of foreign tourists is expected to partially be a supportive factor for real estate, particularly the high-end segments and real estate tourist destinations.

3. Auto-Hire Purchase Business

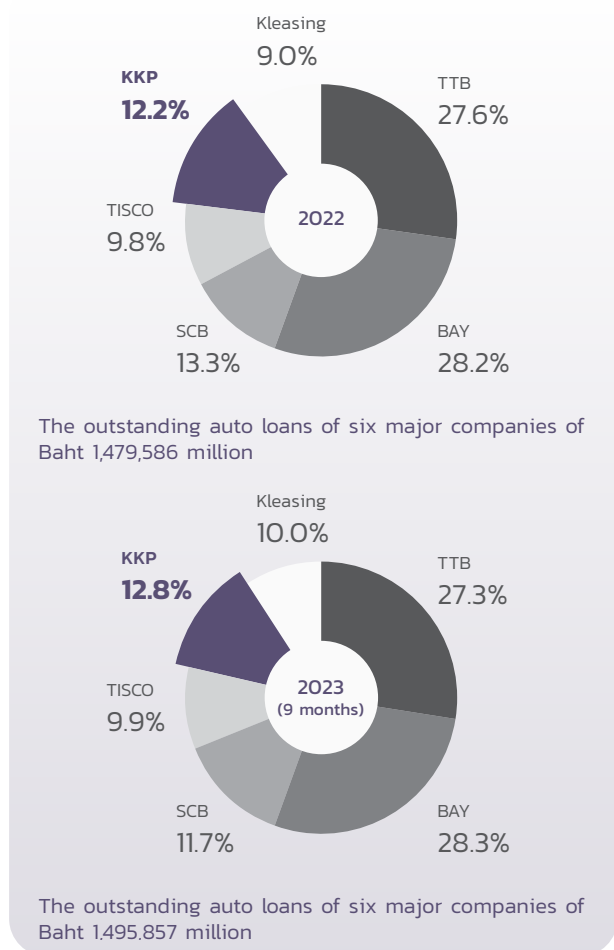
Domestic auto sales in the first eleven months of 2023 totaled 707,454 units, a contraction of 7.7% compared to the previous year. Sales of commercial vehicles decreased by 16.2% due to income and the economic slowdown. Meanwhile, sales of passenger cars increased by 10.8%, driven by EV sales supported by government subsidies.

The second-hand car market faced significant challenges in 2023 due to deteriorating farmers' income, rising costs of agricultural production, and an elevated interest rate. Consequentially, the number of confiscated cars has increased, with a notable drop in prices of 23.9% in the first eleven months of 2023 compared to the beginning of 2023. This imposed direct impacts on hire purchase performance. Also, car transfers, a proxy for the volume of used cars, decreased by 11.8%.

Total outstanding auto-hire purchase loans by all commercial banks (excluding collateralized personal loans) totaled Baht 1,187,164 million at the end of 3Q2023, a 0.8% annual increase compared to the previous year's incline of 1.6% but in line with

decreased auto sales. Meanwhile, the ratio of NPLs to total outstanding hire purchase loans was 2.10% at the end of 3Q2023, up from 1.88% at the end of 2022.

Total outstanding auto-hire purchase loans at the end of 3Q2023, including collateralized personal loans by the six largest loan providers, namely TMBThanachart Bank, Bank of Ayudhya, Siam Commercial Bank, Tisco Bank, Kiatnakin Phatra Bank, and Kasikorn Leasing Co., Ltd., reveal Kiatnakin Phatra Bank's increased market share from 12.2% at the end of 2022 to 12.8% at the end of 3Q2023. The following diagram displays the auto-hire purchase market share of each bank at the end of 2022 and 2023, respectively:



Remark: Outstanding loans for 2023 were as of the accounting period ending September 30, 2023.

Auto-Hire Purchase Business Outlook

The auto-hire purchase business in 2024 is expected to deteriorate from the previous year, in tandem with domestic auto sales, which are forecasted to register around 730,000 units due to: 1) dampened purchasing power and income prospects and 2) tighter credit approval due to concern over loan quality, which may dampen sales in the medium term until the economy improves significantly.

4. Capital Market Business and Securities and Derivatives Brokerage Business

Global equities delivered a strong performance in 2023, with the MSCI World Index increasing 20.1% YoY. Rate-cut expectations and technology plays led to a rally in growth, cyclical, and discretionary sectors, while defensive sectors became laggards. In contrast, the SET index underperformed most markets in 2023 with a total negative return of 12.7% YoY, closing at 1,415.85 points. Despite local institutions switching to being net buyers of Baht 81.01 billion in 2023 from net sellers of Baht 153.88 billion in 2022, and retail investors switching to being net buyers of Baht 116.33 billion in 2023 from net sellers of Baht 45.39 billion in 2022, foreign investors became net sellers with large outflows of Baht 192.08 billion versus net buying of Baht 202.69 billion in 2022. Proprietary trading also stayed as a net seller of Baht 5.26 billion in 2023, up from Baht 3.42 billion in 2022.

Foreign investors reduced their weight in Thailand due to the country's political uncertainty, delayed government formation (higher risk premium), earnings growth slowdown, slower-than-expected tourism recovery, and policy pressure (from tight monetary policy and a lack of fiscal policy promoting long-term economic growth).

Electronics (+4.4%) was the only sector with positive growth, led by a weaker Baht and regional tech sentiment. Despite the rising interest rate environment seen in 2023, concerns continued for Banks (-1.3%) on asset quality and deleveraging. Healthcare (-7.2%) also saw a decline on profit-taking of high-end hospitals and margin concerns for mid-end hospitals



coming from expansion projects. Tourism (-12.7%) had a slower-than-expected Chinese tourist recovery, while Energy (-17.7%) saw lower oil prices. Sectors that underperformed the most were Media (-34.0%) on the slow recovery of advertising revenues and rising expenses and Finance (-29.4%) on higher funding costs and deteriorating asset quality.

In 2023, the SET and mai's average daily securities trading value decreased by 30.5% YoY to Baht 55,330.77 million. Foreign participation increased to 50.67% in 2023 from 45.56% in 2022, while local institutions' participation increased to 8.17% in 2023 from 7.45% in 2022. This is because retail and proprietary trading volumes decreased at a much faster rate. Retail investors' participation decreased to 33.82% in 2023 from 39.03% in 2022, while proprietary trading's participation decreased to 7.34% in 2023 from 7.96% in 2022.

Despite relatively stable pricing pressure on high-touch trade executions, the stock brokerage industry remained difficult with rising trades from foreign institutions on execution-only services. In addition, the effective commission rate also declined with growth in direct market access (DMA) and high-frequency trading as well as program trading orders following the migration from actively managed funds to ETFs.

KKPS has no aggressive pricing policy, instead focusing on the quality of research and services, including technology, to effectively support trading transactions and client base expansion. Therefore, KKPS successfully gained market share from 18.63% in 2022 to 20.79% in 2023, ranking first. KKPS's share of foreign institutional brokerages increased from 34.71% in 2022 to 35.37% in 2023. The market share of local institutional brokerages decreased from 9.61% in 2022 to 9.17% in 2023. The market share of high-net-worth clients increased from 1.59% in 2022 to 1.75% in 2023.

The table below illustrates the SET and mai market conditions, trading value, and market share of KKPS.

	2022	2023
Average daily securities trading value of the SET and mai (Baht Million)	76,772.85	53,320.77
Trading value of the SET and mai by investor type		
Foreign investors (%)	45.56	50.67
Local institutions (%)	7.45	8.17
Local individuals (%)	39.03	33.82
Proprietary trading (%)	7.96	7.34
Average daily securities trading value of KKPS (Baht Million)	27,882.08	21,818.03
Market share of KKPS (excluding proprietary trading) (%)	18.63	20.79
Market share-foreign investors (%)	34.71	35.37
Market share-local institutions (%)	9.61	9.17
Market share-high-net-worth clients (%)	1.59	1.75
Ranking	1	1

Source: SET and KKPS

For TFEX, the trading volume in 2023 decreased by 5.01% YoY, with the average number of contracts traded decreasing from 565,627 per day in 2022 to 532,886 per day in 2023. KKPS's market share on the TFEX decreased from 8.48% in 2022 to 7.25% in 2023.

TFEX Market Summary

	2022	2023
Number of contracts	136,316,012	129,491,241
Trading volume of KKPS (No. of contracts)	23,112,346	18,781,771
Trading value of KKPS (Baht Million)	3,148,838.52	2,869,870.14
Market share of KKPS (%)	8.48	7.25
Ranking	4	4

Source: SET

5. Investment Banking Business

Securities firms continued to focus on the investment banking business with the aim of increasing fee revenue and supporting their securities brokerage business. Currently, 69 companies operate financial advisory services with granted licenses, while 40 securities firms operate as underwriters with granted licenses. Success in the industry will be determined by the experience and expertise of the banking team, initiatives to introduce new financial instruments to meet clients' increasing needs, and strong client relationships.

KKPS has consistently earned the trust of clients by providing expert guidance in their restructuring and mergers and acquisition endeavors. In 2023, KKPS served as the financial advisor and tender offer agent for Bangchak Corporation PCL's acquisition of 66.0% of the ordinary shares of Esso (Thailand) PCL from ExxonMobil Asia Holdings Pte. Ltd., including the tender offer for the remaining shares of 10.4%, totaling Baht 26,154 million. Additionally, KKPS served as the financial advisor and tender offer agent for Thai Beverage PCL's purchase of an 18.8% ownership stake and the subsequent delisting of shares of Oishi Group PCL through a tender offer valued at Baht 4,169 million. Furthermore, KKPS undertook the role of financial advisor and a tender offer agent for Sojitz Corporation in the purchase of a 14.5% ownership stake and the subsequent delisting of shares of Thai Central Chemical PCL through a tender offer, with a value of Baht 3,385 million. Notably, KKPS played a pivotal role as a financial advisor in the amalgamation of Pewdee Clinic Esthetics Co., Ltd., and Pongsak Medical Clinic Co., Ltd., with a total value of Baht 1,103 million. After the share swap, Pewdee's and Pongsak's existing

shareholders will hold 45.5% and 54.5% of the new entity, respectively.

With its superior strength, structuring expertise, and exceptional distribution capability, KKPS remains a leading player in capital market transactions. In 2023, KKPS was appointed as a financial advisor for Asia Network International PCL for its IPO.

In addition, as investors are confident in KKPS's bond selection, KKPS's fixed-income business has been growing steadily. In 2023, KKPS served corporate clients in 44 debt offerings with a total value of over Baht 290,438 million.

6. Asset Management Business

In 2023, there were 23 asset management companies under the supervision of the SEC. Industry AUM (only mutual funds and property funds) stood at Baht 5.15 trillion (not including funds in foreign currency), registering an increase of 5.46% relative to Baht 4.88 trillion in the previous year (source: AIMC as of December 28, 2023).

Fixed-income funds represented the largest share of the industry's AUM, ending the year 2023 at Baht 2.36 trillion, or 45.91% of total AUM. Equity funds stood at Baht 1.59 trillion, or 30.99% of total AUM. The RMF segment continued to grow, ending the year at approximately Baht 0.42 trillion, representing a growth of 4.14% from 2022. The AUM of SSF in 2023 was Baht 0.05 trillion.

As for the private funds industry in 2023, the whole industry's AUM was Baht 2.17 trillion (source: AIMC as of November 30, 2023), representing a positive growth of 10.60% relative to the end of 2022.



In 2023, KKPAM launched eight funds, including 1) KKP China Fund-Hedged, 2) KKP Passive Global Equity Fund-Unhedged, 3) KKP NDQ100 Fund-Unhedged, 4) KKP Complex Return 2023A Fund Not For Retail Investors, 5) KKP Thai Government Bond 6M1 Fund, 6) KKP Japan Government Bond 6M1, 7) KKP GB Thai ESG Fund, and 8) KKP EQ Thai ESG Fund to broaden the scope of investment choices for investors.

KKPAM will continue to develop its product platforms to meet investors' demands, diversify their investments, and capture opportunities sparked by changes in the market.

7. Digital Financial and Investment Services

Digital financial and investment services have expanded considerably, as seen by the number of mobile banking application users (103,066,182 accounts) compared to the total number of savings accounts (115,123,866 accounts) (Source: Bank of Thailand as of July 2023) or the number of financial transactions, especially cash transfer transactions. Digital services are therefore significant for all financial institutions. There are two types of digital financial and investment service providers.

- 1) Providers using a digital platform as one of their channels: Clients of this type of provider can comfortably use the service through both online channels and at branches. These providers use the digital channel to reduce the cost of serving, not to generate income. Although digital channels can reduce the cost to serve compared to offering services at the branch, the cost to serve each client for these providers is still higher than for those that use only digital channels to serve

clients. It may therefore be unprofitable for these providers to serve retail clients. In addition, all the channels may not have the most up-to-date information on each client, which may cause problems when serving them.

- 2) Providers using a digital platform as their business: These providers are the financial institutions that operate their businesses through digital channels. They aim to generate income and profit from these digital channels, not to reduce costs. They will invest to create the best user experience on their digital platforms in order to prevent client churn. Although offering services via only digital channels will lead to the lowest cost of service for the providers, some clients who are not familiar with digital platforms may not be interested as they want to consult with or complain to the service providers in person. Moreover, digital financial services sometimes face regulatory limitations caused by concerns that clients may not be able to fully understand financial products if only offered via digital channels.

KKP DIME is determined to develop digital businesses that offer the best experience at the lowest cost to serve.

(4) Provision of Products and Services

1. Commercial Banking Business

1.1 Source of Funding

The Group's key funding sources include various types of deposits, bills of exchange, borrowings, and interbank transactions, with details shown in the table below.

Funding Sources	2021		2022		2023	
	Amount (Baht Million)	Proportion (%)	Amount (Baht Million)	Proportion (%)	Amount (Baht Million)	Proportion (%)
Deposits	288,382	82.6	331,464	80.3	358,903	79.6
Bills of exchange (B/E)	2,007	0.6	-	-	5,554	1.2
Debentures	41,798	12.0	61,354	14.8	63,346	14.1
Interbank transactions	16,664	4.8	20,175	4.9	23,035	5.1
Total	348,851	100.0	412,993	100.0	450,838	100.0

At the end of 2023, the total funding from major sources was Baht 450,838 million, an increase of Baht 37,845 million, or 9.2%, from the end of 2022. The increase was to support loan growth and liquid assets. During 2023, the rising market interest rate situation was caused by the acceleration of both global and Thai inflation, especially in the first half of the year, as well as internal and external factors that might affect the recovery of the domestic economy. Therefore, the Bank of Thailand raised the policy rate from 1.25% to 2.50% at the end of 2023. As a result, the Bank has been strategically repositioning its funding structure to manage funding costs suitable to each period in accordance with the situation as well as to balance between financial cost and liquidity risk management with two important measures, i.e., maintaining liquid assets to withstand any liquidity situation in stressed scenarios (Liquidity Coverage Ratio/LCR) and maintaining sufficient stable sources against uses of funds (Net Stable Funding Ratio/NSFR). At the end of 2023, the Group had a total of Baht 63,346 million in outstanding issued debentures, increasing by 3.2%, comprising Baht 54,244 million in senior debentures and Baht 9,102 million in subordinated debentures, while the total outstanding of deposits increased by 8.3%. In addition, the Group's cost of funds in 2023 was 1.9%, increasing compared to 2022 from the market interest rate situation that was in an upward direction, including the change in funding structure within the year.

- **Deposit Rate Policy**

The Assets and Liabilities Management Committee has approved a framework to govern deposit rates and delegated the duty to offer interest rates suitable for any particular period to the Money Desk Sub-committee, which will consider various factors, such as the Bank's liquidity needs, rate competition in the deposit market, and the interest rate trend. Deposit-taking activities and rate offerings follow the guidelines announced by the Bank of Thailand.

1.2 Credit Related Policies

- **Credit Policy**

The Bank has set its credit policy to ensure clarity and consistency in the credit process and the highest benefit for the organization. The credit policy outlines

the principles in credit analysis and the areas to be specially monitored or avoided in addition to the areas of focus of the Bank in order to expand the asset portfolio while ensuring good asset quality.

The credit policy is an integral part of allowing the Bank to achieve its strategic goals in terms of extending loans within the accepted risk limit. Loan portfolio composition is also monitored appropriately, taking into consideration concentration risk and risk diversification to align with the constant changes in the external environment. Overall risk is closely monitored against the specified risk limits.

- **Credit Risk Management Policy**

The Risk Oversight Committee is responsible for providing the credit policy for each loan type, which is based on the Core Credit Policy, the Retail Lending Policy, the Commercial Lending Policy, and the ESG Lending Policy. The credit policy outlines the process for client selection, credit analysis, and any specific requirements or conditions that are mandatory for each type of business. The credit policy covers the entire process, from pre-approval up to loan servicing and management. The Risk Management Group Head is responsible for monitoring the risk management of the credit portfolio.

For retail lending, the Bank has developed a credit scoring model based on the statistical data of the Bank's clients. The Bank uses the results obtained from the model, along with information from the National Credit Bureau, to determine credit approval under the Basel Committee for Banking Supervision on Internal Ratings Based Approach (IRB).

The Bank conducts, reviews, and evaluates the appropriateness of the credit policy and credit process at least once a year to ensure adequate revisions of the risk management process or whenever there are changes in external factors that have a significant impact, and the results of such reviews will be considered by the Risk Oversight Committee.

- **Debt Restructuring**

The Bank performs debt restructuring with debtors, both for general debt restructuring and troubled debt restructuring. This is for the mutual benefit of both the Bank and debtors by optimizing loan repayment while allowing the debtor to continue their business. With



the COVID-19 situation impacting the macroeconomic situation all over the world, including Thailand, and also the impacts from natural disasters, the Bank thoroughly considers debtors' business circumstances together with several other factors, especially their intention to pay, ability to pay, risk, and return. In the eventual event that the case cannot be resolved, litigation actions will be used for the Bank's repayment recovery, whereby legal action will be approved by authorized officers according to the Bank's guidelines.

• Debt Collection

The Bank has a collection guideline and collection journey in place for each client segment, namely high-risk, medium-risk, and low-risk clients. Once clients fall into delinquent status, the Bank will use different collection activities based on each risk segment, i.e., SMS, email, and call dunning by staff or a blaster (an automated call from a recording machine). Once the client is considered to be in NPL or write-off status, intensified collection activities shall be carried out both by outsourcing agencies and legal activities, and if the Bank cannot obtain any further repayment, debt sales will be an alternative solution.

• Loan Approval and Delegation of Authority

The Bank separated the approval authority limits into mainly (1) commercial and counterparty approval limits (commercial lending, corporate lending, and special asset management) and (2) product program lending approval limits. For the delegation of authority in product program lending, approval begins with the credit analyst (staff level) and steps up to the head of business unit level. Product program lending is under the control of risk management, with early warning indicators as to whether credit cost (loss) remains within an acceptable range as well as concentration risk, which shall be under the limit and tolerance as stated by the Risk Oversight Committee.

1.3 Capital Funds

The Group pays great attention to capital management to ensure it has strategies to maintain capital funds above the target capital requirements. As of December 31, 2023, the Bank's total capital to risk-weighted assets (BIS ratio) was 15.73%, higher than the minimum capital requirement and capital buffer ratio set by the Bank of Thailand at 11.00%. The details of the Bank's Capital Adequacy Ratio are as follows:

Separated Financial Statements Capital Adequacy Ratio (%)	Basel III			Minimum Capital Requirement and Capital Buffer Ratio ¹ Based on the Bank of Thailand's Rules and Regulations
	December 31, 2021	December 31, 2022	December 31, 2023	
Common Equity Tier 1 capital to risk-weighted assets	12.63	11.73	12.30	7.00
Tier 1 capital to risk-weighted assets	12.63	11.73	12.30	8.50
Tier 2 capital to risk-weighted assets	3.78	3.39	3.43	-
Total capital to risk-weighted assets	16.41	15.11	15.73	11.00

Remark: ¹ Capital buffer requires an additional Common Equity Tier 1 at 2.50% above the minimum capital requirement to support losses incurred under stressful conditions.

When including profit up to the end of 2023, the Bank's total capital to risk-weighted assets will be 16.21%, and its Tier 1 capital ratio will be 12.78%.

1.4 Liquidity Management

The Assets and Liabilities Management Committee has been assigned to supervise and set strategies regarding liquidity management, with the Money Desk

Sub-committee functioning as a vehicle to consider interest rates corresponding to the Bank's liquidity needs. The Treasury Department works in parallel as a key department to closely manage the liquidity position both in the short and long terms in response to both internal factors, such as the Bank's business expansion plan and liquidity reserve, and external factors, such as competition and the interest rate trend. The Assets and Liabilities Management Committee conducts constant reviews of the economic situation and the interest rate trend to timely manage liquidity amid fast-changing domestic and overseas economic situations.

The Bank's liquidity management follows the Bank of Thailand's rules and regulations, including the regulatory reserve requirement, LCR, and NSFR, while such liquidity must be kept at the most appropriate level with the right balance between financial cost and liquidity risk in mind. In addition, diversification to appropriate funding sources is encouraged in order to not be overly dependent on a few large depositor groups or financial institutions. Such diversification should include types and terms of funding as well. In crisis situations, the Bank has a liquidity contingency plan in place to ensure sufficient liquidity to handle unusual deposit withdrawals.

1.5 Loan Classification, Provisions, and Write-Off

The Bank complies with the loan classifications and required provisions according to the regulations of the Bank of Thailand and also according to the guidelines from the Bank's Risk Oversight Committee. The Bank also sets additional indicators in order to closely monitor credit quality. The Bank will perform write-offs when debt repayment is no longer possible, such as in cases where legal actions have been taken, the debtor has no assets to support repayment, there is no debt guarantor, or the collateral no longer has any value. Write-offs and any recovery will be in accordance with regulations by the Bank of Thailand and the Revenue Department and guidelines from the Bank's Risk Oversight Committee. Any write-off conducted shall be subject to a strict compliance process, with no benefits to be considered for any director, senior executive, or shareholder of the Bank or any related parties.

2. Capital Market Business

2.1 Source of Funding

The capital market business partly relies on funding from the Bank. Additionally, KKPS also issues equity-linked notes and has overdraft credit lines with several commercial banks as an alternative source of funding.

2.2 Funding and Loans to Related Parties

Under approval from the Bank of Thailand, the Bank can provide loans to capital market businesses not exceeding 25% of the Bank's total capital fund. As a result, the capital market business has a credit line with the Bank. Lending to each subsidiary will be within the specified credit line, with total aggregate loans made to subsidiary companies not exceeding 25% of the Bank's total capital fund.

2.3 Credit Line Approval

KKPS has a clear policy in place to approve credit lines for trading accounts of clients by taking into consideration the financial position, repayment ability, and financial income of each client.

2.4 Loans Using Financial Assets as Full and Combined Collateral

The Bank also offers loans to high-net-worth clients of KKPS through the following services:

- 1) Lombard loan: Lombard loan is a multi-purpose credit facility offered to high-net-worth clients of KKPS who require loans for their investment opportunities or for personal use by using financial assets under KKPS's management, such as cash, ordinary shares in the SET100 (except KKP shares), property funds, REITs, infrastructure funds, local mutual funds and private funds managed by KKPAM, direct offshore mutual funds, mandated service products, and starting in 2024, structured notes issued by KKPS as loan collateral.
- 2) PPF: PPF is a credit facility offered to KKP's high-net-worth clients who want to acquire real estate or to increase financial liquidity as an



asset owner for investment in financial assets through KKPS or for multi-purpose loans by using land, land with buildings which can be a house or commercial building or other types of buildings, such as apartments, hotels, and condominiums, in conjunction with the financial assets under KKPS's management, such as cash, SET100 securities (except KKP shares), property funds, REITs, infrastructure funds, local mutual funds and private funds managed by KKPAM, direct offshore mutual funds, mandated service products, and starting in 2024, structured notes issued by KKPS as collateral.

2.5 Net Capital Ratio

The net capital ratio as of December 31, 2023, of KKPS is above the minimum requirement of the SEC at 7.00%. Details on KKPS's net capital ratio are per the table.

Net Capital Ratio (%)	2021	2022	2023
KKPS	22.95	23.63	40.38

(5) Assets for Business Operation

1. Major Assets for Business Operations

(Unit: Baht Million)

Description	December 31, 2021	December 31, 2022	December 31, 2023
Land	557	3,546	3,546
Premises	1,480	2,732	2,742
Equipment	312	384	473
Furniture and fixtures	187	434	598
Vehicles	100	107	76
Work in progress	864	209	1
Right-of-use assets, net	321	282	246
Total	3,821	7,694	7,682

During 2022, the Group performed a revaluation of its land and premises using the revaluation method instead of the previous cost method. As a result of this revaluation, the value of land and premises has increased.

2. Investments in Subsidiaries

• The Definition of Subsidiaries

Subsidiaries are defined in accordance with an accounting standard disclosed in the notes to the financial statements under the accounting policies section.

• Investment Policy

Strategic Investment

Strategic investment is defined as investment in subsidiaries or associates that operate businesses that are strategically beneficial to the Group's business and enable the Group to achieve its mission, strategy, and business plan while also adhering to the Group's business practices, corporate governance, and the Bank of Thailand's supervisory guidelines.

Investment for Return

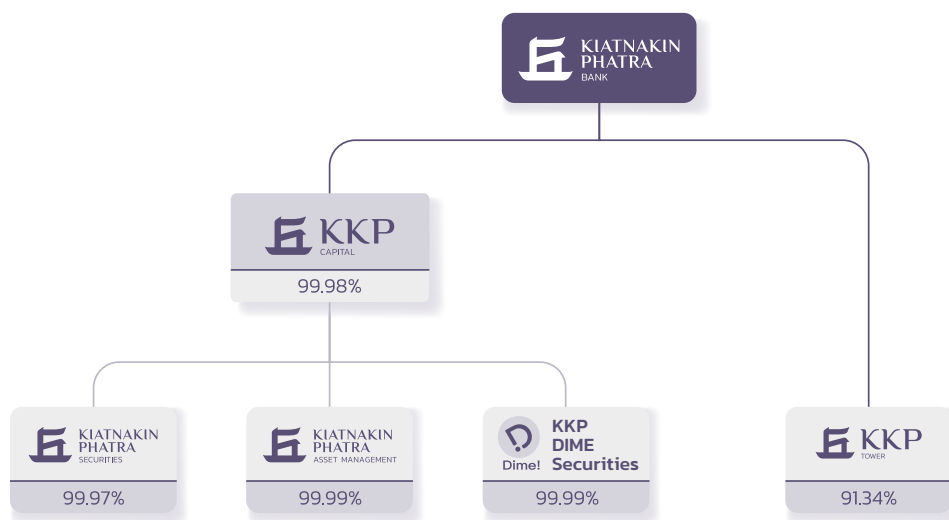
An investment for return is one in which non-performing credit assets are purchased at a price lower than the outstanding principal and collateral value. This is for the purpose of profit or return from investment management through mutual funds, which are subsidiaries of the Bank and established with the primary objective of investing in business credit claims, commercial loans, and other loans auctioned from the Financial Restructuring Authority.

1.3 Shareholding Structure

1.3.1 Group Shareholding

As of December 31, 2023, the Bank, the parent company, operates the commercial banking business. KKP CAP is the Bank's subsidiary company, which is a holding company. KKP Tower Company Limited, another subsidiary company, operates the office rental and property management business for the Bank and its subsidiary companies. KKP CAP has subsidiary companies that consist of KKPS, which is a securities and derivatives broker; KKPAM, which is an asset management company; and KKP DIME, which provides financial and investment services through digital channels and is a securities broker.

The shareholding structure is as follows:



In addition, the Bank holds unit trusts in six mutual funds to resolve financial institution problems that are in the process of liquidation. The Bank holds 99.95% shares in Asia Recovery 1 Fund, 99.59% shares in Asia Recovery 2 Fund, 99.97% shares in Asia Recovery 3 Fund, 98.91% shares in Thai Restructuring Fund, 95.72% shares in Bangkok Capital Fund, and 94.03% shares in Gamma Capital Fund.

The Bank's subsidiaries, according to the Bank of Thailand's Regulations on Consolidated Supervision, are as follows:

1. Solo Consolidation: None

2. Full Consolidation:

2.1 KKP Capital Public Company Limited (KKP CAP)

KKP CAP is a holding company that has a paid-up capital of Baht 1,051,551,200.

2.2 Kiatnakin Phatra Securities Public Company Limited (KKPS)

KKPS operates the securities business, which includes brokerage, dealing, underwriting, securities borrowing and lending, and investment advisory, as well as the derivatives business, which includes derivatives brokerage and dealing.

In addition, KKPS has registered with the Ministry of Finance as a financial advisor type A, providing financial advisory services, and has obtained permission from the SEC to serve as a financial advisor and selling agent for limited BDU. KKPS has a paid-up capital of Baht 1,067,500,000.



2.3 Kiatnakin Phatra Asset Management Company Limited (KKPAM)

KKPAM operates mutual funds, private funds, real estate investment trust managers, and derivatives fund managers. KKPAM has a paid-up capital of Baht 120,000,000.

2.4 KKP DIME Securities Company Limited (KKP DIME)

KKP DIME operates financial and investment services through digital channels and is a

securities broker. KKP DIME has a paid-up capital of Baht 650,000,000 (as of December 31, 2023).

2.5 KKP Tower Company Limited

KKP Tower Company Limited operates the office rental and property management business for the Bank and its subsidiary companies and has a paid-up capital of Baht 230,000,000.

Entities in which the Bank holds over 10.00% shares

As of December 31, 2023, the entities in which the Bank held over 10.00% of the shares were as follows:

Juristic Person Name and Address	Type Of Business	Number of Fully Paid-up Shares (Shares)	Percentage of Ownership (%)
1. KKP Capital Public Company Limited 20 th Floor, KKP Tower A, 209 Sukhumvit 21 (Asoke) Road, Khlong Toey-Nua, Wattana, Bangkok 10110 Tel: 0-2305-9000 Fax: 0-2305-9535	Holding company	210,310,240.00	99.98
2. KKP Tower Company Limited Former Name: CMIC Development Company Limited 209, 209/1 KKP Tower, Sukhumvit 21 (Asoke) Road, Khlong Toey-Nua, Wattana, Bangkok 10110 Tel: 0-2664-1396-7	Office rental and property management for the Bank and the Group companies	230,000,000.00	91.34
3. BOT Lease (Thailand) Company Limited Former Name: BTMU Leasing (Thailand) Company Limited 4 th Floor, Harinthorn Tower, 54 Sathorn Nua Road, Silom Bangrak, Bangkok 10500 Tel: 0-2266-3060 Fax: 0-2266-3067	Leasing	600,000.00	10.00

1.3.2 Shareholders

(1) Major shareholders

The top ten major shareholders of the Bank as of September 7, 2023, on which was to determine the list of shareholders entitled to receive the interim dividend, were as follows:

No.	Name of Shareholder	Type of Shareholder	Number of Shares (Shares)	Shareholding (%)
1.	Thai NVDR Company Limited	Thai juristic person	45,864,764	5.42
2.	Eastern Sugar Company Limited	Thai juristic person	36,699,660	4.33
3.	Ms. Thitinan Wattanavekin	Thai ordinary person	35,532,761	4.20
4.	Ramkhamhaeng Hospital Public Company Limited	Thai juristic person	34,867,143	4.12
5.	Mrs. Vansamorn Wannamethee	Thai ordinary person	25,857,703	3.05
6.	South East Asia UK (Type C) Nominees Limited	Foreign juristic person	23,220,676	2.74
7.	Chodthanawat Company Limited	Thai juristic person	20,693,600	2.44
8.	YP Inter Company Limited	Thai juristic person	17,199,900	2.03
9.	Mrs. Panida Thepkanjana ¹	Thai ordinary person	16,067,206	1.90
10.	State Street Europe Limited	Foreign juristic person	15,491,497	1.83
Total top ten major shareholders			271,494,910	32.06
Others			575,256,199	67.94
Total			846,751,109	100.00

Shareholder Classified by Nationality	Number of Shares (Shares)	Shareholding (%)
Thai shareholders	761,727,945	89.96
Foreign shareholders	85,023,164	10.04

Remark: ¹ Mrs. Panida Thepkanjana holds 38.77% of shares in Chodthanawat Company Limited.

(2) An agreement between major shareholders affects the issuance and offering of securities as well as the obligation to issue new shares in the future:

- No -



1.4 Registered and Paid-Up Capital (As of December 31, 2023)

1.4.1 The total paid-up share capital was 846,751,109 ordinary shares (of Baht 10 each).

- Total registered share capital Baht 10,478,762,930
- Total paid-up share capital Baht 8,467,511,090

1.4.2 As of December 31, 2023, no preferred share was issued by the Bank.

1.5 Issuance of Other Types of Securities

1.5.1 Debentures

As of December 31, 2023, the outstanding value not yet redeemed of all types of debentures totaled Baht 61,489.40 million. Details are as follows:

- Outstanding unsubordinated and unsecured long-term debentures value not yet redeemed: Baht 31,957.36 million

Symbol	Value Not Yet Redeemed (Baht Million)	Issue Date	Maturity Date	Tenor (Year)	Coupon Rate (% p.a.)
KKP241A	2,091.83	25/01/2022	25/01/2024	2 years	0.24
KKP24NA	5,000.00	09/11/2022	07/11/2024	1 year, 11 months, 29 days	2.73
KKP241B	93.53	30/12/2022	22/01/2024	1 year, 23 days	0.19
KKP241C	2,852.79	12/01/2023	11/01/2024	11 months, 30 days	0.295
KKP241D	2,852.79	12/01/2023	25/01/2024	1 year, 13 days	0.295
KKP244A	1,300.00	11/04/2023	11/04/2024	1 year	2.25
KKP24OA	2,300.00	11/04/2023	11/10/2024	1 year, 6 months	2.43
KKP244B	2,400.00	11/04/2023	11/04/2024	1 year	2.25
KKP24OB	5,300.00	11/04/2023	11/10/2024	1 year, 6 months	2.43
KKP244C	500.00	11/04/2023	11/04/2024	1 year	0.48
KKP249A	1,468.32	05/10/2023	20/09/2024	11 months, 15 days	0.50
KKP249B	1,468.33	05/10/2023	26/09/2024	11 months, 21 days	0.50
KKP251A	3,000.00	24/10/2023	24/01/2025	1 year, 3 months	2.95
KKP24NB	300.00	02/11/2023	07/11/2024	1 year, 5 days	2.88
KKP24DA	1,029.77	12/12/2023	12/12/2024	1 year	0.72
Total	31,957.36				



Details of unsubordinated and unsecured long-term debentures are as follows:

1. Euro Debentures of Kiatnakin Phatra Bank Public Company Limited No. 1/2565, due B.E. 2567

Symbol	: KKP241A
Bond Type	: Long-term debentures, senior unsecured
Distribution	: Institutional investors
Initial Par	: EUR 1,000.00
Current Par	: EUR 1,000.00
Issue Size	: 55,000 units
Outstanding Size	: 55,000 units
Issue Term	: 2 years
Issue Date	: January 25, 2022
Maturity Date	: January 25, 2024
Coupon Payment	: Zero, investment return shall be the difference between the initial par and the current par, which is equal to a discount rate of 0.24% p.a. according to the Long-Term Zero-Coupon (BEY) calculation provided by ThaiBMA.
Credit Rating	: A (TRIS Rating) (Issuer Rating)
Registrar	: Kiatnakin Phatra Bank Public Company Limited

2. The Debentures of Kiatnakin Phatra Bank Public Company Limited No. 5/2565, due B.E. 2567

Symbol	: KKP24NA
Bond Type	: Long-term debentures, senior unsecured
Distribution	: Institutional investors
Initial Par	: Baht 1,000.00
Current Par	: Baht 1,000.00
Issue Size	: 5,000,000 units
Outstanding Size	: 5,000,000 units
Issue Term	: 1 year, 11 months, 29 days
Issue Date	: November 9, 2022
Maturity Date	: November 7, 2024
Coupon Payment	: Fixed: 2.73% p.a.
Interest Payment Date	: May 9 and November 9 of every year throughout the life of debentures and pay the last interest on the maturity date of debentures
Credit Rating	: A (TRIS Rating) (Issue Rating)
Registrar	: Kiatnakin Phatra Bank Public Company Limited

3. Yen Debentures of Kiatnakin Phatra Bank Public Company Limited No. 7/2565, due B.E. 2567

Symbol	: KKP241B
Bond Type	: Long-term debentures, senior unsecured
Distribution	: Institutional investors
Initial Par	: JPY 50,000.00
Current Par	: JPY 50,000.00



Issue Size	: 7,720 units
Outstanding Size	: 7,720 units
Issue Term	: 1 year, 23 days
Issue Date	: December 30, 2022
Maturity Date	: January 22, 2024
Coupon Payment	: Fixed: 0.19% p.a.
Interest Payment Date	: At maturity
Credit Rating	: A (TRIS Rating) (Issuer Rating)
Registrar	: Kiatnakin Phatra Bank Public Company Limited

4. Yen Debentures of Kiatnakin Phatra Bank Public Company Limited No. 1/2566, due B.E. 2567

Symbol	: KKP241C
Bond Type	: Long-term debentures, senior unsecured
Distribution	: Institutional investors
Initial Par	: JPY 50,000.00
Current Par	: JPY 50,000.00
Issue Size	: 235,478 units
Outstanding Size	: 235,478 units
Issue Term	: 11 months, 30 days
Issue Date	: January 12, 2023
Maturity Date	: January 11, 2024
Coupon Payment	: Fixed: 0.295% p.a.
Interest Payment Date	: At maturity
Credit Rating	: A (TRIS Rating) (Issuer Rating)
Registrar	: Kiatnakin Phatra Bank Public Company Limited

5. Yen Debentures of Kiatnakin Phatra Bank Public Company Limited No. 2/2566, due B.E. 2567

Symbol	: KKP241D
Bond Type	: Long-term debentures, senior unsecured
Distribution	: Institutional investors
Initial Par	: JPY 50,000.00
Current Par	: JPY 50,000.00
Issue Size	: 235,478 units
Outstanding Size	: 235,478 units
Issue Term	: 1 year, 13 days
Issue Date	: January 12, 2023
Maturity Date	: January 25, 2024
Coupon Payment	: Fixed: 0.295% p.a.
Interest Payment Date	: At maturity
Credit Rating	: A (TRIS Rating) (Issuer Rating)
Registrar	: Kiatnakin Phatra Bank Public Company Limited

6. The Debentures of Kiatnakin Phatra Bank Public Company Limited No. 3/2566, due B.E. 2567

Symbol	: KKP244A
Bond Type	: Long-term debentures, senior unsecured
Distribution	: Institutional investors
Initial Par	: Baht 1,000.00
Current Par	: Baht 1,000.00
Issue Size	: 1,300,000 units
Outstanding Size	: 1,300,000 units
Issue Term	: 1 year
Issue Date	: April 11, 2023
Maturity Date	: April 11, 2024
Coupon Payment	: Fixed: 2.25% p.a.
Interest Payment Date	: October 11 and April 11 of every year throughout the life of debentures and pay the last interest on the maturity date of debentures
Credit Rating	: A (TRIS Rating) (Issue Rating)
Registrar	: Kiatnakin Phatra Bank Public Company Limited

7. The Debentures of Kiatnakin Phatra Bank Public Company Limited No. 4/2566, due B.E. 2567

Symbol	: KKP24OA
Bond Type	: Long-term debentures, senior unsecured
Distribution	: Institutional investors
Initial Par	: Baht 1,000.00
Current Par	: Baht 1,000.00
Issue Size	: 2,300,000 units
Outstanding Size	: 2,300,000 units
Issue Term	: 1 year, 6 months
Issue Date	: April 11, 2023
Maturity Date	: October 11, 2024
Coupon Payment	: Fixed: 2.43% p.a.
Interest Payment Date	: October 11 and April 11 of every year throughout the life of debentures and pay the last interest on the maturity date of debentures
Credit Rating	: A (TRIS Rating) (Issue Rating)
Registrar	: Kiatnakin Phatra Bank Public Company Limited

8. The Debentures of Kiatnakin Phatra Bank Public Company Limited No. 5/2566, due B.E. 2567

Symbol	: KKP244B
Bond Type	: Long-term debentures, senior unsecured
Distribution	: Institutional investors
Initial Par	: Baht 1,000.00
Current Par	: Baht 1,000.00
Issue Size	: 2,400,000 units
Outstanding Size	: 2,400,000 units



Issue Term	: 1 year
Issue Date	: April 11, 2023
Maturity Date	: April 11, 2024
Coupon Payment	: Zero, investment return shall be the difference between the initial par and the current par, which is equal to a discount rate of 2.25% p.a. according to the Long-Term Zero-Coupon (BEY) calculation provided by ThaiBMA.
Credit Rating	: A (TRIS Rating) (Issue Rating)
Registrar	: Kiatnakin Phatra Bank Public Company Limited

9. The Debentures of Kiatnakin Phatra Bank Public Company Limited No. 6/2566, due B.E. 2567

Symbol	: KKP24OB
Bond Type	: Long-term debentures, senior unsecured
Distribution	: Institutional investors
Initial Par	: Baht 1,000.00
Current Par	: Baht 1,000.00
Issue Size	: 5,300,000 units
Outstanding Size	: 5,300,000 units
Issue Term	: 1 year, 6 months
Issue Date	: April 11, 2023
Maturity Date	: October 11, 2024
Coupon Payment	: Zero, investment return shall be the difference between the initial par and the current par, which is equal to a discount rate of 2.43% p.a. according to the Long-Term Zero-Coupon (BEY) calculation provided by ThaiBMA.
Credit Rating	: A (TRIS Rating) (Issue Rating)
Registrar	: Kiatnakin Phatra Bank Public Company Limited

10. The Debentures of Kiatnakin Phatra Bank Public Company Limited No. 7/2566, due B.E. 2567

Symbol	: KKP244C
Bond Type	: Long-term debentures, senior unsecured
Distribution	: Institutional investors
Initial Par	: Baht 1,000.00
Current Par	: Baht 1,000.00
Issue Size	: 500,000 units
Outstanding Size	: 500,000 units
Issue Term	: 1 year
Issue Date	: April 11, 2023
Maturity Date	: April 11, 2024
Coupon Payment	: Compounded THOR + 0.48% p.a.
Interest Payment Date	: July 11, October 11, January 11, and April 11 of every year throughout the life of debentures and pay the last interest on the maturity date of debentures
Credit Rating	: A (TRIS Rating) (Issue Rating)
Registrar	: Kiatnakin Phatra Bank Public Company Limited



11. Yen Debentures of Kiatnakin Phatra Bank Public Company Limited No. 8/2566, due B.E. 2567

Symbol	: KKP249A
Bond Type	: Long-term debentures, senior unsecured
Distribution	: Institutional investors
Initial Par	: JPY 50,000.00
Current Par	: JPY 50,000.00
Issue Size	: 121,200 units
Outstanding Size	: 121,200 units
Issue Term	: 11 months, 15 days
Issue Date	: October 5, 2023
Maturity Date	: September 20, 2024
Coupon Payment	: Fixed: 0.50% p.a.
Interest Payment Date	: At maturity
Credit Rating	: A (TRIS Rating) (Issuer Rating)
Registrar	: Kiatnakin Phatra Bank Public Company Limited

12. Yen Debentures of Kiatnakin Phatra Bank Public Company Limited No. 9/2566, due B.E. 2567

Symbol	: KKP249B
Bond Type	: Long-term debentures, senior unsecured
Distribution	: Institutional investors
Initial Par	: JPY 50,000.00
Current Par	: JPY 50,000.00
Issue Size	: 121,200 units
Outstanding Size	: 121,200 units
Issue Term	: 11 months, 21 days
Issue Date	: October 5, 2023
Maturity Date	: September 26, 2024
Coupon Payment	: Fixed: 0.50% p.a.
Interest Payment Date	: At maturity
Credit Rating	: A (TRIS Rating) (Issuer Rating)
Registrar	: Kiatnakin Phatra Bank Public Company Limited

13. The Debentures of Kiatnakin Phatra Bank Public Company Limited No. 10/2566, due B.E. 2568

Symbol	: KKP251A
Bond Type	: Long-term debentures, senior unsecured
Distribution	: Institutional investors
Initial Par	: Baht 1,000.00
Current Par	: Baht 1,000.00
Issue Size	: 3,000,000 units
Outstanding Size	: 3,000,000 units
Issue Term	: 1 year, 3 months



Issue Date	: October 24, 2023
Maturity Date	: January 24, 2025
Coupon Payment	: Zero, investment return shall be the difference between the initial par and the current par, which is equal to a discount rate of 2.95% p.a. according to the Long-Term Zero-Coupon (BEY) calculation provided by ThaiBMA.
Credit Rating	: A (TRIS Rating) (Issue Rating)
Registrar	: Kiatnakin Phatra Bank Public Company Limited

14. The Debentures of Kiatnakin Phatra Bank Public Company Limited No. 11/2566, due B.E. 2567

Symbol	: KKP24NB
Bond Type	: Long-term debentures, senior unsecured
Distribution	: Institutional investors
Initial Par	: Baht 1,000.00
Current Par	: Baht 1,000.00
Issue Size	: 300,000 units
Outstanding Size	: 300,000 units
Issue Term	: 1 year, 5 days
Issue Date	: November 2, 2023
Maturity Date	: November 7, 2024
Coupon Payment	: Zero, investment return shall be the difference between the initial par and the current par, which is equal to a discount rate of 2.88% p.a. according to Long-Term Zero-Coupon (BEY) calculation provided by ThaiBMA.
Credit Rating	: A (TRIS Rating) (Issuer Rating)
Registrar	: Kiatnakin Phatra Bank Public Company Limited

15. Yen Debentures of Kiatnakin Phatra Bank Public Company Limited No. 12/2566, due B.E. 2567

Symbol	: KKP24DA
Bond Type	: Long-term debentures, senior unsecured
Distribution	: Institutional investors
Initial Par	: JPY 50,000.00
Current Par	: JPY 50,000.00
Issue Size	: 85,000 units
Outstanding Size	: 85,000 units
Issue Term	: 1 year
Issue Date	: December 12, 2023
Maturity Date	: December 12, 2024
Coupon Payment	: Fixed: 0.72% p.a.
Interest Payment Date	: At maturity
Credit Rating	: A (TRIS Rating) (Issuer Rating)
Registrar	: Kiatnakin Phatra Bank Public Company Limited

- Outstanding subordinated and unsecured instruments intended to qualify as tier 2 capital debentures value not yet redeemed: Baht 9,102.00 million

Symbol	Value Not Yet Redeemed (Baht Million)	Issue Date	Maturity Date	Tenor (Year)	Coupon Rate (% p.a.)
KKP308A	750.00	18/08/2020	18/08/2030	10	3.50
KKP309A	350.00	03/09/2020	09/09/2030	10	3.50
KKP30NA	2,000.00	18/11/2020	18/11/2030	10	3.50
KKP314A	2,852.00	22/04/2021	22/04/2031	10	3.50
KKP316A	150.00	24/06/2021	24/06/2031	10	3.50
KKP338A	3,000.00	18/08/2023	18/08/2033	10	4.30
Total	9,102.00				

Details of subordinated and unsecured instruments intended to qualify as tier 2 capital debentures are as follows:

- Subordinated instruments intended to qualify as tier 2 capital of Kiatnakin Bank Public Company Limited No. 1/2563, due B.E. 2573, which will be required to be written down (fully or partially) when government authority decides to grant financial assistance to the issuer with a right of early redemption

Symbol	: KKP308A
Bond Type	: Subordinated and unsecured
Distribution	: Private placement to not more than 10 investors
Initial Par	: Baht 1,000.00
Current Par	: Baht 1,000.00
Issue Size	: 750,000 units
Outstanding Size	: 750,000 units
Issue Term	: 10 years
Issue Date	: August 18, 2020
Maturity Date	: August 18, 2030
Coupon Payment	: Fixed: 3.50% p.a.
Interest Payment Date	: February 18, May 18, August 18, and November 18 of every year throughout the life of debentures
Credit Rating	: A (TRIS Rating) (Issuer Rating)
Registrar	: CIMB Thai Bank Public Company Limited



2. Subordinated instruments intended to qualify as tier 2 capital of Kiatnakin Phatra Bank Public Company Limited No. 2/2563, due B.E. 2573, which will be required to be written down (fully or partially) when government authority decides to grant financial assistance to the issuer with a right of early redemption.

Symbol	: KKP309A
Bond Type	: Subordinated and unsecured
Distribution	: Private placement to not more than 10 investors
Initial Par	: Baht 1,000.00
Current Par	: Baht 1,000.00
Issue Size	: 350,000 units
Outstanding Size	: 350,000 units
Issue Term	: 10 years
Issue Date	: September 3, 2020
Maturity Date	: September 3, 2030
Coupon Payment	: Fixed: 3.50% p.a.
Interest Payment Date	: March 3, June 3, September 3, and December 3 of every year throughout the life of debentures
Credit Rating	: A (TRIS Rating) (Issuer Rating)
Registrar	: CIMB Thai Bank Public Company Limited

3. Subordinated instruments intended to be qualified as tier 2 capital of Kiatnakin Phatra Bank Public Company Limited No. 3/2563, due B.E. 2573, which will be required to be written down (fully or partially) when government authority decides to grant financial assistance to the Issuer with a right of early redemption.

Symbol	: KKP30NA
Bond Type	: Subordinated and unsecured
Distribution	: Institutional Investors and/or high-net-worth Investors
Initial Par	: Baht 1,000.00
Current Par	: Baht 1,000.00
Issue Size	: 2,000,000 units
Outstanding Size	: 2,000,000 units
Issue Term	: 10 years
Issue Date	: November 18, 2020
Maturity Date	: November 18, 2030
Coupon Payment	: Fixed: 3.50% p.a.
Interest Payment Date	: February 18, May 18, August 18, and November 18 of every year throughout the life of debentures
Credit Rating	: BBB+ (TRIS Rating) (Issue Rating)
Registrar	: CIMB Thai Bank Public Company Limited

4. Subordinated instruments intended to be qualified as tier 2 capital of Kiatnakin Phatra Bank Public Company Limited No. 1/2564, due B.E. 2574, which will be required to be written down (fully or partially) when government authority decides to grant financial assistance to the Issuer with a right of early redemption.

Symbol	: KKP314A
Bond Type	: Subordinated and unsecured
Distribution	: Institutional Investors and/or high-net-worth Investors
Initial Par	: Baht 1,000.00
Current Par	: Baht 1,000.00
Issue Size	: 2,852,000 units
Outstanding Size	: 2,852,000 units
Issue Term	: 10 years
Issue Date	: April 22, 2021
Maturity Date	: April 22, 2031
Coupon Payment	: Fixed: 3.50% p.a.
Interest Payment Date	: July 22, October 22, January 22, and April 22 of every year throughout the life of debentures
Credit Rating	: BBB+ (TRIS Rating) (Issue Rating)
Registrar	: CIMB Thai Bank Public Company Limited

5. Subordinated instruments intended to be qualified as tier 2 capital of Kiatnakin Phatra Bank Public Company Limited No. 2/2564, due B.E. 2574, which will be required to be written down (fully or partially) when government authority decides to grant financial assistance to the Issuer with a right of early redemption.

Symbol	: KKP316A
Bond Type	: Subordinated and unsecured
Distribution	: Private placement to not more than 10 investors
Initial Par	: Baht 1,000.00
Current Par	: Baht 1,000.00
Issue Size	: 150,000 units
Outstanding Size	: 150,000 units
Issue Term	: 10 years
Issue Date	: June 24, 2021
Maturity Date	: June 24, 2031
Coupon Payment	: Fixed: 3.50% p.a.
Interest Payment Date	: September 24, December 24, March 24, and June 24 of every year throughout the life of debentures
Credit Rating	: A (TRIS Rating) (Issuer Rating)
Registrar	: CIMB Thai Bank Public Company Limited



6. Subordinated instruments intended to be qualified as tier 2 capital of Kiatnakin Phatra Bank Public Company Limited No. 1/2566, due B.E. 2576, which will be required to be written down (fully or partially) when government authority decides to grant financial assistance to the Issuer with a right of early redemption.

Symbol	: KKP338A
Bond Type	: Subordinated and unsecured with bond holder representative
Distribution	: Institutional Investors and/or ultra-high-net-worth Investors and/or high-net-worth Investors
Initial Par	: Baht 1,000.00
Current Par	: Baht 1,000.00
Issue Size	: 3,000,000 units
Outstanding Size	: 3,000,000 units
Issue Term	: 10 years
Issue Date	: August 18, 2023
Maturity Date	: August 18, 2033
Coupon Payment	: Fixed: 4.30% p.a.
Interest Payment Date	: November 18, February 18, May 18, and August 18 of every year throughout the life of debentures
Credit Rating	: BBB+ (TRIS Rating) (Issue Rating)
Registrar	: Kiatnakin Phatra Bank Public Company Limited
Bond Representative	: Siam Commercial Bank Public Company Limited

- Outstanding unsubordinated and unsecured short-term debentures (not exceeding 270 days) value not yet redeemed: Baht 16,418.46 million, of which details are available on the website at <https://www.thaibma.or.th/EN/Issuer/IssuerDetail.aspx?issuer=KKP>
- Outstanding unsubordinated, unsecured, no convertible, and no representative structured debentures value not yet redeemed: Baht 4,011.58 million, as per the following details:

Issue Year	Note Type	Underlying Type	Value Not Yet Redeemed (Baht Million)	Maturity Date
2023	Principal Protected Note	Stocks in SET50	3,673	Quarter 1/2024 Baht 2,190 million Quarter 2/2024 Baht 1,432 million Quarter 3/2024 Baht 51 million
2023	Principal Protected Note	Stocks in SET51 - 100	93	Quarter 2/2024 Baht 93 million
2023	Principal Protected Note	Foreign Stocks/ ETFs/Index	128	Quarter 1/2024 Baht 50 million Quarter 2/2024 Baht 44 million Quarter 4/2024 Baht 34 million
2023	Yield Enhancement	Stocks in SET50	23.62	Quarter 1/2024 Baht 23.62 million
2023	Yield Enhancement	Foreign Exchange Rate	62	Quarter 1/2024 Baht 30 million Quarter 2/2024 Baht 29 million Quarter 4/2024 Baht 3 million

1.5.2 Bill of Exchange

As of December 31, 2023, the outstanding value not yet redeemed of bill of exchange totaled Baht 5,606.00 million, as per the following details:

Symbol	Value Not Yet Redeemed (Baht Million)	Issue Date	Maturity Date	Tenor (Month)	Coupon Rate (% p.a.)
KKP23D29A	1,000.00	29/06/2023	02/01/2024	6	1.97
KKP24612A	2,905.00	12/10/2023	12/06/2024	8	2.85
KKP24618A	1,201.00	18/10/2023	18/06/2024	8	2.85
KKP24424A	500.00	24/11/2023	24/04/2024	5	2.50
Total	5,606.00				

1.5.3 Warrant

The Bank's 2023 Annual General Meeting of Shareholders ("AGM") held on April 20, 2023, resolved to approve the issuance and allocation of warrants to purchase the newly issued ordinary shares of the Bank No.5 (KKP-W5) and No.6 (KKP-W6) to existing shareholders of the Bank on a pro rata basis to their respective shareholdings at no cost with the allocation ratio of 12 existing shares per 1 unit of KKP-W5 warrant and 1 unit of KKP-W6 warrant (any fraction derived from the calculation based on the allocation ratio would be rounded down). The Bank set the record date on which shareholders were entitled to receive the KKP-W5 warrants and KKP-W6 warrants on April 28, 2023, and the following key features:

Key Feature	KKP-W5 Warrants	KKP-W6 Warrants
Issuance Date	May 18, 2023	May 18, 2023
Term of Warrants	10 months from the issuance date	2 years and 10 months from the issuance date
Exercise Date * (The End of Term Date of Warrants)	March 17, 2024	March 17, 2026
Number of Warrants Issued and Allocated	70,546,511 units	70,546,511 units
Numbers of Ordinary Shares Reserved to Accommodate the Exercise of the Warrants	70,546,511 units	70,546,511 units
Offering Price per Unit (Baht)	0 (at no cost)	0 (at no cost)
Exercise Ratio (Unit: Ordinary Share)	1:1	1:1
Exercise Price to Purchase per Unit	Baht 70	Baht 70

* In the event that the exercise date is not a business day of the Bank, such exercise date shall be rescheduled to the preceding last business day of the Bank and the warrants shall expire and cease to be listed securities on the SET on the following date.



1.6 Dividend Policy

The Bank has a policy of paying dividends from the net profit in its financial statements. The payout of dividends must be approved by the shareholders' meeting. An interim dividend can also be paid with the Board of Directors' approval if the Bank's profit deems it sufficient to do so, and such payment shall be reported at the next shareholders' meeting.

In considering the dividend payment, the Bank shall take into account these aspects: the Bank's performance, long-term return to shareholders, the Bank's reserve and capital adequacy level to encompass any business plans, risks, and the pre- and post-impacts of such a given dividend payment. Also, such dividend payments shall be in compliance with the governing laws and notifications of the Bank of Thailand.

The Bank has not set the dividend payout ratio for its subsidiaries; however, the dividend payment of the Bank's subsidiaries shall be approved by the shareholders' meeting of each company or the Board of Directors of each company in the case of an interim dividend and must also comply with the company's Articles of Association and applicable laws. The dividend payment of subsidiaries depends, most importantly, on each company's business performance and plans.

Dividend payments for the past five years were as follows:

	2018	2019	2020	2021	2022
Earnings per share (Baht) (As from the consolidated financial statement)	7.14	7.07	6.05	7.46	8.98
Dividend per share (Baht)	5.00	4.25	2.25	2.95	3.25
Dividend payout ratio (%)	70.03	60.11	37.19	39.54	36.19

2. Risk Management

2.1 Risk Management Policy and Plan

In 2023, the Group continued to focus on the synchronization of risk management and business operations in order to limit risks to acceptable levels. The risks to the Group originate from both internal and external factors. To efficiently manage all significant risks, the Group has classified them, according to the Bank of Thailand's definition, into ten different types, specifically credit risk, credit concentration risk, market risk, liquidity risk, interest rate risk in banking books, strategic risk, reputation risk, legal and compliance risk, operational risk, and information technology risk ("IT risk"). In addition, the Group applied a risk management

process in accordance with international standards, consisting of risk identification, risk measurement, risk assessment, and risk monitoring and control. The Risk Oversight Committee and subcommittee cooperated in reviewing and proposing policies and a risk governance framework, as well as monitoring the overview of risk management to report to the Board of Directors. Meanwhile, the Risk Management Group and subsidiaries' risk management departments, independent from front office departments and risk owners, regulate and support the risk management of the Group.

The Risk Management Structure

The Board of Directors, via the Risk Oversight Committee, closely regulates the risk management policy, embracing the management of risks throughout the entire organization with emphasis on establishing, for each business group and unit, the roles and responsibilities of understanding the risks of its business activities and managing such risks under the risk management policies and guidelines of the Group. The Risk Management Group has roles and duties to regulate, monitor, and review the mechanics of risk management and control in each business unit and business group. Furthermore, each business group will be allocated capital in an amount depending on the level of its transaction risks and business operation losses.

The roles, duties, and responsibilities of the relevant committees, business groups, and risk management authorities are as follows:

Board of Directors

The Board of Directors sets or approves a good and effective risk governance framework by defining the acceptable risk appetite to suit the Bank's risk level and supervising business conduct to comply with the specified risk appetite. Additionally, the Board of Directors supervises the Risk Oversight Committee to ensure the development of policies, procedures, and control measures for risk management that at least cover credit risk, credit concentration risk, market risk, liquidity risk, interest rate risk in banking books, reputation risk, legal and compliance risk, strategic risk, operational risk, and IT risk, as well as risks from new products or any significant process change. The Board of Directors is also responsible for approving and reviewing the policies and practices consistently and immediately after significant change.

Risk Oversight Committee

The Risk Oversight Committee plays a key role in defining risk management policy, overseeing the adequacy of policies and risk management systems

within the Group and reporting to the Board of Directors. It also monitors risk levels to be within the acceptable level of risk appetite for the Group, aiming to limit risks in a predetermined range while earning an appropriate rate of return.

Operational Risk Sub-committee

The Operational Risk Sub-committee is under the supervision of the Risk Oversight Committee. The subcommittee is responsible for the assessment of operational risks while providing guidance, policies, strategies, frameworks, and tools for operational risk management and IT risk management. The subcommittee supervises, gives advice, and supports the development and implementation of operational risk management and IT risk management processes to achieve efficiency in the organization. It also oversees and monitors the progress of the management of risk situations, losses, and the Bank of Thailand's observations relating to operational risk management and IT risk management, as well as providing comments and presenting quarterly performance reports to the Risk Oversight Committee.

Risk Management Group

The Risk Management Group designs and develops key tools and risk management procedures, ensures the implementation of such tools and procedures in business groups and various units within the Group, and assesses, tracks, controls, and prepares reports of the Group's risk position in order to control risks to be within an acceptable level.

Internal Audit Office

The Internal Audit Office audits and verifies the operations of departments and units to comply with policies, guidelines, regulations, and processes of risk management. The Internal Audit Office examines and assesses the performance of the internal control system and the quality of operational processes to improve such processes as well as control and reduce significant risks.



Risk Owner

Risk owners, which are the product owners, departments, branches, and units in the Group, are responsible for managing the different risks related to their operations, systems, products, and services to be within acceptable risk levels in compliance with the risk management policies, regulations, and processes. These risk management activities include the identification, assessment, monitoring, control, and reporting of risks.

Principles of Risk Management

The Bank and the Group companies' principles of risk management are as follows:

- 1) A risk owner is primarily responsible for managing the risks arising from their business activities.
 - 2) The risk owner and the independent departments cooperate to carry out risk control.
 - 3) In order to control the risks to an acceptable level, the Group applies the model "Three Lines of Defense" to ensure the appropriateness and effectiveness of the Group's risk management.
- Level 1: Risk Owner Level: The risk owner must monitor their own unit's risk to be within an appropriate level.

Level 2: Risk Management Group and Legal and Compliance Group Level: The Risk Management Group is responsible for monitoring and supporting tools and an effective risk management process to control the risks to be within an acceptable level. The Legal and Compliance Group is responsible for monitoring and reviewing the operations of the Group in compliance with the risk management policy and regulations. These two groups are independent of the risk owner.

Level 3: Internal Audit Level: The Internal Audit Office is responsible for auditing guidelines for risk management and internal control.

These principles of risk management, as shown above, show that not only is the Risk Management Group responsible for risk management but other business units are also important for effective risk management. It is not just executives; all employees in the business units at the source of the risk are also important. Therefore, any relevant personnel must strictly comply with the risk management policy and relevant risk management regulations.

Apart from the mentioned principles of risk management, reducing the risk to an acceptable level and consistently monitoring risk levels are also crucial. The risk management process follows a systematic approach:



Risk Report Preparation

The risk report preparation for relevant committees is as follows:

- 1) Report on the Bank's and the Group's risk limits on a monthly and quarterly basis;
- 2) Report on emerging risks on a quarterly basis or when there is a significant change; the assessment is conducted in the context of risks to the Group's business operations over the next year that may be caused by any changes in economic factors, geopolitical problems, regulation, and technology, for instance, default risks of SME and retail clients, global recession risk that affects exports, current account balance, and Baht value, sluggish market conditions and used car stock that cause the used car price to further decrease, affecting the Bank's collateral value, etc.

If any indicator reaches the early warning trigger level, the person responsible for that risk must prepare a plan to closely monitor and reduce the risk. If indicators related to the risk exceed the risk tolerance level, a mitigation plan will be prepared, and a plan to reduce the risk to an acceptable level will be implemented. The risk management process and steps are as aforementioned.

Risk Assessment

The Group assesses important risks in various areas that may affect the business, and they cover the following risks:

- 1) Credit risk
- 2) Credit concentration risk
- 3) Market risk
- 4) Liquidity risk
- 5) Interest rate risk in banking books
- 6) Strategic risk
- 7) Reputational risk
- 8) Legal and compliance risk
- 9) Operational risk
- 10) IT risk

Whenever a new product is launched or certain significant business has changed, the relevant business unit must conduct a risk analysis on society and/or the environment, along with a review of the policy, guidelines, and regulations related to the risk management of the Group at least once a year or upon any significant changes, to ensure they are appropriate to the business circumstances and changes.

Core Risk Management Policies

There are nineteen core risk management policies, namely

- 1) Enterprise Risk Management Policy of the Group
- 2) Market Risk Management Policy of the Group
- 3) Liquidity Risk Management Policy of the Group
- 4) Strategic Risk Management Policy of the Group
- 5) Operational Risk Management Policy of the Group
- 6) IT Risk Management Policy of the Bank
- 7) Stress Test Policy of the Group
- 8) Investment & Trading Policy of the Group
- 9) Reputation Risk Management Policy of the Bank
- 10) Pillar 3 Disclosure of the Bank and the Group and LCR Disclosure of the Bank
- 11) Core Credit Policy of the Bank
- 12) Retail Lending Policy of the Bank
- 13) Commercial Lending Policy of the Bank
- 14) Debt Restructuring, Asset Classification, Provision, and Write-Off Policy
- 15) Collateral Policy of the Bank
- 16) Counterparty Risk Policy of the Bank
- 17) Country Risk Management Policy
- 18) Delegation of Authority Policy for Commercial Lending & Counterparty Limit Setting
- 19) ESG Lending Policy for the Bank

The Risk Management Group widely communicates these policies via the intranet system. Moreover, the Risk Management Group arranges for risk management knowledge trainings for the Bank's and the Group companies' personnel to foster understanding, embed risk awareness and risk culture into the Group, and encourage employees' involvement in managing the risks of the organization.



2.2 Risk Factors

The following risk factors do not reflect the risk factors of normal business operations. Furthermore, there may be risks the Group is not aware of or risks the Group currently considers insignificant that may become significant in the future. These risks may significantly affect the Group's business revenue, profit, assets, liquidity, or source of funds.

1. Changes in domestic and international economies may directly impact the Bank's and the Group companies' businesses.

The Bank's and the Group companies' businesses are greatly dependent on the domestic and global economies. In 2023, the global economy continued to expand, with inflation declining from the previous year despite remaining elevated above the target established by various countries. Therefore, major central banks continuously raise their interest rate. In 2023, the supportive factors for the economy were: 1) a continuous recovery in demand from the service sector after the reopening, which resulted in decent expansion in the service sector while the manufacturing sector encountered a slowdown based on the global manufacturing cycle; 2) support from fiscal policies through stimuli for private investments in new industries; and 3) a robust labor market amid disinflation.

The Thai economy in 2023 slowly recovered as international tourists returned to Thailand, while other economic sectors, particularly the export sector and the manufacturing sector, contracted according to the slowdown in global trade. Afterwards, the global economy is expected to mildly expand based on certain signs of economic slowdown but is not expected to enter a recession. The Thai economy is expected to continuously recover, but the tourism sector has to be monitored given the lower-than-expected recovery in Chinese tourists as well as risks related to Thai economic growth and asset quality resulting from elevated household debt and a higher interest rate.

The global inflation rate in 2023 remained elevated, but there was a sign of disinflation during the year-end from a slower pace of increases in products, oil, and service prices, which resulted in expectations that policy

rates by several central banks had passed the peak rate. Also, if the inflation rate can continue to decline as expected, the Federal Reserve is expected to decrease its policy rate in the middle of 2024. Nonetheless, the ongoing US economic expansion may result in the inflation rate not declining to the target set by the Federal Reserve and the interest rate staying at an elevated level for longer. The bond yield curve remained inverted, reflecting the possibility of an economic slowdown and a decreasing interest rate priced in by the bond market.

The Thai economy slowly recovered at an uneven pace across the economic sector. The economy in the second and third quarters of 2023 expanded at a low level because of the contraction in the manufacturing sector, in line with lower global trade and demand, while the tourism sector remained a key driver of the Thai economy in 2023, with international tourism in 2023 estimated at 28.7 million people, with a sign of a slowdown in Chinese tourists. The domestic sector, predominantly private consumption, experienced a good recovery during the early part of the year but slowed during the year-end based on the rising interest rate, especially in the consumption of durable goods such as real estate and vehicles. Overall, the Thai economy grew at a pace below its potential, with a number of pressures hindering growth in the foreseeable future.

In 2024, key risks for the global economy are: 1) the risk of higher long-term interest rate, despite the market having anticipated that the global interest rate has passed the peak due to continuous economic expansion and strong demand for US government bonds issued to offset US government fiscal deficit as well as the ongoing qualitative tightening by the Federal Reserve that can lead to higher term premium, which will subsequently affect the bond yield in emerging markets and exchange rate volatility; 2) the risk of recession as a rapid increase in the interest rate creates vulnerability for balance sheets of companies highly sensitive to the interest rate and financial stability; 3) geopolitical risk, which, if widely spreads, may result in the slowdown in economic activities and an increase in product prices, such as the oil price; and 4) general elections in various

countries in 2024, which can result in policy uncertainties and volatility in financial markets.

The recovery of the Thai economy in 2024 is anticipated to be fragile and differ throughout industries and areas. Businesses that are dependent on the tourism sector are expected to continuously recover as international tourists are expected to return to normal, but the recovery of Chinese tourists will remain slower than expected. Estimates suggest that the total number of international tourists in 2024 will reach 35.2 million people, which remains below the pre-COVID-19 level of approximately 40 million people. Thai exports in 2024 are expected to slowly recover in line with increasing positivity in the global manufacturing cycle, while domestic consumption is expected to slow down from household debt problems amid a higher interest rate and stricter lending criteria by commercial banks due to concern for debtors' affordability, as reflected in the loan growth that has begun to turn negative and higher non-performing loans. However, the Monetary Policy Committee is expected to maintain the interest rate at 2.5% throughout 2024, based on the forecast by the Bank of Thailand on good economic recovery and the possibility of a resurgence in inflation in the foreseeable future.

Key risks for the Thai economy in 2024 are: 1) a slower-than-expected recovery of Chinese tourists as a result of the slowdown in China's economy and safety concern related to travelling in Thailand; 2) uncertainties related to fiscal stimulus, notably the Digital Wallet that still has implementation issues while the long-term interest rate has already increased on additional fiscal debt burden resulting from possible additional borrowing to stimulate the economy, which will affect the finance cost for private companies and increase the risk related to debt service affordability amid a stagnate economic recovery; and 3) debt service affordability of the household sector, which is expected to deteriorate, affecting economic recovery potential and financial stability.

To mitigate the aforementioned risks, the Group constantly monitors, analyzes the information, and follows up on situations that can potentially impact its business. The Bank continuously adjusts the asset and liability structure to remain appropriate for the changing environment, tightens the approval criteria of borrowers for higher loan quality, incorporates risk management

into business operations, conducts a stress test, and prepares mitigation plans to handle unprecedented crises. However, the volatility related to domestic and global economies, as well as uncertainties on politics and fiscal policies, are beyond the control of the Group. The Group does not guarantee any significant impact on the business as a result of such events.

2. The Bank is exposed to credit risk that may arise from deteriorating credit quality. Recessions, including credit concentration, may significantly affect the Bank's performance.

Credit Risk Arising from Concentration in the Loan Portfolio

The concentration of a loan portfolio presents a risk when incidents negatively affect a particular industry sector or a specific group of borrowers. Therefore, if the Bank has an excessive concentration of loans in any particular industry sector or borrower group, it increases the likelihood of encountering problematic debts more than usual.

The Bank's main debtors are small- and medium-sized companies, as well as retail debtors, which are vulnerable and more affected by the volatility in the economy or the industry in which they operate. Therefore, the Bank may be exposed to high risk during a volatile economy. However, the Bank has diversified the credit risk into various types: with collateral, without collateral, and various types of industries.

The Bank is also well aware of a concentration of large-sized business debtors in real estate lending and is managing credit risk arising from this concentration by implementing measures such as setting a single lending limit and large borrower concentration and adhering to the criteria established by the Bank of Thailand. These measures ensure that the Bank does not extend credit to single lending or a large borrower concentration exceeding 25% of the Group's capital to limit the potential impact on the Bank's overall business operations.

Credit Risk Arising from Non-Performing Loans

Non-performing loans, whether arising from overall economic conditions or industry downturns, result in an inability to repay debt according to schedule. This directly impacts interest income for the Bank, which will decrease, and raises the possibility of a partial or



complete loss of principal amounts. This affects the Bank's credit costs and profit-making capabilities.

Therefore, in order to mitigate such risks, the Bank has developed stringent credit consideration processes throughout, starting from formulating credit policies, issuing various criteria, assessing environmental and climate change issues, assessing debtors' executive competency and financial capability, and considering loan purpose and collateral in order to set guidelines for debtor selection, as well as constantly reviewing credit quality.

For retail lending in 2023, the Bank has tightened its lending criteria to align with slowing economic conditions, especially auto loans, which saw a decrease in lending volume compared to the previous year. In 2023, total auto lending decreased by approximately 20%, resulting from a rise in loss on sales ratios. This led the Bank to implement more prudent lending measures, which translated to the auto loan portfolio growing by only 0.8% in 2023.

For consumer lending, the Bank continues to focus on extending credit to low-risk client segments, including mortgages for high-end horizontal housing projects priced above Baht 5 million and personal loans for high-income salaried employees.

For existing debtors facing repayment difficulties due to economic conditions, the Bank has various assistance programs aligned with debtors' payment capabilities, such as installment reductions, step installment reductions, partial payment relief, and deferred payment of missed installments. In 2023, the proportion of debtors with outstanding loans under debtor assistance measures is 9% of total retail loans.

In considering assistance to debtors, the Bank has reassessed all debtors and classified them by risk as high, medium, or low risk, or red, yellow, and green levels, respectively, in order to have proper management for each debtor, especially those who require financial assistance. The Bank also prepared a debt collection strategy and assessed the impact on the loan outstanding that may arise from loan payment suspension and the impact on the Bank's additional credit costs.

The Bank manages credit risk from loan quality deterioration by setting aside adequate credit loss reserves to cover potential damages. As of the end of

2023, the Bank had total credit loss reserves of Baht 20,787 million, or 165% of non-performing loans.

Although the Bank employs procedures to manage credit and credit concentration risks, it cannot guarantee that no loss will occur from deteriorating credit quality and credit concentration. In the event that credit quality deteriorates beyond expectations, the Bank shall set aside more provisions. At times, the Bank may unexpectedly have to increase its provisions to comply with changes in regulations. An increase in provision will considerably impact the Bank's ability to pay out dividends.

3. Changes in laws, rules, and regulations may affect the business, operation, and profitability of the Group.

The Group recognizes the importance of the existence and changes of laws, rules, and regulations by the government and regulators, consisting of the Bank of Thailand, which is the key regulator for the banking business and the risk management of the Group, and the SEC, which monitors the securities business. In addition, the Group is governed by other governance agencies such as the Office of the Personal Data Protection Committee (PDPC), the Anti-Money Laundering Office (AMLO), the Office of Insurance Commission (OIC), the Office of the Consumer Protection Board (OCPB), and the Electronic Transactions Commission (ETC), etc. Laws and regulations by such regulators are strict and have become more stringent to protect clients continuously. Nevertheless, the Group is committed to operating the business in compliance with laws and regulations for strong fundamental and sustainable growth.

The Group has continually enhanced products and services as well as conducts business strictly in accordance with the changes in laws, rules, and regulations to enable clients to conduct financial and investment transactions conveniently, speedily, securely, and justly. Some changes in laws and regulations last year affected the businesses of the Group, for instance, the Royal Decree on Information Exchange for Compliance with International Tax Agreements, the Royal Decree on the Regulation of Digital Identity Verification and Authentication Services Requiring Licensing, the Bank of Thailand's policies on Financial Transaction Fraud

Risk Management, the Bank of Thailand's policies on Financial Institution Operations with Consideration for Environmental Aspects and Climate Change, the Bank of Thailand's circulars on Compliance with Know Your Merchant (KYM) policies for Electronic Payment Acceptance strictly, the notification of the SEC on the Application and Approval for Offering Newly Issued Shares, the notification of the SEC on the Application and Approval for Offering Newly Issued Debt Instruments to the Public, the notification of the OIC on the Criteria, Methods and Conditions for Registering Electronic Activities, Approval for Using External Services, and Certification of Information Systems for Life Insurance Business, and the notification of the OIC on the Criteria, Methods, and Conditions for Registering Electronic Activities, Approval for Using External Services, and Certification of Information Systems for Non-Life Insurance Business, among others.

Besides the aforementioned laws, rules, and regulations, the Group pays close attention to the laws relating to personal data protection, privacy laws, and data privacy and protection to prevent incidents that may occur to the data owner. In the past year, the Group has established policies and standards for information management to be able to properly comply with the law.

Changes in laws, rules, and regulations will generally impact goals, business viability, and competitiveness. These changes may also cause the Group to be liable for not fully complying with laws and regulations, which could negatively affect its operations, financial status, and performance.

4. The Group may not be able to achieve strategic goals as planned, which would impact its competitiveness and performance.

To achieve the strategic goals of the Group, the Group needs to consistently improve and develop many business operations. For instance, the development of new products and the enhancement of retail and PRIORITY clients, as well as the expansion of new business units, are required to support the growth of the business in the future. Although such developments require skilled personnel, regulation allowance, and considerable investment and time, they are all mandatory for the Group to achieve goals and reach target clients.

The Group, however, cannot guarantee that the mentioned developments would be completed within a designated period or would allow the Group to be comparable to or better than business competitors.

In addition, the business and strategic plans of the Group heavily involve the development of information technology and systems. This development efficiently helps enhance products and services as well as diversify service channels to be compatible with the dynamic client behavior in the digital era. The achievement of the mentioned strategic plan undoubtedly involves the Group's competitiveness in developing the information technology system to be comparable to or better than business competitors. The Group cannot guarantee that information technology will be developed and achieved as planned. Delays in such development could also cause the Group to lose business competitiveness. Although the development could be completed in time, the Group would still face the risk that it incorrectly anticipated market needs. As a result, the offered products, services, and transactions may fail to meet client preferences and target profits. Moreover, the lack of experience in new product and service development could hurt business competitiveness.

5. Market risk arises from the increasingly diverse transactions in the Group's trading and available-for-sale books, which may affect its operation in the case of a highly volatile economy and markets.

Presently, the Bank performs many transactions in financial market products for both trading and available-for-sale books. The five major transaction types to hedge risk or sell structured notes to investors are: 1) debt instrument and debt derivatives trading; 2) foreign exchange and its derivatives trading; 3) interest rate derivatives; 4) common equity and equity derivatives; 5) property fund, infrastructure fund, and real estate investment trust ("REIT"), which is registered in the SET and equity derivatives; and 6) option contract that refers to the equity price, financial index, commodity price, and mutual fund performance as underlying assets. Furthermore, the capital market business invests in common equities traded on the SET and foreign stock markets, futures contracts in TFEX, equity derivatives, and private equities, which have market risk.



The trading book's market risk management focuses on transactions with interest rate risk and currency risk. In a highly volatile market, these risks arise from internal and external uncontrollable factors and adversely affect the trading book. Therefore, the Bank has to determine the acceptable risk limit on interest rate risk and currency risk for trading book transactions and will allow equity transactions to be exposed to zero market risk in equity price.

The available-for-sale book's market risk management emphasizes transactions with interest rate risk. The Bank has to determine the acceptable interest rate risk limit and hedges the risk to an insignificant level. However, the Bank may invest in common equities, property funds, infrastructure funds, and REITs, which are registered on the SET. This will be a long-term investment, which requires the related committee's approval on a case-by-case basis.

The Bank has consistently developed comprehensive and systematic market risk management procedures, ranging from identifying, measuring, monitoring, and controlling risks resulting from trading and available-for-sale book transactions. These processes cover related and significant market risk factors. Meanwhile, the Financial Markets Group and the Treasury Department are major units to manage market risk in trading and available-for-sale books, respectively. The Market Risk Management Department, together with the Liquidity Risk Management and ALM Department, identify risk indicators and propose a risk limit for approval from the Risk Oversight Committee to assess and monitor market risk. Internationally accepted risk indicator tools, such as Value at Risk (VaR), Present Value of a Basis Point (PV01), Net Open Position in Foreign Currency (NOP), and Economic Value of Equity (EVE), are utilized to cover changes in the market. In case of any irregularities or situations that exceed the acceptable market risk limit, the Market Risk Management Department and the Liquidity Risk Management and ALM Department will report to relevant units.

For capital market investment in the SET and other market equities, future derivatives, equity derivatives, and private equities, important risk factors are based on the equity price, liquidity, and equity price volatility. Short-term investments typically have negligible market

risks since there are investment strategies deployed to reduce the market risks. However, long-term investments in the subsidiary still have high market risks due to its directional investment strategy, both onshore and offshore. A decrease in the price of securities held by the Group would negatively affect its performance and profit. However, the Group is aware of the risks associated with such an investment strategy. The Group has specified the level of risk tolerance for each investment. The Risk Management Department of the subsidiary is responsible for defining standard risk tolerances, such as VaR and volume limits of daily transactions, and will alert relevant business units in the event that the risk in the trading book exceeds the limit or there is an unexpected irregularity.

Uncontrollable factors often cause the volatility of securities prices. Despite the Group's standard risk management process, it is unable to guarantee that significant losses will not occur when risk factors become more volatile than predicted. This could adversely affect the Group's performance and economic value.

6. The Group may be affected by reputational risk.

Reputation is of significance to businesses, especially in the financial services industry, where competition is high. The maintenance and building of a good reputation will lead to an increase in the client base and better client retention. It could also have positive effects on performance and financial status. Conversely, reputation loss could negatively impact the Group in the long run. Therefore, the Group makes its best effort to maintain its good reputation and has prepared measures to prevent and reverse situations that could impact the Group's reputation while considering risks that may affect the Group's reputation in different aspects, as follows:

1) Environmental aspect: Currently, environmental risks have become more serious due to economic expansion. The Group is aware of the importance and problems that arise. Therefore, the Group has improved the business process to be more environmentally friendly in two dimensions: The first dimension involves managing the environmental impact of the Group's operations. This includes reducing consumption and the use of resources in the Group's operations, as well as decreasing greenhouse gas emissions that may arise

from both direct and indirect business activities. The second dimension is the Group's initiative to financially support environmentally friendly businesses, along with the development of new products and services that are eco-friendly, such as:

- Implementing projects to refurbish the main office building to reduce energy consumption.
- Undertaking waste and pollution reduction projects, for example, choosing environmentally friendly paper, using eco-friendly ink types, and employing mercury and lead-free paint for building exteriors.
- Promoting electronic channels for employee operations and client services, such as:
 - Information notifications, performance assessments, and employees' satisfaction surveys.
 - Sending information and alerting about various transactions to reduce paper usage in financial transactions and minimize clients' travel fuel consumption.
- Implementing projects to reduce paper usage within the organization by improving the committee meeting systems to present information via tablet devices.

2) Social aspect that includes respect for human rights: The Group has established a policy to cover various issues in the social aspect, such as the Corporate Governance Policy, the Guidelines for Business Conduct Policy, and the Guidelines for Social Responsibility Policy. These encompass practices respecting human rights both within the organization, focusing on employees, and outside the organization, including other stakeholders such as clients, shareholders, partners, and the community.

- For employees, policies are in place regarding fair labor practices, starting with the recruitment process. These include considerations for equitable treatment and responsibilities towards employees.
- For clients and consumers, the Group is committed to responsible business conduct and fair client service. This includes maintaining client confidentiality, monitoring and measuring client satisfaction, and addressing feedback

and complaints to enhance client satisfaction and trust.

- For shareholders, the Group ensures transparent, fair, and equitable information disclosure to all shareholders, both major and minor.
- For partners and external service providers, the Group engages with all business partners equitably and justly. This includes drafting appropriate contract formats and strictly adhering to agreed contracts or conditions transparently, without bias, and in a manner that is verifiable.

3) Corporate governance aspect: Summarizing the details of important matters:

(1) Occupational safety and health risk: The Group has set up the Guidelines for Safety to ensure a safe working environment for employees, clients, and visitors. There is a provision for harmless and appropriate equipment and working environments according to the Ministerial Regulation on the Prescribing of Standard for Administration and Management of Occupational Safety, Health, and Environment of the Workplace. There is regular monitoring of air quality in the workplace and cleaning of the air conditioning system. The Group also arranges for occupational safety and health knowledge trainings and provides protective equipment. Furthermore, the Group has organized fire drills and an office security system.

Additionally, the Group organizes training courses on safety and occupational health in compliance with legal requirements. These include advanced fire extinguishing courses, basic first aid training, and CPR (cardiopulmonary resuscitation) for safety-related departments at least once a year. The Group also has emergency management plans and conducts regular employee training to prevent various accidents. For instance, the Group holds annual fire drills and evacuation exercises.

(2) Dispute risk: The Group aims to benefit the public by improving and developing



the quality of life of Thai people, operating the business in a responsible way, and responding to all stakeholders appropriately. These measures include setting up the Guidelines for Business Conduct Policy and the Guidelines for Social Responsibility Policy for sustainable business operations.

- (3) Fraud risk: The Group intends to conduct business with integrity in a transparent manner by adhering to the Corporate Governance Policy and the Guidelines for Business Conduct Policy. The Group is committed to taking a stand against corruption in any form. Therefore, in order to prevent corruption, the Group sets and communicates the Anti-corruption Policy and related procedures to employees within the organization. There is an annual training on Anti-corruption Policy for employees of the Group via e-learning and a test to evaluate their understanding. Moreover, the Group has communicated internally about practices to follow when receiving gifts from partners or clients. This is in line with the implementation of a 'No Gift Policy', which prohibits accepting gifts from partners or clients. The policy aims to ensure that directors, executives, and all employees adhere to and collectively practice this standard. The Group also communicates its commitment to the Corporate Governance Policy and the Anti-corruption Policy to the public and external stakeholders through various channels. Furthermore, the Bank and its subsidiaries have been certified as full members of the Thai Private Sector Collective Action against Corruption ("CAC") and have been recertified every three years.

In 2023, the Bank had set policies according to the aforementioned topics, for instance, the Bank's ESG Lending Policy, taking into account environmental aspects, including climate change, social, and governance dimensions, and aiming to ensure that the Bank's lending practices are comprehensively considerate of these issues and align with new regulatory standards.

However, the Group is not able to guarantee that the full implementation of these measures will completely and immediately prevent and correct situations affecting the Group's reputation.

7. The risk of internal and external fraud is becoming a worrying trend. The Bank and the Group Companies' operations may not be sufficiently cautious resulting in operating losses which will affect the Group's competitiveness and performance.

The Bank and the Group companies' operations are presently offering diverse and complex products and services, involving many related parties across the country, complying with laws and regulations, and facing volatile challenges such as business growth and expansion, new products and services that rely more on electronic channels, technological revolution, and innovative fraud techniques, especially external fraud from individuals or technology. Additionally, situational changes may result in incautious operations. All the aforementioned factors can perhaps cause risks or damage to the business. For example, products and services may be misrepresented, affecting reputation, possibly invoking lawsuits, slowing down operations, causing a decline in competitiveness and income, heightening costs, and eventually impacting the Group's performance.

To reduce operational risks and fraud, the Bank's Operational Risk Sub-committee functionally manages and monitors risk possibilities, as well as controls operational losses to within acceptable levels. The Bank has also established a fraud unit, including the Financial Crime Risk Management Department, responsible for preventing, controlling, and monitoring unusual or suspicious incidents of fraud and issuing policies on financial crime risk management in the past year. These measures aim to ensure that the Bank's financial crime risk management processes can operate effectively and manage risks before damage occurs.

Additionally, the Bank has established various measures to reduce operational risks for new products and services. These measures require relevant personnel to conduct risk assessments and develop a risk mitigation plan. They must also complete a readiness check before launching new products and

services and initiating any process changes. The Legal and Compliance Group and the Risk Management Group form the second line of defense and are responsible for this task. They collaborate to analyze and filter various issues, guided by a subcommittee of the Bank's New Product and Process Review Committee. This subcommittee is responsible for filtering and reviewing the development and design approaches of systems or processes, as well as the risk control systems, before presenting them to the New Product and Process Review Committee for approval to launch new products and initiate process changes. They identify deficiencies, provide recommendations on risk and other related aspects to optimize the products and services, and also report incidents related to fraud according to the guidelines of the Bank of Thailand.

The Group also has guidelines for educating and enhancing awareness of cyber threats for employees at all levels to prevent risks from integrating IT into the business and risks from cyber threats that may affect the Group's operations and services. The Group also adjusts its organizational structure to align with such changes and reviews its policies and regulations to ensure they are consistent with the current situation.

Although the Group cautiously enforces such measures, uncontrollable and significant factors, such as IT risks, work from home risks, people's behavior, complex fraud, embezzlement, and corruption are difficult to control and may inevitably impact the Group's performance.

8. Intense competition from large banks and emerging business groups may adversely affect the performance of the Bank.

Fierce competition in the banking business is intensifying due to corporate behavioral changes, especially for large corporations, which have high trustworthiness and a good financial position. Their behavior has changed from relying on bank loans for financing to acting as disintermediary through debentures or the capital market. Therefore, the demand for bank loans has declined while that for the corporate bond market has increased considerably, impacting banks' lending growth.

In addition, competition among existing competitors and new service providers is unceasingly intense. Existing service providers, such as large commercial banks, are growing by expanding into businesses not typical of large banks. They are especially moving towards the universal banking model. In the meantime, small banks still have competitive disadvantages, such as restricted economies of scale and economies of scope, resulting in higher production costs per unit and the inability to sell bundling products. Moreover, they apparently have less business capability and competitiveness than large banks. In the event that the Bank, which is a small bank, is unable to respond to the competition with products and services that cater to clients' needs or may be unable to develop a diverse and complete sales channel, the Bank will possibly lose market share in its main businesses, such as auto-hire purchases and real estate lending. Subsequently, the Bank may lose competitiveness, which will substantially impact its ability to generate revenue and maintain a positive long-run performance.

New service providers, such as payment providers, e-Wallet, and e-Commerce companies, etc., are leading fundamental changes in financial transactions, consisting of payment via application, investment or credit information access, and debt financing without the use of an official financial institution, making transactions via applications more convenient, speedy, and economical. The increasing competition in the market may lessen the role and opportunities of the Group as well as client relationships and brand loyalty to the Group and directly impact its business performance.

With the aforementioned effects from both existing and new service providers, the Group plans to focus on improving the quality of products and services offered to clients. The Group also studies the effects of new competitors and the possibility of being an incubator, capital venture, business partnership, merger and acquisition, and subsidiary establishment to expand its business. Despite the Group's readiness for uncontrollable and unexpected risks, the impact on the Group's performance may happen unavoidably, for example, market share loss and inaccurate anticipation of the financial transaction trend.



9. The Group may be affected by the inability to manage and keep key personnel.

The Group's business depends on the experience, knowledge, and expertise of personnel, including credit analysts, marketing personnel, relationship managers, compliance personnel, high-level management, etc. With the COVID-19 pandemic that has changed the work culture from working at the office to working from home, some employees may have accumulated stress or have a higher chance of changing jobs.

For the Group to retain its quality personnel, the Board of Directors has established written guidelines for employee treatment. Such guidelines emphasize an appropriate system of employee benefits, training to encourage the development of personnel, equal and fair treatment of all employees, the development of a pleasant organization, and the prioritization of hygiene and workplace safety, healthcare, annual health checks, equal accident insurance, and health insurance for employees at all levels in the Group, including the equal right to take leave for religious ceremonies of all religions and meditation leave. In addition, these guidelines have been adapted to the change in working nature, such as Flextime, where employees can determine their own working hours and work from home for business units that are qualified. The Group also arranges various activities for all employees to participate in, both online and on-site, at their convenience.

Regardless of the success of the above measures, the Group may not be able to retain key employees. It also cannot guarantee that it will be able to recruit talented personnel. This could negatively affect business continuity and significantly impact the financial status and performance of the Group.

10. Profits from the special asset management business may decrease or be depleted in the future.

The Group operates the special asset management business through the Bank and mutual funds, which are subsidiaries of the Bank. The Bank started its special asset management business in 1999 by winning auctions of claims on financial institutions from the Financial Sector Restructuring Authority. During 2003-2006, the Bank auctioned debts under a lawsuit from the Legal Execution Department. In 2010, the Bank

bought investment units in Gamma Capital Mutual Fund and Bangkok Capital Mutual Fund, which had similar operations to the Bank's other mutual funds. In 2023, the Bank profited from its special asset management business in the amount of Baht 593 million, amounting to 10.88% of the Group's comprehensive income.

However, the Group has been operating the special asset management business for some time. Currently, the Group's investment funds have been terminated, and assets under management remain at approximately Baht 8,283 million. The Group does not anticipate an expansion or even remaining in this business. Its revenue continuity would be affected. The Group has therefore continuously conducted other new business expansions to compensate for the decreasing return on this business.

11. The Bank may be impacted by interest rate risks in the banking book caused by the volatility of interest rates and the duration gap between assets and liabilities.

The reduced liability duration is certainly an important risk factor. The Bank is aware of this factor and closely monitors and controls it according to the risk appetite defined by the Bank under the hypotheses of interest rate change under normal and stressed scenarios. The Bank has appointed the Assets and Liabilities Management Committee to monitor and control such risks by adjusting the maturity and duration gap between liabilities and asset interest rates. Moreover, the Risk Management Group also closely monitors and controls interest rate risks in the banking book and consistently reports to the Risk Oversight Committee and the Board of Directors.

However, if the Bank faces higher interest rate volatility or the market interest rate adversely changes unexpectedly, such a risk, uncontrollable by the Bank, would unavoidably have a direct impact on the net interest income and economic value of equity.

12. The Bank may not be able to provide and maintain sufficient liquidity for business conduct and expansion.

The Bank's business depends on its ability to raise funds through deposits and/or other sources. The Bank

must maintain a portion of these funds as liquid assets for sufficient provisions in normal and stressed situations. The ability to maintain liquidity depends on several factors, such as competition, interest rate trend, reputation and credit rating of the Bank, location and number of branches, product diversity, and service quality. These factors affect the Bank's ability to raise funds. For example, if the Bank's credit rating was reduced, its cost of funds would be raised.

Besides competition and internal factors, regulations also affect the Bank's fund-raising. Under stricter regulations by the Bank of Thailand and Basel III after the global economic crisis, the Bank has to maintain higher liquidity to cover liquidity risk.

To manage liquidity, the Bank has appointed the Money Desk Sub-committee to analyze and monitor cash inflows and outflows. The subcommittee also sets up measures to closely monitor the liquidity status under normal and stressed conditions according to the concentration of liabilities, the risk appetite of the Bank for assets and liabilities mismatch, and the level of liquid assets under different scenarios. The subcommittee regularly convenes at least once every two weeks under the supervision of the Assets and Liabilities Management Committee. The Treasury Department also plays a key role in the implementation of the Bank's liquidity management to maintain an appropriate level of liquidity, with the Risk Management Group monitoring and controlling the position on liquidity risk and regularly reporting to the Risk Oversight Committee and the Board of Directors. Additionally, the Bank has set up a liquidity contingency plan, a recovery plan to strengthen the Bank's stability in order to prepare for future financial crises, and annually executes the tests.

As the ability of the Bank to raise funds is dependent on various factors, the Bank is not able to guarantee that such management will prevent all adverse liquidity effects in the event of a significant change in the market.

13. The Bank may be unable to maintain sufficient capital for future expansion and competition.

The Bank's capital under the regulations of the Bank of Thailand and Basel III is determined by its risk-weighted assets (RWA) and regulatory capital. These are dependent upon several factors, including changes in the Bank's

businesses and risks as well as amendments to capital requirement regulations. Furthermore, if the Bank reports an operating loss, the loss will reduce regulatory capital, which will certainly impact its capital adequacy. Any reduction in capital may lead to a need to raise funds for business expansion. Such fund-raising may be restricted or come at a high cost. If the Bank is unable to raise sufficient funds, it may not be able to grow its business as planned. Consequently, the Bank's performance will be affected or its size will be reduced if the restriction on capital is not resolved in the long term.

The Group recognizes the importance of building a capital fund that is capable of supporting a variety of risks, including the Group's business expansion. The Bank also employed the policy of a capital target and minimum required capital to mitigate risks and support business expansion. The purpose of capital risk appetite and tolerance, determined under the Bank's risk appetite statement, which has been approved by the Bank's Board of Directors, reflects the following objectives:

- To maintain capital above the minimum requirement of the Bank of Thailand to cover significant risks that are not included in the minimum requirement;
- To maintain capital in accordance with risk appetite and risk tolerance, which are determined by the Bank's Board of Directors;
- To assess capital under stressed conditions and prepare a capital contingency plan to maintain capital according to the framework of stressed conditions;
- To maintain capital in order to cover significant risks the Bank faces according to official regulations; and
- To maintain capital while considering the impact on shareholders.

To improve the capital assessment procedure, the Bank has undertaken the following:

- Developed quantitative risk assessment systems for credit risk, market risk, operational risk, credit concentration risk, and interest rate risk of the banking book under normal and stressed conditions;
- Developed a capital adequacy framework that is linked to the aforementioned significant risks for each of the Bank's business;



- Developed a performance evaluation system for business units while taking into account the cost of maintaining capital and the ability to report shareholders' return on the investment of each business unit; and
- Developed risk assessment and capital adequacy by using economic capital methods.

For 2024, the Group will continue to focus on managing capital efficiently to support remaining risks from the economic conditions and support business expansion and establish an appropriate capital structure that is comparable with others in the business.

Nevertheless, the Group may have to raise funds by issuing subordinated debt instruments to support

business expansion and roll over expiring instruments in the next 5-10 years. The Group may face risk as a result of insufficient capital or higher costs, which would significantly affect its performance.

In the Group's capital management procedure, the suitability of the minimum capital requirement, additional capital required by the annual business plan, and the Group's risk appetite and risk tolerance will be utilized in the capital adequacy assessment process. The Bank will provide the capital plan and capital contingency options on a case-by-case basis in the event that the estimated capital adequacy ratio falls lower than the risk tolerance or the minimum capital required by the Bank of Thailand.

2.3 Emerging Risks

The Group is aware of and continuously prepared for emerging risks that may occur in the future. The Group has analyzed risks that may affect business operations in the short term and long term, direct and indirect, of each risk factor on a regular basis. The Group will report the aforementioned risk assessment and monitoring to the Risk Oversight Committee and the Bank's Board of Directors at least quarterly. The report is also presented at the annual meeting of the Risk Oversight Committee and the Audit Committee for a complete and comprehensive risk analysis.

In 2023, the Group identified significant emerging risks that may arise in the future. There is an effective risk management approach, including continuous monitoring of various risks to mitigate the impact of emerging risk factors, as follows:

1. Risk from the popularity of electric vehicles (EVs) potentially impacting the Bank's car loan disbursements and the value of internal combustion engine (ICE) vehicles held as collateral by the Bank.

Description of Risk

Presently, the popularity of EVs has significantly increased, as evidenced by the reservation order number for cars at the recent Thailand International Motor Expo 2023. Notably, there was a substantial increase in bookings for EVs, particularly Chinese EV brands from various

manufacturers, with more than 20,000 reservations accounting for 38.4% of total bookings. This is a marked increase compared to the 5,800 bookings, or 15% from the same event in 2022. In addition, Chinese and European EV manufacturers are planning to expand their EV assembly plants in Thailand, which is expected to reduce the long-term price of EVs. Coupled with government support measures and the substantial increase in electric charging stations, these factors may further encourage the shift towards EVs. Although this change might not be immediate, it is likely to be a gradual transition.

Potential Impact of Risk on the Group

This popularity of EVs could impact the Group in multiple ways. For instance, car loan disbursements need to prepare for an increase in EV loans as their popularity grows. This shift necessitates an adaptation in the Bank's approach to traditional ICE vehicle loans, aligning them with the evolving automotive market. Additionally, this trend may affect the value of ICE vehicles held as collateral by the Bank, potentially leading to a decrease in their value due to the rising preference for EVs.

Risk Mitigation Plan

The Group has been selective in choosing EV brands for financing and has prepared a product program specifically for EV loans. This is to ensure that clients

will be capable of meeting their installment payments and to reduce the risk of them defaulting.

Additionally, the Group has revised its lending policies for ICE vehicles to align with the changing automotive market landscape. This includes implementing measures to mitigate the impact of second-hand vehicle prices on the Group, maintaining them at an acceptable level.

While adapting to changing consumer behaviors, especially the increasing popularity of EVs, is considered a major priority for the Bank, the Bank has made significant efforts to adjust various aspects of the business. It cannot be guaranteed that the Bank will always be able to adapt quickly enough to every market situation or align perfectly with market demands. Therefore, the Group cannot assure that such impacts will not significantly affect its income statement.

2. Cyber Risk

Description of Risk

The Group has continuously used technology as the main mechanism in its business operations to support new products or services in digital channels and to make business operations more efficient and faster in order to better meet the needs of clients. By relying heavily on technology, the Group may have the potential to pose a significant cyber security risk.

Potential Impact of Risk on the Group

With increasing reliance on IT usage, cyber security risk is also a risk that the Group has increasingly focused on. The aforementioned risk affects and damages both clients and the Group and causes clients to lose confidence in the products and services of the Group, such as IT systems or service interruptions, sensitive data being altered, unauthorized disclosure and deception in order to obtain sensitive data to commit fraud, etc.

Risk Mitigation Plan

The Group has prepared and upgraded its security against cyber threats in line with international standards, regulations, and best practices. The Group also has a risk management framework that is rigorous, concise, and appropriate according to the risk level of products and services. In addition, there is supervision in terms of personnel, processes, tools, or technology used by

the Group, and it encourages personnel to be aware of cyber security risks.

The Group has established specific units to oversee and supervise cybersecurity operations, such as the IT Security Department, Cyber Threat and Information Technology Operational Risk Management Team, Financial Crime Risk Management Department, etc.

However, the Group cannot assure that even with comprehensive measures to mitigate cybersecurity risks, it will be able to fully prevent and rectify incidents arising from such threats. The complexity of these risks is ever-increasing, along with various factors that make them difficult to control, potentially affecting the Group's operations in unavoidable ways.

3. Financial Crime Risk

Description of Risk

Risks from financial crime and fraud problems in financial institutions can be divided into two types: external fraud and internal fraud. Nowadays, such problems tend to cause financial damage to financial institutions and the general public, with the volume of fraud increasing every year. This comes with the development of technology and digital services in the banking sector that facilitates services for clients such as applying for loans, opening online deposit accounts, and providing financial transaction services through internet banking and mobile banking channels. The growth rate has increased significantly, causing fraud groups to change and develop fraudulent forms and processes to use modern technology that has a low cost to trick banks and the general public. 2023 saw many forms of financial crimes, such as call center gangs making calls to deceive people by threatening them into believing that they had committed a criminal offense and asking them to transfer money through "ghost accounts" (accounts opened by contractors) and then embezzling all of the money, romance scams, venture investment scams, transfer loan fees scams, mission scams, or even tricking the victim into clicking a link or downloading fake applications so that the scammer can take the victim's personal information and personal PIN to use for financial transactions or remote screen the victim's mobile phone to transfer the victim's money to a ghost account. In 2023, data from



the Thai Banker's Association show that there were 236,875 cases of cybercrimes reported, with damages totaling over Baht 25,286 million. When the fraudsters receive money from the victims transferred to a ghost account, they will transfer money to the next ghost account and pass it on to multiple ghost accounts within a short time using financial transactions via internet banking or mobile banking.

Potential Impact of Risk on the Group

External fraud arising from the case where a loan applicant submits a fraud document to apply for a loan or has fraud behavior are mostly carried out by debtors who have no intention of repaying the debt in the first place or are debtors who do not have sufficient potential to repay debt to the Bank. If the Bank approves large amounts of loans to such groups of debtors, it will cause the Bank to have a high percentage of non-performing debts or bad debts, causing the Bank to have higher credit costs that may affect the profits, capital, and operating results of the Group.

Internal fraud is a potential fraud that may occur and cause large amounts of financial losses to the Group, either a fraud of the Group's capital directly (employees embezzling or stealing the Group's money) or a fraud of the clients' money, for which the Group may be liable for reimbursement or remedies to clients in accordance with the law or rules of regulatory agencies. In some instances, internal fraud with serious damages or made known to the public through mass media channels or social media can cause significant damage to the Group's reputation, which may greatly affect the confidence of shareholders, clients, and stakeholders.

There are new forms of fraud, such as call center gangs or scams in various forms. Although it is fraud between third parties, it is a money transfer transaction through internet banking channels, mobile banking channels, or various ghost accounts at different banks. Some of the Group's deposit accounts have also been used as ghost accounts. Therefore, even though this type of fraud does not directly cause financial damages to the Group, it may have an impact on the working process that must support the data, freeze the account, withdraw the frozen account, submit information to the investigation officer or the court according to the warrant or the summons, and report suspicious transactions

to law enforcement agencies. If the Group encounters a large number of ghost accounts, it may affect the Group's operations. Furthermore, clients of the Bank who suffer damages may exercise their rights to claim or litigate to recover losses from the Bank as a financial service provider.

Risk Mitigation Plan

The Group has established the KKP principles to instill desirable concepts and behaviors in employees at all levels of the organization and to instill in them a willingness to work with honesty. In essence, the aforementioned KKP principles are words that are easy to understand and uncomplicated, such as recruit and support good people, weed out the bad, be transparent, have no politics, etc., which clearly shows that the Group has zero tolerance for fraud.

In the event that the Group detects fraud, decisive action will be taken. The Chief Executive Officer (CEO) also regularly communicates with employees to be aware of such matters.

The Group has a unit directly responsible for the risk of financial crime and fraud. The Group established the Financial Crime Risk Management Department, which is responsible for reporting directly to the Bank's Risk Management Group and has key responsibilities as follows:

- Supervise and prevent credit fraud problems, such as document forgery for credit applications (fraud document) and fraudulent behavior (fraud behavior), with the aim of minimizing and preventing loan fraud to maintain an acceptable risk level.
- Investigate external fraud and internal fraud in the Bank in order to identify the fraudsters, as well as investigate methods of fraud that occur within the Group or other frauds in order to discuss with the relevant departments and determine measures or improve working processes to control fraud in the future or reduce the chance of fraud.
- Take legal action, both criminal and civil, against criminal groups, including following up to recover property or monetary damages for the Group or victims.
- Set up a team to investigate money transfer transactions via internet banking and mobile

banking channels, suspected ghost accounts, or other types of fraud to temporarily suspend transactions so that the account holder is obliged to conduct transactions in person at a bank branch. The hassle of online transactions could lead to scammers displacing the Bank's accounts as a fraudulent money transfer channel.

- Provide modern tools or technology to enable fraud prevention and detection and investigation of suspicious financial transactions for a more efficient operation so employees can stay up-to-date on current and future fraud threats.

Additionally, in 2023, the Bank approved the procurement of a fraud enterprise solution system.

This system will enhance the efficiency of preventing fraudulent loan applications (fraud applications) and monitoring transactions that may involve fraud (transaction fraud monitoring). Currently, the Bank is in the process of defining the scope of work, signing contracts, and developing the system, which is expected to be completed by late 2024.

Although the Group has systematically developed and improved systems to support and prevent financial crimes, it cannot guarantee complete and immediate protection against new forms of fraudulent events. This is due to the constantly evolving nature of fraud, which makes it a challenging risk to fully mitigate.

2.4 ESG Risk Factors

Organizations now prioritize and widely discuss ESG risks, which are risks related to environmental, social, and governance issues. Therefore, ESG risks should be taken into account in the setting of organizational goals and strategies, as well as incorporated into the organization's risk management, in order to create opportunities and mitigate potential risks that could affect its profitability, competitiveness, image, and reputation as a sustainable organization.

The Group is aware of ESG risks and has implemented various aspects in accordance with a sustainable approach by taking into account the dimensions of the environment, society, and governance to prevent and respond to various potential risks. The Group divides its operations as follows:

1) **Environmental risks** addresses as the impact of climate change, the cost of increasing taxes on industries or businesses that emit carbon emissions, the impact of lending to companies that cause environmental problems, etc. The Group is aware of the aforementioned risks and has continuously monitored climate change in order to analyze potential impacts and prepare for the ongoing risks. Environmental impact management is also incorporated into the risk culture, the process of new product development, as well as in products that promote environmental friendliness according to

Thailand Taxonomy guidelines and products that facilitate the transition to a low-carbon economy. This is applicable for clients in a transition plan group or work process changes to assess risks and impacts on society and the environment to not exceed acceptable levels. The Bank is also actively promoting environmental awareness at all levels, from the Bank's Board of Directors, executives, employees, and clients, through training by external experts, creating online educational content, and disseminating articles via social media. Loan policies, which are in line with responsible lending practices, are now formulated with consideration for environmental dimensions, including climate change, social, and governance aspects. This includes revising relevant criteria or policies to more efficiently consider environmental risks.

2) In taking into consideration **social risks and governance risks**, the Group places significant emphasis on managing the sustainability of stakeholders, which include clients, employees, partners, communities, and society at large. Specific practices for stakeholder engagement are outlined in the Corporate Governance Policy and the Guidelines for Social Responsibility Policy. The guidelines summarized the practices to prevent risks:



- For shareholders: The Group aims to ensure transparent, fair, and equal disclosure of information, building confidence in the equitable treatment and equal protection of fundamental rights for all shareholder groups.
- For Employees: The Group emphasizes fair labor practices, respect for human rights, and non-discrimination on the basis of gender, race, ethnicity, sexual orientation, and physical ability in both employment and workplace operations. For instance, the Group ensures equal opportunities for the growth and development of both male and female employees.
- For clients: The Group is committed to responsible business conduct and providing comprehensive, accurate, and non-misleading information about its products and services and its risks, with a focus on client benefits. This includes fair client treatment under the market conduct principles of the Bank of Thailand, aimed at preventing and mitigating discrimination based on gender, gender identity, race, ethnicity, and physical ability. Additionally, the Group safeguards client confidentiality, actively seeks feedback, and addresses complaints about products and services to enhance client satisfaction and trust.

- For partners or external service providers: The Group treats all partners and external service providers with equality and fairness in business dealings. Appropriate contract forms are prepared, and the Group adheres strictly to agreed contracts and conditions with transparency, impartiality, and accountability. Furthermore, the Group ensures that a control system is in place to prevent the disclosure or misuse of partners' confidential information for illegal business practices.

Furthermore, the Group has established channels for complaints, suggestions, or advice regarding human rights or labor rights violations, accessible to employees, clients, and all stakeholders. The Group has procedures for appropriately managing complaints, ensuring follow-up, and providing suitable remediation in cases of issues. A subcommittee on sustainability has been established to define and drive business goals aligned with sustainability objectives, while also setting strategies, policies, operational frameworks, and related practices.

The Group is prepared to handle ESG risks to a certain extent. However, ESG risk management is a process that requires continuous improvement and development.

3. Driving Business for Sustainability

3.1 Policy and Goals for Sustainability

The Group prioritizes sustainable operations under the purpose of “driving the economy sustainably to optimize the benefits of all stakeholders,” focusing on fostering responsible and transparent business growth and considering both negative and positive impacts for both internal and external stakeholders. This includes shareholders or investors, employees, clients, partners, competitors, regulators, as well as the community and the environment. The Group incorporates environmental, social, and governance (ESG) considerations, aligning with the concept of ‘sustainable banking,’ which emphasizes long-term business and societal growth over short-term returns, with a focus on responsible practices towards the environment, society, and relevant stakeholders under the principles of good governance.

The Group is well aware that achieving sustainable development goals and ensuring enduring business growth require collaboration from various sectors. This collaboration involves contributions from the government, private sector, and international organizations, as well as the general public and all stakeholders related to the Group. The Group, as one of the mechanisms driving capital in the Thai economy and a listed company in the SET, has participated in the SET ESG Ratings assessment to demonstrate transparency in its operations. Additionally, as a member of the Thai Bankers’ Association, the Group has jointly declared its commitment to supporting ESG initiatives through the ESG Declaration. This commitment aligns with the six key principles for important guidelines in operations, as follows:

1. Good governance: Ensure strong corporate governance and effective oversight at the board level, with clear roles and responsibilities at the management level regarding ESG issues.

2. Strategy: Integrate ESG missions into business strategies and establish sustainable finance frameworks to support the country’s smooth transition towards net zero in greenhouse gas emissions (GHG emissions).

3. ESG risk management: Integrate ESG issues into the risk management process.

4. Financial products: Utilize digital technology to enhance access to financial services and promote environmentally friendly and sustainable financial innovations.

5. Communication: Communicate and collaborate with all stakeholders to build public awareness regarding ESG issues.

6. Disclosure: Develop tracking and reporting systems in line with Thailand’s regulatory frameworks and global standards for sustainability disclosure.

In addition to the six key principles mentioned above, the Group also endorses the ESG goals and targets outlined in the ESG Declaration, as follows:

- Increasing the population’s financial literacy and cybersecurity awareness.
- Expanding the number of people with access to financial services.
- Extending employees’ volunteering times for communities.
- Reducing direct and indirect greenhouse gas emissions.
- Increasing the amount of sustainable finance mobilized.

For sustainable development within the Group, there are policies and practices that reflect the Group’s sustainability efforts, as outlined below:



	Economics and Governance	Society	Environment
Policies and practices reflect the Group's sustainable development	<ul style="list-style-type: none"> • Operating business under good corporate governance and ethical principles. • Operating risks and crisis management while considering social and environmental impacts, as well as climate change impacts. • Financing sustainable loans and investments. • Providing clients with fair service and establishing effective channels for receiving feedback and handling complaints. • Innovating new solutions to enhance financial inclusion and ensuring cybersecurity and personal data security for clients. 	<ul style="list-style-type: none"> • Respecting human rights, promoting diversity, and not accepting any form of discrimination. • Supporting human capital development and promoting a fair and inclusive workplace. • Providing financial literacy and promoting financial inclusion to enhance the public's well-being. • Supporting funds and human resources to create positive social impacts in society. 	<ul style="list-style-type: none"> • Reducing direct and indirect carbon emissions. • Reducing energy consumption and promoting efficient energy usage. • Managing wastewater and pollutants resulting from business operations. • Financing sustainable loans and investments, including green finance.

In 2023, the Group defined the structure for managing issues related to ESG. A Sustainability Sub-committee was established under the supervision of the Compliance and Governance Committee. The responsibilities of the Sustainability Sub-committee are as follows:

1. Establish operational guidelines, goals, and sustainability strategies for the Group. Support resources adequately for operations to mitigate risks and ESG impacts for all stakeholders.
2. Supervise, inspect, and monitor the efficiency of sustainability operations, management, and improvements in operations and strategies, including sustainability goals, to stay update with changes resulting from environmental risks, such as climate change, societal changes, and potential economic shifts in the future.

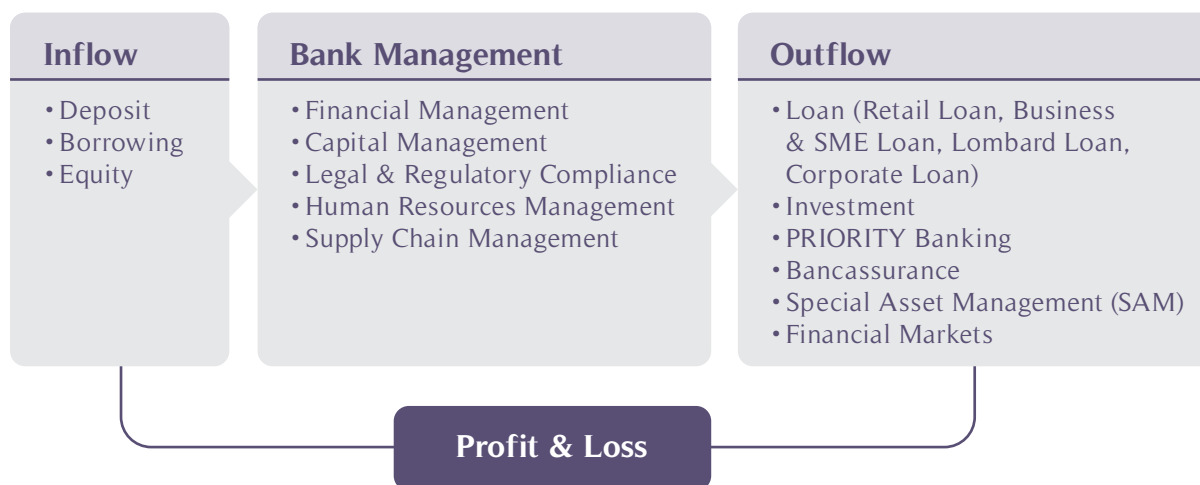
3. Review, approve, or consider any business operations, transactions, or internal activities of the Bank and the Group companies that may create impacts or increase ESG risks, including risks related to climate change, to ensure compliance with domestic and international sustainability regulations and frameworks.
4. Consider the results of key sustainability assessments, including materiality assessments, ESG risk assessments, and climate risk assessments.
5. Ensure effective and sufficient communication of sustainability issues impacting all stakeholders in accordance with domestic and international sustainability standards and guidelines.

3.2 Management of the Impact on Stakeholders in the Value Chain

Business Value Chain

The Group operates main financial businesses, including commercial banking, special asset management, financial markets services, PRIORITY banking, and capital market businesses. The Bank acts as an intermediary of capital flow in the economy by receiving money from depositors and lending money to borrowers via various types of loans, such as auto-hire purchase loans, retail

loans, business loans, SME loans, corporate loans, etc. In addition to the basic business model, the Group operates other types of financial businesses, such as asset management businesses, financial market businesses, and capital market businesses. Moreover, the Group also offers trading partners the Group's channels for selling their products, such as mutual funds, life insurance, and other types of insurance, etc. The Group receives income in terms of interest and fees.



Analysis of Stakeholders in the Business Value Chain

The Group places importance on the participation of stakeholders to accurately and completely define sustainability issues according to their priorities and necessities. The Corporate Governance Policy and the Corporate Social Responsibility Policy specify the management guidelines on social responsibility for stakeholders. Stakeholders are divided into eight groups according to the classification guidelines of the SET, which are internal stakeholders comprised of shareholders and employees and external stakeholders comprised of clients, partners, competitors, creditors,

regulators, and communities/societies. Relevant internal departments engage with stakeholders under the integrating principles of corporate social responsibility in all working processes of the Group (CSR in process) through a variety of activities such as meetings, seminars, opinion surveys, client satisfaction surveys, and employee engagement surveys to use the obtained information to determine appropriate actions in response to the concerns and expectations of each stakeholder. The details on communication channels, concerns, and expectations of each group of stakeholders, as well as actions taken by the Group to respond to such expectations, are shown in the stakeholder engagement section of the Sustainability Report 2023.

3.3 Sustainability Management in the Environmental Dimension

Environmental Policies and Practices

The Group is aware of the environmental impacts, both direct and indirect, that may arise from its operations. The Group has established practices and operations related to environmental management to prevent and mitigate potential impacts on stakeholders, as outlined below:

1. Environmental management within the Group

The Group addresses issues and risks arising from climate change, focusing on managing greenhouse gas emissions resulting from its operations. The Group

starts by doing carbon accounting for greenhouse gas emissions in Scope 1 - 3, covering all companies within the Group, and undergoes certification processes based on the standards set by the Greenhouse Gas Management Organization (TGO). The information is then managed systematically, with a commitment to reducing emissions through energy efficiency measures such as installing solar cells on the headquarters office buildings and extending to all branches in the future. As an alternative to sourcing clean energy directly, the Group purchases carbon credits to offset all greenhouse gas emissions generated by its business.



Furthermore, the Group promotes resource efficiency and waste reduction, managing wastewater and pollutions resulting from its operations. For instance, treating wastewater using a combined biological treatment system before releasing wastewater into public drainage systems (public sewer), encouraging the reduction of paper usage among clients and employees, as well as raising awareness among employees about waste separation to enhance waste and plastic management efficiency in the community, reduce leakage of waste and plastic into public areas, and protect the overall environment.

2. Sustainable finance on loans, investments, and green finance

In providing sustainable finance, the Bank follows a rigorous process of evaluation and approval, taking into account the ESG factors related to the business activities of its corporate clients. The Bank considers compliance with laws, regulations, and environmental impact standards, such as the City Planning Act, B.E. 2522 (1979), the Building Control Act, B.E. 2522 (1979), and the National Environmental Quality Act, B.E. 2535 (1992). Moreover, the Bank evaluates the well-being of employees and labor practices, ensuring no unlawful labor practices or child labor, and supporting environmentally

friendly businesses through the green finance initiatives. For instance, offering credit facilities tailored for businesses in alternative energy, financing for green building projects, and hire-purchase options for EVs. For any new products or changes in operational processes, the Bank conducts risk assessments and evaluates the potential impact on society and the environment. It develops risk mitigation plans and conducts readiness assessments before implementation to ensure that products and operations remain at an acceptable risk level and do not have negative impacts on society and the environment.

Moreover, KKPAM has incorporated ESG considerations into its decision-making process, aiming to provide long-term returns while adhering to ESG principles. In 2023, KKPAM launched two mutual funds focusing on sustainable investments, namely the KKP EQ THAI ESG Fund, which invests in SET-listed stocks with outstanding environmental or sustainability aspects or discloses information on CO2 emissions, plans, and goals to reduce nationwide CO2 emissions, and the KKP GB THAI ESG Fund, which is a government bond fund that focuses on ESG bonds.

For further details, please refer to the Sustainability Report 2023.

3.4 Sustainability Management in the Social Dimension

Social Policies and Practices

Placing importance on sustainability management in the social dimension, the Group is determined to deliver excellent products and services to **clients** under the mission “to provide resources to clients properly, adequately, and proficiently through services beyond expectation and like none other.” The Group takes care of its **employees**, one of the important stakeholder groups driving the organization to success, ensuring they have a good quality of life and opportunities to advance in their careers, along with organizational growth. Additionally, the Group focuses on fair, transparent,

and equal cooperation with its **suppliers and business partners**. As a part of society, the Group has supported the promotion of the wellbeing of **communities and people in society** since its establishment. The Group has encouraged its employees to use their knowledge and expertise to create positive changes in society through the ‘People Development for National Development with Kiatnakin Phatra Project’. The project focuses on four core pillars of sustainable development: 1) education support, 2) promotion of ethics and social immunity, 3) relief and charitable contributions, and 4) development of the community’s environment.

Human Rights Guidelines

The Group respects human rights according to the United Nations Guiding Principles on Business and Human Rights and complies with human rights laws. The Group aims to prevent and avoid human rights violations for all stakeholders, treats all stakeholders equally, and does not accept all forms of discrimination. The Group carefully establishes the foundation of business operations to avoid any factors that may contribute to the violation of the rights of employees, communities, and society. The Group has specified human rights issues and covered all those issues in business guidelines for internal stakeholders, namely, employees, and external stakeholders, namely, clients, partners, communities, and society.

Employees: The Group respects the rights of labor, human rights, and fundamental rights in the workplace. It focuses on treating employees fairly and has a zero-tolerance policy for any form of discrimination in the hiring process and during work. This includes considerations related to gender, sexual orientation, ethnicity, race, sexual orientation, and physical abilities. The Group provides equal opportunities for employees to develop their skills and their promotion with equality and suitability. The compensation and welfare system is designed to be fair, align with performance, and emphasize equal compensation for both genders (gender equality). Additionally, there is a commitment to workplace safety management for all employees.

Clients: The Group is committed to conducting business responsibly and provides comprehensive and accurate information about its products and services. It maintains transparency, ensuring that client benefits are prioritized. The Group does not tolerate any form of discrimination based on gender, sexual orientation, ethnicity, race, or physical abilities in client interactions. There are measures in place to protect clients' data privacy. The Group follows practices for collecting, using, and disclosing personal information, as well as obtaining and withdrawing consent from data owners. This includes privacy notices, retention and deletion

periods for personal data, security measures for personal data, reporting data breaches, and disclosure practices to prevent unauthorized processing or violation of personal information. Moreover, the Group adheres to ethical practices in its operations, specifying the confidentiality and security of clients' data privacy. It does not profit from clients' personal data and will not disclose client information except with the clients' consent or as required by law, such as disclosure to government agencies. The Group has appointed a Data Protection Officer (DPO) and manages the risks associated with data protection. It conducts impact assessments, internal audits related to data protection, and provides training to employees on data protection.

Suppliers and business partners: The Group practices fairness and equity towards suppliers and business partners, avoiding discrimination in any form. This includes adhering strictly to agreed-upon contracts or terms, ensuring transparency and impartiality, and allowing verification. The Group has established a control system to prevent the disclosure of suppliers and business partners' confidential information or use of it for business operations by illegal means.

Community and society: The Group has preventive guidelines for creating negative impacts from business operations on communities and society. The Group manages waste and garbage to prevent communities from being affected by pollutants and various forms of pollution. Additionally, the Group is mindful of using resources efficiently and promotes safe and healthy living for communities.

In this regard, the Group has established channels for receiving complaints, suggestions, and recommendations when there are violations of human rights or labor rights concerning employees, clients, and all affected parties. There are appropriate complaint management guidelines in place, as well as follow-ups on the outcomes and suitable remedies when various issues arise.

Please find more information on the Group's sustainability development in the Sustainability Report 2023 via www.kkpfg.com.



4. Management Discussion and Analysis

4.1 Management Discussion and Analysis and Factors and Situations That May Significantly Affect the Financial Position and Operating Performance in the Future

The management discussion and analysis (MD&A) for the year ended December 31, 2023, discussing principal changes in the audited consolidated financial statements and comparing the operating performance and the financial position with those of the year ended December 31, 2022, is as follows:

Overall Economic, Financial, and Capital Market Environment

For the year 2023, the Thai economy continued to recover, with an expected expansion of 2.4%. The main driving force is private sector consumption, fueled by improved income and the continuous recovery of the tourism sector. In 2023, tourist arrivals to Thailand reached 28 million, an increase from 11 million in the previous year. Inflation slowed down mainly due to reduced oil prices, but exports contracted by 1.0% in 2023, influenced by the global trade slowdown, particularly in electronic goods.

The Thai Monetary Policy Committee ("MPC") voted to raise the policy rate by a total of 125 basis points to 2.50% in 2023, following a continuous economic recovery. The MPC assessed that the Thai economy would gradually recover, reaching its potential; inflation rates would return to the target range; and the stability risk would increase from a high household debt level. Despite the consistent increases in interest rates by the MPC in 2023, the rates remained relatively low compared to those in other major economies. This resulted in interest rate differentials that contributed to the fluctuation of the Thai Baht throughout 2023.

The Thai economy in 2024 will continue to slowly expand, but the recovery might remain uneven across sectors. An increase in tourist numbers continues to drive the economic rebound in Thailand. It is anticipated that tourist arrivals will likely continue to recover to approximately 35 million in 2024, up from 28 million in 2023. While exports are expected to return to growth after the previous year's contraction, the recovery is anticipated to be slow. Various Thai export products face

challenges in competing with Chinese products, which contributes to this slow recovery. Similarly, domestic demand, particularly durable goods consumption, is also expected to slow down due to high household debt and rising interest rates. Lower oil prices and weak domestic demand are expected to cause the inflation rate to decrease. However, there remains uncertainty regarding the impact of the digital wallet policy. If this policy is implemented, it will have the potential to positively influence short-term consumption and the economy in general. Although the Bank of Thailand is expected to maintain the policy interest rate at 2.50%, there is a possibility of a rate reduction in the second half of the year, especially if the digital wallet policy fails to be implemented and economic conditions become more severe than expected.

Key risks that could impede the recovery of the Thai economy in 2024 include: 1) a global economic slowdown and global trading that is below expectations, pressured by heightened interest rates; 2) China's economy slowdown due to rising vulnerabilities in its property sector that could hinder Thai exports and the tourism sector; 3) international geopolitical uncertainties that might affect the trajectory of the economic recovery, oil prices, and the inflation outlook; 4) lower competitiveness in some Thai exports such as electrical appliances and internal combustion cars that are negatively affected by technological changes; and 5) rising default risk of corporate bonds and non-performing loans in the banking sector from heightened interest rates amid an economic slowdown and digital wallet policy uncertainty.

The auto industry for 2023 has continuously declined compared to last year. The total number of car sales for 2023 fell by 8.7% YoY, led by a significant decline in commercial vehicle sales of 17.3%, in line with the decreasing trend of revenues and purchasing power and the economic situation. Meanwhile, personal vehicle sales expanded by 10.3%, driven by the government's support for electric vehicles (EVs). The used car market faced significant challenges in 2023 due to deteriorating

farmers' income, rising costs of agricultural production, and an elevated interest rate. Consequentially, the number of confiscated cars has increased, with a notable drop in prices. This imposed direct impacts on the auto-hire purchase business performance.

The capital market remained weak due to both external and internal factors. US long-term bond yields continued to rise, leading to more capital outflow from emerging markets and Baht depreciation. Moreover, negative surprises in the pace of economic recovery from the service and export sectors and post-election domestic politics contributed to the deteriorating market sentiment, resulting in the SET index at the end of 2023 closing at 1,415.85 points, declining 15.2% from 1,668.66 points at the end of 2022. The average daily trading value (SET and mai) for 2023 decreased by 30.5% to Baht 53,331 million from Baht 76,773 million during 2022.

Operating Results for 2023 Compared to 2022

For 2023, the performance of the Bank and its subsidiaries softened compared to the previous year, driven mainly by the increase in expected credit loss ("ECL") and higher expenses from the loss on sale of repossessions from the auto-hire purchase business as a result of the uneven economic recovery and external factors relating to the auto industry creating repercussions for the hire-purchase business. Additionally, the Bank's high loan growth during the past periods, coupled with the hire-purchase segment, contributed to a large portion of the Bank's total loan portfolio, all of which contributed to the considerable performance decline in 2023. The capital market business was also impacted by the unfavorable market conditions, resulting in the consolidated net profit of the Bank for 2023 totaling Baht 5,443 million, a decline of 28.4% YoY, while comprehensive income in 2023 amounted to Baht 5,452 million.

In terms of revenue, the Bank continues to generate strong operating income, which totaled Baht 28,763 million in 2023, an increase of 4.4% YoY, driven by the strong increase in the net interest income of 16.8% from loan portfolio expansion, which expanded by 5.3% in 2023

together with the increase in interest rates. Moreover, the Bank has been able to effectively manage the rising cost of funds, resulting in a loan spread that remains above the expected level. Meanwhile, non-interest income declined by 23.5% as a result of subdued capital market conditions from a lower brokerage fee and also a lower gain on financial instruments measured at fair value through profit or loss (FVTPL) from market conditions. The bancassurance fee also declined as a result of slower new loan volume.

Operating expenses, excluding items relating to foreclosed assets, remained at a well-controlled level, with the cost-to-income ratio¹ in 2023 at an efficient level of 40.4%.

The Bank remains committed throughout 2023 to resolving the prevailing asset quality situation in the hire-purchase business and the subsequent management of outstanding repossessed assets in order to maximize efficiency, resulting in the losses from the sale of repossessed cars being at an elevated level during 2023. Several proactive measures have been pursued in order to improve the quality of the loan portfolio, and as a result of the Bank's ongoing efforts, the Bank saw signs of improvement, which have subsequently led to improving trends in the ECL amount during the last part of 2023. Additionally, during 2023, the Bank was able to successfully resolve a significant non-performing loan account, which has been outstanding at the Bank for the past several years, leading to a considerable reduction in stage 3 loans in the commercial lending segment.

The Bank continues to proactively monitor the asset quality of all loan segments and maintains its prudent approach in setting up the ECL amount, reflecting various aspects of uncertainty, including any possible signs of loan deterioration. In 2023, the Bank recorded a total of Baht 6,082 million in ECL, an increase of 20.8% YoY. The ECL amount also included additional provisions, which the Bank set up during 4Q2023, as a precautionary measure for one specific loan, whose loan size is approximately Baht 2 billion, which continues to be impacted as a consequence of the COVID-19 situation.

¹ Operating expenses excluding items relating to foreclosed assets (loss from revaluation of foreclosed assets and loss from sale of foreclosed assets)



The Bank, on a prudent qualitative classification basis, has already classified the account. The Bank has set up additional provision in the amount of approximately Baht 600 million as a pre-emptive cushion for any future risks that may arise from this situation, resulting in this account being fully provisioned for.

As of the end of 2023, the total allowance for ECLs to total NPLs ratio (coverage ratio) improved to 164.6%, compared to 154.4% at the end of 2022. Overall asset quality reflects improvement, with the non-performing loans² (NPLs) to total loans ratio declining to 3.2% as of the end of 2023 and improving from 3.3% as of the end of 2022.

(Unit: Baht Million)	2023	2022	Change (%)
Net interest income	22,294	19,081	16.8
Non-interest income	6,469	8,457	(23.5)
Total operating income	28,763	27,539	4.4
Total other operating expenses	15,894	13,013	22.1
ECLs	6,082	5,036	20.8
Profit from operating before income tax expenses	6,787	9,490	(28.5)
Income tax expenses	1,331	1,873	(29.0)
Net profit (attributable to equity holders of the Bank)	5,443	7,602	(28.4)
Total comprehensive income (attributable to equity holders of the Bank)	5,452	10,120³	(46.1)
Basic earnings per share (Baht)	6.43	8.98	(28.4)

Summary of Financial Performance

Annualized Ratios	2023	2022
Net profit (Baht Million)	5,443	7,602
ROAE (%)	9.2	14.0
ROE (%)	9.4	14.9
ROAA (%)	1.0	1.6
Comprehensive income (Baht Million)	5,452	10,120
ROAE (%)	9.2	18.6 ⁴
ROE (%)	9.4	19.8 ⁴
ROAA (%)	1.0	2.1 ⁴
Loan growth	5.3	21.4
NPLs/total loans (excluding interbank and POCI)	3.2	3.3
Allowance for ECLs/total NPLs excluding POCI (coverage ratio)	164.6	154.4

² Excluding loans classified as purchased or originated credit-impaired financial assets (POCI)

³ During 2022, the Bank and its subsidiaries performed a revaluation of its land and premises using the revaluation method instead of the previous cost method. The value of land and premises has increased from the revaluation, resulting in a gain on the revaluation through comprehensive income after deferred tax in the amount of Baht 2,736 million. Meanwhile, there was no such transaction in 2023.

⁴ If excluding items relating to the revaluation of land and premises, the ROAE, the ROE, and the ROAA for 2022 were 13.6%, 14.5%, and 1.6%, respectively.

Net Interest Income

(Unit: Baht Million)	2023	2022	Change (%)
Interest income	30,717	23,671	29.8
Interest on loans	12,942	8,970	44.3
Hire purchase and financial lease income	14,760	13,423	10.0
Interest on POCI	704	180	292.1
Interest on interbank and money market items	1,281	604	112.1
Interest on securities	937	456	105.5
Others	94	38	145.9
Interest expense	8,424	4,589	83.6
Interest on deposits	5,004	2,878	73.8
Interest on interbank and money market items	440	190	131.1
Interest on debt issued and borrowings	1,104	616	79.2
Fees and charges on borrowings	24	15	62.1
FIDF and DPA fees	1,772	820	116.1
Others	80	70	14.5
Net interest income	22,294	19,081	16.8

For 2023, the net interest income amounted to Baht 22,294 million, an increase of Baht 3,212 million, or 16.8%, from 2022, with the following key details:

- The Bank has been able to efficiently manage the rising funding costs, resulting in a loan spread for 2023 of 5.2%, higher than expected. Loan yield increased to 7.1% from 6.6% in 2022, consistent with the multiple increases in policy rates, while the cost of funds continued to rise to 1.9% amid a rising interest rate environment and the resumption of the Financial Institution Development Fund (FIDF) contribution fee to the normalized level of 0.46%. Overall, the loan spread for 2023 declined to 5.2% from 5.4% in 2022.
- The Bank's interest income reached Baht 30,717 million, reflecting a 29.8% increase. This growth

was primarily driven by a 44.3% increase in interest income on loans and a 10.0% increase in interest income from hire purchase and financial lease income, resulting from the expansion of the loan portfolio and the rise in loan yield. Additionally, the Bank recorded higher income on POCI from the distressed asset management business in the amount of Baht 704 million, a considerable increase YoY.

- The interest expense totaled Baht 8,424 million, an increase of 83.6% YoY, driven by a higher volume of deposits and borrowing in tandem with the growth of the loan portfolio, the increase in funding costs amid rising market rates, and the resumption of the contribution fee to FIDF at the normalized level of 0.46%.

Yield on Loan, Cost of Fund and Loan Spread

(%)	2023	2022
Yield on loan	7.1	6.6
Cost of fund	1.9	1.2
Loan spread	5.2	5.4



Non-interest Income

(Unit: Baht Million)	2023	2022	Change (%)
Fees and services income	6,460	7,183	(10.1)
Fees and services expenses	983	1,018	(3.4)
Fees and services income, net	5,476	6,165	(11.2)
Gain (loss) on financial instruments measured at fair value through profit or loss, net	441	831	(47.0)
Gain (loss) on investments, net	(12)	(4)	225.9
Dividend income	340	507	(32.9)
Other operating income	224	958	(76.6)
Total non-interest income	6,469	8,457	(23.5)

For 2023, with the prevailing unfavorable market conditions, non-interest income for 2023 totaled Baht 6,469 million, a decline of 23.5% YoY, driven by lower net fees and services income of 11.2%, largely from a decrease in fee income from the brokerage business from uncertainties in market conditions leading to a considerable decline in market activities during 2023, with the average daily turnover lowered by 30.5% YoY. Meanwhile, KKPS continued to maintain the number one position in terms of market share⁵ of 20.8%

for 2023. The bancassurance fee also softened from slower new loans. Meanwhile, the fee income from the investment banking business was at a good level despite unfavorable market conditions. As for other operating income, the decline YoY was due to the weakened economic conditions, resulting in the Bank making a significantly lower volume of loan sales during 2023. Gains on financial instruments measured at fair value through profit or loss (FVTPL) also declined YoY from market conditions.

Operating Expenses

(Unit: Baht Million)	2023	2022	Change (%)
Employee's expenses	7,101	6,954	2.1
Directors' remuneration	43	46	(7.1)
Premises and equipment expenses	1,323	1,113	18.9
Taxes and duties	626	509	23.0
Loss from revaluation of foreclosed assets (reversal)	(560)	39	(1,537.2)
Loss from the sale of foreclosed assets	4,806	1,540	212.0
(Gain) loss from the sale of foreclosed properties	(65)	(303)	(78.7)
Loss from the sale of repossessed cars	4,871	1,844	164.2
Other expenses	2,554	2,810	(9.1)
Total other operating expenses	15,894	13,013	22.1

⁵ Including SET and mai but excluding proprietary trading

For 2023, the operating expenses were Baht 15,894 million, increasing by 22.1% compared to 2022, driven by items as follows:

- If excluding expense items related to foreclosed assets, the operating expenses remained at an efficient level, with the cost-to-income ratio for 2023 at 40.4%.
- Loss from the sale of foreclosed assets for 2023 totaled Baht 4,806 million, increasing from Baht 1,540 million YoY, led by higher loss from the sale of repossessed cars totaling Baht 4,871 million, which continuing to be at an elevated level. The increase in loss from the sale of repossessed cars

was due to the higher number of repossessed cars sold from the expanded loan portfolio size previously and also to the Bank's continuing proactive measures in managing the outstanding repossessed cars.

- Effective 1Q2023, the Bank has revised the allowance for impairment of foreclosed properties to be in accordance with the Bank of Thailand's notification with regards to the foreclosed properties. The revised treatment resulted in a reversal of the allowance for impairment of foreclosed properties in the amount of Baht 619 million recorded during 2023.

Expected Credit Loss (ECL)

(Unit: Baht Million)	2023	2022	Change (%)
ECLs	6,082	5,036	20.8
Credit cost (%)	3.01	2.10	

For 2023, the Bank remains prudent when setting aside provisions to reflect prevailing uncertainties, resulting in the 2023 expected credit loss amount remaining at an elevated level of Baht 6,082 million, increasing by 20.8% comparing to 2022. When excluding the release of excess loan loss reserves, provisions including loss from the sale of repossessed cars (credit cost) for 2023 increased to 3.01% of the average loan from 2.10% in 2022.

The increase in ECL and loss from the sale of repossessed cars was driven primarily by the expanded loan portfolio size and the impact on loan quality amid an uneven economic recovery. Furthermore, external factors relating to the auto industry also impact the performance of the hire-purchase business. The Bank

continues to proactively pursue several measures to manage the quality of the loan portfolio and outstanding repossessed cars, focusing on the loan approval criteria, the collection process, and the management of car repossessions in order to maximize efficiency. From the Bank's ongoing efforts, it continues to see signs of improvement, with an improving trend in the ECL level. The ECL amount for 2023 also reflects additional provisions for management overlay, which the Bank has set up as a pre-emptive cushion for possible risks that may arise in the future as a result of deterioration in the asset quality of one specific loan, as detailed in the earlier section. As of the end of 2023, the allowance for ECLs to the total NPLs ratio (coverage ratio) increased to 164.6%, increasing from 154.4% at the end of 2022.



Statements of Financial Position

Assets

As of December 31, 2023, the Bank had total assets of Baht 545,327 million, an increase of 7.4% from the end of 2022, driven by the increase in loans

to customers and accrued interest receivables and interbank and money market items.

Assets (Baht Thousand)	Consolidated		Change	
	December 31, 2023	December 31, 2022	Amount	%
Cash	1,381,596	1,000,242	381,354	38.1
Interbank and money market items, net	62,029,433	45,732,349	16,297,084	35.6
Financial assets measured at fair value through profit or loss	16,035,387	18,702,990	(2,667,603)	(14.3)
Derivatives assets	8,062,453	10,538,015	(2,475,562)	(23.5)
Investment, net	36,261,569	31,847,691	4,413,878	13.9
Investments in properties, net	20,038	20,221	(183)	(0.9)
Loans to customers and accrued interest receivables, net	384,825,621	364,870,521	19,955,100	5.5
Properties foreclosed, net	7,240,407	5,787,730	1,452,677	25.1
Land, premises, and equipment, net	7,436,488	7,412,008	24,480	0.3
Right-of-use assets	245,726	282,138	(36,412)	(12.9)
Other intangible assets, net	1,707,800	1,388,321	319,479	23.0
Goodwill	3,066,035	3,066,035	-	0.0
Deferred tax assets	1,717,031	1,431,900	285,131	19.9
Accounts receivable from clearing house and broker-dealers	1,954,980	1,275,894	679,086	53.2
Securities and derivative business receivables	5,528,970	7,976,075	(2,447,105)	(30.7)
Other assets, net	7,813,483	6,304,888	1,508,595	23.9
Total assets	545,327,017	507,637,018	37,689,999	7.4

Liabilities

As of December 31, 2023, the Bank had total liabilities of Baht 484,074 million, increasing by 7.7% from the end of 2022. Deposits were Baht 358,903 million, an increase of 8.3% from the end of 2022, driven primarily by the increase in term deposits, while current and savings accounts declined, resulting in a proportion of current and savings accounts (CASA) of 35.7%, with

term deposits contributing to 64.3% of the total deposit amount. Debts and borrowings were Baht 68,900 million, increasing by 12.3% from the end of 2022. Loans to deposits and borrowings ratio as of the end of 2023 stood at 93.1%, declining from 96.4% at the end of 2022.

Liabilities (Baht Thousand)	Consolidated		Change	
	December 31, 2023	December 31, 2022	Amount	%
Deposits	358,902,512	331,464,000	27,438,512	8.3
Current account	1,124,152	1,928,539	(804,387)	(41.7)
Savings account	127,177,454	194,127,586	(66,950,132)	(34.5)
Term deposit	230,523,115	135,303,583	95,219,532	70.4
Certificate of deposit	77,792	104,292	(26,500)	(25.4)
Interbank and money market items, net	23,035,081	20,175,120	2,859,961	14.2
Liabilities payable on demand	483,354	339,834	143,520	42.2
Financial liabilities measured at fair value through profit or loss	1,332,833	3,556,542	(2,223,709)	(62.5)
Derivatives liabilities	8,502,677	9,328,151	(825,474)	(8.8)
Debt issued and borrowings	68,899,979	61,354,232	7,545,747	12.3
Lease liabilities	182,008	210,623	(28,615)	(13.6)
Provisions	1,301,936	1,207,623	94,313	7.8
Deferred tax liabilities	555,218	529,924	25,294	4.8
Accounts payable to clearing house and broker-dealers	151,102	164,038	(12,936)	(7.9)
Securities and derivative business payables	6,894,432	8,179,754	(1,285,322)	(15.7)
Accrued interest expenses	1,063,220	505,437	557,783	110.4
Other accounts payable	7,010,932	6,778,086	232,846	3.4
Income tax payable and specific business tax payable	471,466	623,071	(151,605)	(24.3)
Other liabilities	5,287,417	5,109,137	178,280	3.5
Total liabilities	484,074,167	449,525,572	34,548,595	7.7

Capital Adequacy Ratio

The Bank and its subsidiaries have maintained a strong capital position to adequately withstand current uncertainties and exceed the Bank of Thailand's requirement (regulatory requirement and additional capital conservation buffer) of 11.0% for total capital ratio, 8.5% for Tier 1 capital, and 7.0% for Common Equity

Tier 1 capital. The Group performs capital management planning to maintain an appropriate level of capital, which is consistent with the annual business plan of the Group, including any reviews during the year, to ensure an appropriate level of capital to withstand any uncertainties.



As of December 31, 2023, the consolidated Capital Adequacy Ratio (BIS ratio) under Basel III, which included profit up to the end of 2Q2023 after interim dividend payments, was 16.61% while the Tier 1 ratio was 13.30%. When including net profit up to the end of

4Q2023, the BIS ratio will increase to 17.03%, while the Tier 1 ratio will be 13.73%. The consolidated Tier 1 capital is all Common Equity Tier 1, contributing 80.10% of the total capital, reflecting the high quality of capital.

Capital Requirement by the Bank of Thailand (%)	Minimum Regulatory Requirement	Capital Conservation Buffer	Total Capital Requirement
Common Equity Tier 1	4.50	2.50	7.00
Tier 1 capital	6.00	2.50	8.50
Total capital	8.50	2.50	11.00

Total capital and Capital Adequacy Ratio of the Bank and its subsidiaries as of the end of 2023 are as follows:

	Bank Only		Consolidated	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Capital requirement (Unit: Baht Million)				
Common Equity Tier 1	47,655	43,115	54,047	49,906
Tier 1 capital	47,655	43,115	54,047	49,906
Total capital	60,947	55,525	67,471	62,299
Capital Adequacy Ratio (Unit: %)				
Common Equity Tier 1	12.30	11.73	13.30	13.32
Tier 1 capital	12.30	11.73	13.30	13.32
Total capital	15.73	15.11	16.61	16.63

Business Segment Performance

The Group's businesses are divided into two main areas: the commercial banking business operated by the Bank and the capital market business operated

by its subsidiaries, which are comprised of KKP CAP, KKPS, KKP DIME, and KKPAM.

1. Commercial Banking Business

The commercial banking business includes retail lending, commercial lending, corporate lending, Lombard loans, and special asset management or distressed asset management loans. The breakdown of the total loan portfolio is as follows:

Types of Loans (Unit: Baht Million)	December 31, 2023	December 31, 2022	Change (%)
Retail lending	270,583	255,644	5.8
Hire purchase	186,981	185,342	0.9
Personal loan	13,703	10,128	35.3
Micro SME loan	14,000	10,757	30.2
Housing loan	55,899	49,418	13.1
Commercial lending	58,662	59,507	(1.4)
Real estate development loan	25,168	25,130	0.2
SME loan	33,494	34,377	(2.6)
Corporate lending	57,720	51,817	11.4
Special asset management loan	1,033	1,102	(6.3)
Lombard loan	11,047	11,129	(0.7)
Total loans	399,045	379,200	5.2
Total loans (excluding POCI)	398,455	378,531	5.3

As of the end of 2023, the Bank's total loans, excluding POCI, were Baht 398,455 million, expanding by 5.3% from the end of 2022, a slower growth YoY consistent with the Bank's direction for slower loan growth amid an uneven economic recovery. The Bank will focus on expanding loans in quality and profitable segments. Details of loans by segment are as follows:

- **Retail lending** amounted to Baht 270,583 million, increasing by 5.8% from the end of 2022. Retail loans include hire-purchase loans, personal loans, micro SME loans, and housing loans.
 - Hire-purchase loans amounted to Baht 186,981 million, expanding slightly by 0.9% YoY. The volume of new hire-purchase business booked during 2023 totaled Baht 66,300 million, declining

by 20% YoY. The portion of hire-purchase loans in the Bank's total loan portfolio stood at 46.9% as of the end of 2023, with the portion of new cars to used cars at 38:62. Domestic new car sales for 2023 totaled 775,780 units, declining by 8.7% compared to 2022. The penetration rate of the Bank's new car lending to domestic new car sales in 2023 was 3.9%, declining from 5.3% in 2022.

- Other retail loans amounted to Baht 83,602 million, with an overall other retail loans expansion of 18.9% YoY, with growth across all segments. The total combined other retail loans portion of the Bank's total loan portfolio increased to 21.0% as of the end of 2023.



- **Commercial lending** business loans amounted to Baht 58,662 million, contracting by 1.4% from the end of 2022. Commercial lending includes real estate development loans and SME loans, of which details are as follows:
 - Real estate development loans totaled Baht 25,168 million, a slight increase of 0.2% from the end of 2022.
 - SME loans were Baht 33,494 million, declining by 2.6% from the end of 2022. SME loans comprise several business sectors, including apartment & hotel, logistics, commercial & industrial, and construction machinery & materials.
- **Corporate lending** provides lending services to listed companies and large corporations or financing for investment banking transactions in the capital market business. Current outstanding loans totaled Baht 57,720 million, expanding by 11.4% from the end of 2022.
- **Special asset management loans** totaled Baht 1,033 million. Assets under special asset management were subjected to a change in classification from TFRS 9 for financial assets classified as purchased or originated credit impaired from the previous classification of investments in loans.

- **Lombard loans** are multi-purpose credit facilities for high-net-worth clients using financial assets as collateral. Current outstanding loans totaled Baht 11,047 million, a slight decline of 0.7% from the end of 2022.

Loan Classifications and Allowances for ECLs

The Bank prudently set up provisions for ECLs under the TFRS 9 framework, taking into consideration the various uncertainties. As of the end of 2023, the allowance for ECLs totaled Baht 20,787 million. The Bank has fully released the remaining excess loan loss reserve of Baht 283 million at the end of 2023. The Bank consistently monitors the asset quality of all loan segments, sets aside prudent provisioning levels, and continuously reviews the appropriateness of such provisioning levels, taking into consideration signs of any possible deterioration in asset quality. As of the end of 2023, the total allowance for ECLs to the total NPLs ratio (coverage ratio) increased to 164.6% from 154.4% at the end of 2022.

Under TFRS 9, loans and accrued interest receivables as of December 31, 2023, are classified into stages as follows:

(Unit: Baht Million)	December 31, 2023		December 31, 2022	
	Total Loans and Accrued Interest Receivables	ECL ⁶	Total Loans and Accrued Interest Receivables	ECL ⁶
Stage 1: Performing financial assets	360,354	7,761	346,217	8,504
Stage 2: Underperforming financial assets	29,544	5,908	22,757	3,808
Stage 3: Non-performing financial assets	14,710	7,047	13,947	5,958
Purchased or originated credit-impaired financial assets	884	71	919	56
Total	405,493	20,787	383,839	18,327

⁶ Including ECLs for loans and loan commitments and financial guarantees.

Loan Quality

The NPL distribution by loan type of the Bank and its subsidiaries is as follows:

Types of Loans	December 31, 2023		December 31, 2022	
	Amount (Baht Million)	Ratio (%)	Amount (Baht Million)	Ratio (%)
Retail lending	7,579	2.8	6,675	2.6
Hire purchase	5,053	2.7	4,702	2.5
Personal loan	93	0.7	80	0.8
Micro SME loan	1,619	11.6	1,352	12.6
Housing loan	814	1.5	541	1.1
Commercial lending	3,942	6.7	5,124	8.6
Real estate development loan	2,167	8.6	3,082	12.3
SME loan	1,775	5.3	2,042	5.9
Corporate lending	676	1.2	130	0.3
Special asset management loan	1,023	99.0	1,102	100.0
Lombard loan	-	0.0	-	0.0
Total NPLs	13,220	3.3	13,031	3.4
Total NPLs (excluding POCl)	12,630	3.2	12,362	3.3

As of the end of 2023, NPLs or stage 3 loans, excluding POCl, totaled Baht 12,630 million, or 3.2% of total loans, declining from 3.3% at the end of 2022. When compared to 3Q2023, it declined from the 3.5% level. The decline in stage 3 loans was driven mainly by the decline in stage 3 loans of the hire-purchase segment from proactive measures to improve portfolio quality and from the commercial lending segment, where during 2023, the Bank was able to successfully resolve a significant NPL account that has been outstanding at the Bank for the past several years, leading to a considerably reduced stage 3 loan in the commercial lending segment. The Bank continues to proactively manage the loan portfolio quality through debt restructuring, write-offs, and various assistance measures as appropriate for each client segment.

2. Capital Market Business

The capital market business comprises the brokerage business, investment banking business, investment business, and asset management business. Details are as follows:

• Equity and Derivatives Brokerage Business

KKPS operates an agency business, providing both securities and derivatives brokerage services to local and foreign institutional investors as well as high-net-worth individuals under wealth management. High-net-worth clients can access other wealth management products, including local and foreign mutual funds and structured products.



In 2023, the market share⁷ of KKPS was 20.79%, ranking 1st out of the total 38 brokers. KKPS generated brokerage revenue totaling Baht 1,492 million, comprising equity brokerage revenue of Baht 1,214 million, derivatives brokerage revenue of Baht 201 million, and other brokerage revenue of Baht 77 million. Additionally, KKPS also had brokerage revenue from selling agent fees of Baht 837 million⁸.

- **Investment Banking Business**

KKPS operates the investment banking business, providing financial advisory services as well as underwriting services. In 2023, the revenue from the investment banking business was Baht 634 million, which contributed to financial advisory fees amounting to Baht 490 million, underwriting fees amounting to Baht 101 million, revenue from tender offer agents of Baht 43 million, and other revenues of Baht 0.2 million.

- **Investment Business**

The investment business of KKPS is managed by two main departments, comprising the Direct Investment Department (“DI”), with medium- to long-term investment horizons, and the Equity and Derivatives Trading Department (“EDT”). EDT focuses on equity and equity-linked securities in the SET and TFEX, with a short-term investment of not more than one year, by applying an arbitrage investment strategy as well as issuing and offering financial structured products such as structured notes, derivative warrants, etc.

In 2023, DI recorded a gain on investment, including other comprehensive income, totaling Baht 75 million. Meanwhile, EDT had a gain on investment totaling Baht 840 million⁹. Additionally, there were other investment incomes from treasury and liquidity management, resulting in an overall investment gain of Baht 1,246 million.

- **Asset Management Business**

KKPAM, under mutual fund and private fund management licenses, offers fund management services to individuals and corporations.

KKPAM's mutual fund's AUM as of December 31, 2023, was Baht 139,439 million, with a total of 130 funds under management consisting of 128 mutual funds and 2 property funds. KKPAM's market share in terms of mutual funds was 2.71%. In 2023, KKPAM's fee income from mutual fund businesses totaled Baht 801 million.

As of December 31, 2023, private funds' AUM was Baht 20,585 million, with fee income from private fund businesses totaling Baht 108 million in 2023.

- **KKP DIME**

The Group has set up KKP DIME, which has obtained a securities business license from the SEC. KKP DIME currently operates an agency business, focusing on the mass segment and providing local mutual fund and foreign and local securities brokerage services to retail clients domiciled in Thailand.

⁷ Including SET and mai but excluding proprietary trading

⁸ Including the selling agent fee received from the subsidiary company

⁹ Income before deducting the cost of hedging; once deducting those costs, the net gain was Baht 829 million.

4.2 Information from Financial Statements

Independent Auditor's Report for three years ago.

The consolidated financial statements and the separate financial statements for the year 2021, audited by Ms. Sakuna Yamsakul, Certified Public Accountant (Thailand) No.4906, PricewaterhouseCoopers ABAS Ltd. Type of report : Unqualified opinion with an emphasis of matters/Others.

The consolidated financial statements and the separate financial statements for the year 2022, audited

by Ms. Sinsiri Thangsombat, Certified Public Accountant (Thailand) No. 7352, PricewaterhouseCoopers ABAS Ltd. Type of report : Unqualified opinion with an emphasis of matters/Others.

The consolidated financial statements and the separate financial statements for the year 2023, audited by Ms. Sinsiri Thangsombat, Certified Public Accountant (Thailand) No. 7352, PricewaterhouseCoopers ABAS Ltd. Type of report : Unqualified opinion with an emphasis of matters/Others.

Kiatnakin Phatra Bank Public Company Limited and Subsidiaries Statement of Financial Position

As at 31 December 2023

	Consolidated		
	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht	31 December 2021 Thousand Baht
Assets			
Cash	1,381,596	1,000,242	1,242,065
Interbank and money market items, net	62,029,433	45,732,349	55,238,234
Financial assets measured at fair value through profit or loss	16,035,387	18,702,990	22,364,824
Derivatives assets	8,062,453	10,538,015	7,481,509
Investments, net	36,261,569	31,847,691	16,840,213
Investments in properties, net	20,038	20,221	21,502
Loans to customers and accrued interest receivables, net	384,825,621	364,870,521	299,147,566
Properties foreclosed, net	7,240,407	5,787,730	3,981,941
Land, premises and equipment, net	7,436,488	7,412,008	3,500,887
Right-of-use assets	245,726	282,138	321,019
Other intangible assets, net	1,707,800	1,388,321	1,211,574
Goodwill	3,066,035	3,066,035	3,066,035
Deferred tax assets	1,717,031	1,431,900	1,743,966
Accounts receivable from clearing house and broker-dealers	1,954,980	1,275,894	979,499
Securities and derivative business receivables	5,528,970	7,976,075	10,996,362
Other assets, net	7,813,483	6,304,888	7,986,005
Total assets	545,327,017	507,637,018	436,123,201

Kiatnakin Phatra Bank Public Company Limited and Subsidiaries

Statement of Financial Position (Cont'd)

As at 31 December 2023

	Consolidated		
	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht	31 December 2021 Thousand Baht
Liabilities and equity			
Liabilities			
Deposits	358,902,512	331,464,000	288,381,946
Interbank and money market items, net	23,035,081	20,175,120	16,664,329
Liabilities payable on demand	483,354	339,834	668,531
Financial liabilities measured at fair value through profit or loss	1,332,833	3,556,542	1,699,750
Derivatives liabilities	8,502,677	9,328,151	9,036,326
Debt issued and borrowings	68,899,979	61,354,232	43,804,907
Lease liabilities	182,008	210,623	240,002
Provisions	1,301,936	1,207,623	1,098,744
Deferred tax liabilities	555,218	529,924	10,111
Accounts payable to clearing house and broker-dealers	151,102	164,038	1,661,003
Securities and derivative business payables	6,894,432	8,179,754	8,898,093
Accrued interest expenses	1,063,220	505,437	346,922
Other accounts payable	7,010,932	6,778,086	6,250,144
Income tax payable and specific business tax payable	471,466	623,071	1,278,686
Other liabilities	5,287,417	5,109,137	4,921,552
Total liabilities	484,074,167	449,525,572	384,961,046
Equity			
Share capital			
Authorised share capital			
1,047,876,293 ordinary shares of Baht 10 each	10,478,763	8,467,511	8,467,511
Issued and paid-up share capital			
846,751,109 ordinary shares of Baht 10 each	8,467,511	8,467,511	8,467,511
Premium on share capital	9,356,233	9,356,233	9,356,233
Other components of equity	1,981,173	2,010,004	(285,547)
Retained earnings			
Appropriated			
Legal reserve	1,047,876	852,337	852,337
Unappropriated	40,114,146	37,137,439	32,655,567
Total equity of the Bank	60,966,939	57,823,524	51,046,101
Non-controlling interests	285,911	287,922	116,054
Total equity	61,252,850	58,111,446	51,162,155
Total liabilities and equity	545,327,017	507,637,018	436,123,201

Kiatnakin Phatra Bank Public Company Limited and Subsidiaries

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2023

	Consolidated		
	2023 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht
Interest income	30,717,442	23,670,516	19,489,069
Interest expenses	8,423,616	4,589,167	3,788,433
Interest income, net	22,293,826	19,081,349	15,700,636
Fees and services income	6,459,728	7,183,322	6,973,605
Fees and services expenses	983,248	1,017,863	899,548
Fees and services income, net	5,476,480	6,165,459	6,074,057
Gain (loss) on financial instruments measured at fair value through profit or loss, net	440,647	830,946	(157,758)
Gain (loss) on investments, net	(12,080)	(3,707)	(9,640)
Dividend income	339,743	506,671	1,329,401
Other operating income	224,164	957,973	1,309,321
Total operating income	28,762,780	27,538,691	24,246,017
Other operating expenses			
Employee's expenses	7,101,128	6,954,170	6,428,423
Directors' remuneration	43,085	46,358	36,298
Premises and equipment expenses	1,323,212	1,113,326	1,003,044
Taxes and duties	626,475	509,307	461,927
Loss from revaluation of foreclosed assets (reversal)	(560,154)	38,976	59,592
Loss from sale of foreclosed assets	4,806,376	1,540,378	1,503,667
Other expenses	2,554,113	2,810,136	1,755,308
Total other operating expenses	15,894,235	13,012,651	11,248,259
Expected credit loss	6,081,910	5,036,211	5,200,829
Profit from operating before income tax expenses	6,786,635	9,489,829	7,796,929
Income tax expenses	1,330,686	1,873,389	1,441,616
Net profit	5,455,949	7,616,440	6,355,313



Kiatnakin Phatra Bank Public Company Limited and Subsidiaries
Statement of Profit or Loss and Other Comprehensive Income (Cont'd)

For the year ended 31 December 2023

	Consolidated		
	2023	2022	2021
	Thousand Baht	Thousand Baht	Thousand Baht
Other comprehensive income			
Items that will be reclassified subsequently to profit or loss			
Loss on debt instruments classified at fair value through other comprehensive income	(67,475)	(154,974)	(302,505)
Income taxes relating to items that will be subsequently reclassified to profit or loss	13,495	30,995	60,501
Total items that will be reclassified subsequently to profit or loss	(53,980)	(123,979)	(242,004)
Items that will not be reclassified subsequently to profit or loss			
Changes in revaluation surplus on assets	-	3,419,400	-
Gain on equity instruments designated at fair value through other comprehensive income	64,837	117,708	1,168,874
Remeasurements of post-employment benefit obligations	12,955	501	72,495
Income taxes on items that will not be subsequently reclassified to profit or loss	(15,474)	(707,447)	(248,084)
Total items that will not be reclassified to profit or loss	62,318	2,830,162	993,285
Total other comprehensive income (expense)	8,338	2,706,183	751,281
Total comprehensive income	5,464,287	10,322,623	7,106,594
Net profit attributable to			
Equity holders of the Bank	5,443,403	7,602,096	6,318,052
Non-controlling interests	12,546	14,344	37,261
Total comprehensive income attributable to			
Equity holders of the Bank	5,451,740	10,120,390	7,069,132
Non-controlling interests	12,547	202,233	37,462
Earnings per share			
Basic earnings per share (Baht)	6.43	8.98	7.46

Kiatnakin Phatra Bank Public Company Limited and Subsidiaries

Statement of Cash Flows

For the year ended 31 December 2023

	Consolidated		
	2023 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht
Cash flows from operating activities			
Profit from operating before income tax expenses	6,786,635	9,489,829	7,796,929
Adjustments to reconcile profit from operating before income tax expenses to cash received (paid) from operating activities			
Depreciation	573,194	476,542	482,479
Amortisation	249,184	211,619	210,273
Amortisation of premium on investments in securities	129,064	63,727	104,239
Expected credit loss	1,705,285	2,401,000	3,392,502
Share-based payment	20,170	-	-
Unrealised (gain) loss on trading and foreign exchange transactions	849,234	(2,764,681)	3,106,213
(Gain) loss on financial instrument measured at fair value through profit an loss	819,569	1,383,205	(2,519,388)
(Gain) loss on lease modifications	15	(1,065)	-
(Reversal) loss on diminution in value of properties foreclosed	(560,154)	26,050	59,592
(Reversal) loss on impairment of other assets	(12,196)	1,944	(17,335)
(Gain) loss on disposal of investment in securities	46,875	(3,172,646)	(1,296,750)
Gain on disposal of equipment and intangible assets	(3,326)	(19,398)	(14,568)
Loss on write-off of equipment and intangible assets	6,408	16,091	52,793
Loss on write-off of investment properties	3	2,690	-
Net interest income	(22,422,890)	(19,145,076)	(15,804,875)
Dividend income	(339,743)	(506,671)	(1,329,401)
Proceeds from interest income	29,413,435	22,598,317	18,720,250
Interest paid	(7,619,478)	(4,360,909)	(3,886,542)
Dividend received	322,726	507,666	1,329,604
Cash paid for corporate income tax	(1,768,414)	(2,412,507)	(1,171,251)
Increase in provision expenses	100,784	111,146	119,991
Increase in specific business tax payable	23,233	33,975	6,625
Increase (decrease) in accrued expenses	(274,386)	172	606,348
Profit from operating before changes in operating assets and liabilities	8,045,227	4,941,020	9,947,728



Kiatnakin Phatra Bank Public Company Limited and Subsidiaries

Statement of Cash Flows (Cont'd)

For the year ended 31 December 2023

	Consolidated		
	2023 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht
Cash flows from operating activities (Cont'd)			
(Increase) decrease in operating assets			
Interbank and money market items	(25,855,146)	9,561,389	(22,457,164)
Financial assets measured at fair value through profit or loss	1,798,030	5,471,225	(7,240,579)
Loans and receivables	(29,644,268)	(75,067,885)	(50,067,680)
Properties foreclosed	8,508,141	6,189,323	6,132,290
Securities and derivative business receivables	2,447,105	3,020,287	(4,158,765)
Accounts receivable from clearing house and broker-dealers	(679,086)	(296,396)	354,768
Other assets	(1,477,784)	1,685,182	(2,730,953)
Increase (decrease) in operating liabilities			
Deposits	27,438,512	43,082,054	36,856,072
Interbank and money market items	2,859,961	3,510,791	6,400,459
Liabilities payable on demand	143,520	(328,697)	275,819
Accounts payable to clearing house and broker-dealers	(12,936)	(1,496,965)	1,072,977
Securities and derivative business payables	(1,285,322)	(718,339)	3,358,702
Other payables	812,809	169,832	2,273,674
Other liabilities	532	89,003	(160,035)
Net cash from operating activities	(6,900,705)	(188,176)	(20,142,687)
Cash flows from investing activities			
Cash paid for investment in debt designated at fair value through other comprehensive income	(9,698,180)	(18,479,713)	(5,382,178)
Proceeds from investment in debt designated at fair value through other comprehensive income	12,220,512	11,690,595	9,071,420
Cash paid for investment in equity designated at fair value through other comprehensive income	(542,892)	(40,350)	(1,659,627)
Proceeds from investment in equity designated at fair value through other comprehensive income	160,541	642,244	4,248,386
Cash paid for investment in debt at amortise cost	(1,339,926)	(10,763,715)	(264,203)
Proceeds from investment in debt at amortise cost	3,638,133	2,219,956	1,201,965
Cash paid for investment properties	(5)	(1,707)	(6)
Cash paid for building improvement and equipment	(503,433)	(906,089)	(627,649)
Proceeds from sales of equipment	10,501	21,647	63,902
Purchases of intangible assets	(574,577)	(395,459)	(337,123)
Net cash from investing activities	3,370,674	(16,012,591)	6,314,887

Kiatnakin Phatra Bank Public Company Limited and Subsidiaries

Statement of Cash Flows (Cont'd)

For the year ended 31 December 2023

	Consolidated		
	2023 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht
Cash flows from financing activities			
Proceeds from issuance of debentures	84,253,303	55,339,570	51,023,270
Cash paid for redemption of debentures	(75,700,924)	(37,761,578)	(35,565,898)
Cash paid for redemption of financial liabilities designated at fair value through profit or loss	(12,740,709)	(14,706,208)	(6,371,946)
Proceeds from issuance of financial liabilities designated at fair value through profit or loss	10,517,000	16,563,000	7,174,790
Cash paid for lease liabilities	(2,328,495)	(102,508)	(110,817)
Dividend paid	(88,461)	(3,342,967)	(2,540,211)
Dividend paid to non-controlling interest	(329)	(384)	(533)
Decrease in share capital of non-controlling interest in subsidiaries	-	(29,981)	(29,416)
Net cash from financing activities	3,911,385	15,958,944	13,579,239
Net increase (decrease) in cash and cash equivalents	381,354	(241,823)	(248,561)
Cash and cash equivalents as at 1 January	1,000,242	1,242,065	1,490,626
Cash and cash equivalents as at 31 December	1,381,596	1,000,242	1,242,065

Supplementary information for cash flows:

Non-cash transactions

Significant non-cash transactions for the years ended 31 December are as follows:

Increase in account payables from land, premises and equipment purchased	31,656	25,184	53,414
Transfer of assets for loan settlement	9,400,664	8,021,161	7,236,662
Increase in lease liabilities	59,846	102,509	167,122
Increase in right-of-use assets	59,831	-	-
Decrease in fair value of investment in debt designated at fair value through other comprehensive income	(67,475)	(154,974)	(302,505)
Increase (decrease) in fair value of investment in equity designated at fair value through other comprehensive income	20,792	(160,057)	121,828
Increase in payables from trading securities	-	604,657	(232,609)
Increase in receivables from trading securities	-	629,127	(108,907)
Transfer of land, premises and equipment to right-of-use assets	-	-	41,233
Revaluation surplus of land, premises and equipment	-	3,419,400	-



4.3 Key Financial Ratios

Financial Ratio	2021	2022	2023
Liquidity Ratio			
Liquid asset ratio	31.2	27.7	29.9
Liquidity ratio (Times)	0.26	0.26	0.21
Profitability Ratio			
Net profit margin	26.1	27.6	18.9
Return on average equity	13.0	14.0	9.2
Return on average investment	12.9	8.5	5.1
Yield on loan	6.5	6.6	7.1
Cost of fund	1.2	1.2	1.9
Interest rate spread	5.3	5.4	5.2
Efficiency Ratio			
Net interest income to assets ratio	3.9	4.0	4.2
Non-interest income to assets ratio	2.1	1.8	1.2
Return on average assets	1.6	1.6	1.0
Asset turnover	0.1	0.1	0.05
Financial Policy Ratio			
Debt to equity ratio (Times)	7.9	8.3	8.2
Loan to deposit ratio	107.1	113.4	109.7
Loan to deposit + borrowing ratio	93.0	95.7	92.1
Deposit to total debt ratio	74.9	73.7	74.1
Dividend payout ratio	39.5	36.2	46.7
Asset Quality Ratio			
Allowance for expected credit loss to total NPLs ratio	175.0	154.4	164.6
Allowance for expected credit loss to total loans ratio	5.0	4.8	5.2
Bad debt to total loan ratio	0.9	1.0	1.5
NPLs to total loans ratio	3.3	3.4	3.3
Accrued interest to total loans and accrued interest ratio	1.9	1.9	2.0
Other Ratio			
Total capital to risk weighted assets (Separate Financial Statement)	16.4	15.1	15.7
Net capital ratio - KKPS	22.95	23.63	40.38

5. General and Other Important Information

5.1 General Information of Referenced Entities

Registrar - Ordinary Share	: Thailand Securities Depository Company Limited Stock Exchange of Thailand Building, 93 Ratchadapisek Road, Din Daeng, Bangkok 10400 Tel: 0-2009-9000 Fax: 0-2009-9991
Authorized Auditor	: Ms. Sinsiri Thangsombat Certified Public Accountant (Thailand) Registration No. 7352 PricewaterhouseCoopers ABAS Ltd. ("PwC") 15 th Floor, Bangkok City Tower, 179/74-80 South Sathorn Road, Sathorn, Bangkok 10120 Tel: 0-2844-1000 Fax: 0-2286-5050
Legal Advisor	: Not appointed
Advisor/ Manager under Management Contract	: Not appointed

5.2 Other Important Information

Details of fines by regulators, which are the Bank of Thailand, the SEC, and the OIC, during the past five years (2019-2023) are as follows:

Company	Year	Regulator	Law and Offense		Amount (Baht)
Kiatnakin Phatra Securities Public Company Limited (KKPS)	2022	SEC	Section 56(4) of the Securities and Exchange Act, B.E. 2535 (1992)	Submitted the key financial ratio report later than the period specified by the regulation	149,400

5.3 Legal Dispute

In operating the lending, hire purchase, and debt restructuring businesses, the Bank and the Group companies incur legal disputes in which the Bank is the plaintiff and the defendant, such as debt enforcement from borrowers and litigation for collateral. Such legal disputes are normal in business operations; however, there is no legal dispute that may materially adversely affect the Bank's or the Group Companies' assets in the amount of over 5% of shareholder equity.

In summary, as of December 31, 2023, the Bank and the Group companies have no legal dispute that may negatively affect the Bank's and the Group companies' assets in the amount of over 5% of shareholder equity or have an adversely significant impact on the business operations of the Bank and the Group companies that cannot be evaluated in numbers.



Part 2

Corporate Governance

6. Corporate Governance Policy

6.1 Overview of Corporate Governance Policies and Guidelines

6.1.1 Policies and Guidelines Relating to Board of Directors

1. Director Nomination and Appointment

The selection process of the Bank starts with the qualified individuals proposed by shareholders, directors, and senior executives, with all detailed biographies attached. Then, the Nomination and Remuneration Committee considers the nominees' qualifications prior to proposing such persons to the Board of Directors for appointment or to seek shareholders' approval (as the case may be).

The Nomination and Remuneration Committee is responsible for selecting and determining appropriate persons with experiences, knowledge, and competencies beneficial to the Bank and the Group to be nominated as the Bank's directors, independent directors, or Audit Committee members and to be proposed to the Board of Directors' meeting or shareholder's meeting for election in accordance with the Bank's Articles of Association.

Directors' Qualifications

1) Directors need to have proper knowledge, capabilities, and experiences that are in line with the business strategies in order to deal with the ever-increasing challenges and changing business environments, understand the business obstacles that can arise, be capable of performing their duties proficiently and in accordance with both short- and long-term business strategies, be able to make decisions independently, and be able to offer a different perspective relating to important risks. These factors

will benefit the Bank and the Group and create a competitive advantage in the industry.

- 2) Directors must have ethics and be honest, truthful, and accountable to stakeholders with no conflict of interest. They must not seek personal benefits, make any discrimination, or favor their own partisans, but they must protect the overall interest of the organization by not limiting it to any group of shareholders, making decisions or voting when there is sufficient and reasonable information, and ensuring that there is no interference in any decision-making that may cause more risks to the business operation.
- 3) Directors must have these above-mentioned attributes and none of the characters considered illegible under the Public Limited Companies Act, the securities and exchange law, or the regulations of government agencies. In the case of independent directors, they must have qualifications that meet the requirements of the Bank and the Bank of Thailand, as well as those set by the Capital Market Supervisory Board.
- 4) Directors must devote time to the Bank and the Group, be flexible in working proactively, continue to develop their knowledge and skills to keep up with the new changes and risks, be able to assess the situation by considering the potential risks and impacts that may arise, and be prepared to deal with them in a timely manner. Directors must prepare to attend all meetings of the Bank, unless with reasonable grounds or necessity.

- 5) Directors must have leadership and vision in order to perform for the benefit of the Bank and the Group by considering stakeholders and the impact on society and the environment. Directors should be independent in making decisions and expressing opinions and understand and be aware of their duties and responsibilities as the leaders of the organization in order to manage the sustainable business of the Bank and the Group and appropriately adapt to changes, which will create value for the Bank, the Group, and the shareholders in the long term.

Definition of Independent Director

- 1) Hold not more than 0.5% of total shares with voting rights of the Bank, its parent company, its subsidiary, its affiliate, a major shareholder, or a controlling person, inclusive of the shares held by related persons;
- 2) Not be or have previously been a non-independent director, as well as a manager, an employee, a staff member, or an advisor, or a controlling person of the Bank, its parent company, its subsidiary, its affiliate, or its subsidiary at the same level, or a major shareholder or controlling person, unless the termination of being in such a position had occurred at least two years before the appointment as the Bank's independent director. Such prohibited characteristics shall not include the case where the independent director used to be a government official or advisor of a government unit that is a major shareholder or controlling person of the Bank;
- 3) Not be a person related by blood or registration under laws in the form of fatherhood, motherhood, spouse, brothers, sisters, and children, including spouses of children, of other directors, executives, a major shareholder, a controlling person, or a person who will be nominated to take up the position of director, executive, or controlling person of the Bank or its subsidiary;
- 4) Have no current or previous business relationship with the Bank, its parent company, its subsidiary, its affiliate, a major shareholder or controlling person in the manner which may interfere with his/her independent discretion, and not be or have previously been a significant shareholder or

controlling person of any person having a business relationship with the Bank, its parent company, its subsidiary, its affiliate, a major shareholder or controlling person unless the termination of being in such position had occurred at least two years before the appointment as the Bank's independent director.

Such business relationships include normal business transactions, rental or lease of immovable property transactions, asset or service transactions, giving or taking of financial assistance by borrowing or lending money, suretyship, providing assets as collateral, and any other similar actions that result in the Bank or its counterparty being subject to indebtedness payable to the other party in the amount of 3% or more of the net tangible assets of the company or Baht 20 million or more, whichever is lower. In this regard, the calculation of such indebtedness shall be in accordance with the method of calculating the value of related party transactions under the notification of the Capital Market Supervisory Board Re: Rules on Execution of Related Party Transactions. The consideration of such indebtedness shall include the indebtedness incurred during the period of one year to the date of establishing the business relationship with the related person;

- 5) Not be or have previously been an auditor of the Bank, its parent company, its subsidiary, its affiliate, a major shareholder or controlling person, a significant shareholder, controlling person, or partner of the audit office, which is the auditor of the Bank, its parent company, its subsidiary, its affiliate, a major shareholder or controlling person, unless the termination of being in such a position had occurred at least two years before the appointment as the Bank's independent director;
- 6) Not be or have previously been any professional service provider, including a legal advisor or financial advisor, who receives more than Baht 2 million annually from the Bank, its parent company, its subsidiary, its affiliate, a major shareholder or controlling person, and not be a significant shareholder, controlling person, or partner of the professional service provider unless the termination



of being in such a position had occurred at least two years before the appointment as the Bank's independent director;

- 7) Not be a director appointed as a representative of the Bank's directors, a major shareholder, or a shareholder who is related to the Bank's major shareholder;
- 8) Not undertake any business in the same nature and in competition with the business of the Bank and its subsidiary; not be a significant partner in a partnership or have benefits related to the Bank that may affect his or her independent decisions, or be an executive director, employee, staff member, or advisor who receives a salary or holds more than 1% of the total shares with voting rights of another company that has the same nature of business and is in competition with the business of the Bank or its subsidiaries;
- 9) Not be an independent director who holds positions in the Bank, its parent company, its subsidiary, its affiliate, or its subsidiary at the same level for more than nine years. In addition, for an independent director who has held the position for less than nine years, if he or she has been discharged from the position of independent director for less than two years and, while over that period, he or she has not been appointed as a director, manager, person with management authority, advisor, or staff member of the Bank, its parent company, its subsidiary, its affiliate, or its subsidiary at the same level, he or she may be re-appointed as an independent director, but the period during which he or she serves as an independent director must all be counted. For an independent director who has held the position for nine years and wishes to be re-appointed as an independent director, he or she must have been discharged from the position of director, manager, person with management authority, advisor, or staff member of the Bank, its parent company, its subsidiary, its affiliate, or its subsidiary at the same level at least two years before the day the appointment request is submitted; and
- 10) Have no characteristics that may affect the giving of independent opinions, decisions, or votes on the Bank's operations.

In the event that the Nomination and Remuneration Committee nominates any existing director to be re-elected, the previous performance of such director should also be considered.

In nominating new directors, the Bank will prepare the board skill matrix or may use a consulting firm or a director pool to determine the qualifications of new directors by considering competencies, skills, and experiences that are necessary but still lacking for the Board of Directors and in line with the Bank's and the Group's business strategy.

When the term of an independent director of the Bank is completed or there is a need for a new election, the Nomination and Remuneration Committee will recruit the appropriate candidate based on experiences, knowledge, and competencies beneficial to the Bank and the Group as well as the required qualifications of the Bank, the SEC, the SET, and the Bank of Thailand, and then propose to the Board of Directors' meeting or shareholders' meeting for consideration and election in accordance with the Bank's Articles of Association.

In the event that any directorship becomes vacant prior to the completion of the term and the remaining term is no less than two months, the Nomination and Remuneration Committee may nominate a candidate with the required qualifications and without any legal provisions to the Board of Directors' meeting for consideration. The resolution to appoint a director requires votes of no less than three-fourths of the remaining number of directors, and such a director will be in the post for the remaining term of the directorship that is vacated.

The election of directors by the shareholders' meeting shall be in accordance with the Bank's Articles of Association as follows:

- 1) A shareholder shall have one vote for one share.
- 2) Each shareholder shall use all his or her votes under no.1) to elect one or several persons as a director. However, he or she may not divide his or her votes among any candidates.
- 3) The persons who receive the most votes in ranking order will be elected as directors up to the number of directors the Bank shall have or elect at that meeting. In the event that the persons being elected in subsequent order

have equal votes but their election would exceed the number of directors required to be elected in that meeting, the Chairman of the meeting shall have the casting vote.

2. Remuneration for Directors and Executives

The Nomination and Remuneration Committee has the duty to initially review the remuneration packages of directors prior to proposing them to the Board of Directors for consideration and to the AGM for approval. The directors' remuneration is reviewed by considering the duties, responsibilities, related risks, and performance of the directors, as well as the financial status of the Bank, which shall be comparable with that of other companies in the same industry.

The Nomination and Remuneration Committee has the duty to review the remuneration and benefits of the CEO and present them to the Board of Directors. Also, the Nomination and Remuneration Committee shall define the remuneration policy for other senior executives, from the level of Executive Vice President and above, to be a guideline for the Human Resource Management Committee to determine the executives' remuneration and benefits.

3. Director Independency

In order to clearly separate out the responsibilities and duties of the Board of Directors from those of the management, the Chairman of the Board and the CEO shall not be the same individual.

The Board of Directors provides recommendations in relation to planning, proposing strategies, and providing oversight of the administration of the management, ensuring that the appropriate policies and procedures are being used in a proficient manner. Its duties also include administering the performance of the management to make sure it has due care and is honest, provides the best benefits for the Bank and stakeholders, and increases the economic value of the Bank and the Group.

The management, under the supervision of the CEO, has the duties and responsibilities to successfully manage the day-to-day operations of the Bank and the Group companies in accordance with the strategies approved by the Board of Directors.

The Board of Directors will not interfere in the performance of these duties. The relationship between the Board of Directors and the management is one of collaboration.

4. Development of Directors

The Bank encourages its directors to participate in seminars and training courses relating to their duties so that they will continuously improve their performance.

Upon taking up the position of director, each director will be briefed on important information relating to the Bank and the Group's businesses, the framework of authorities, and the duties and responsibilities of the Board of Directors of the Bank. The directors will receive advice on legal issues, regulations, and other conditions of being a director of a listed company in the SET, as well as information on the Bank and the Group companies' businesses.

5. Performance Evaluation of Directors

The Bank arranges for a performance evaluation of the Board of Directors, as a whole and individually, at least once every year. The results will be reported to the Board of Directors and used for their self-improvement.

In evaluating the performance of directors, the performance evaluation form as collated by the Nomination and Remuneration Committee is used. This can be done for the board as a whole and/or for specific matters. Also, the Bank encourages the Board of Directors' assessment as an individual by both self-evaluation and cross-evaluation.

Additionally, the Nomination and Remuneration Committee may use the services of external consultants to provide guidelines and point out certain criteria in the performance evaluation of the Board of Directors as deemed appropriate.

6.1.2 Policies and Guidelines Relating to Shareholders and Stakeholders

1. Rights of Shareholders and Equitable Treatment of Shareholders

The importance of shareholder rights and equitable treatment has been recognized and emphasized by the Board of Directors. Shareholders' statutory rights include



the right to attend and vote in the shareholders' meeting, the right to appoint a third party as a proxy for attending and voting in the shareholders' meeting on his or her behalf, the right to vote on the election or removal of each individual director, the right to vote on directors' remuneration annually, the right to appoint external auditors and vote on the fixing of annual audit fees, and the right to obtain adequate information, participate, and vote in the shareholders' meeting if there are any significant corporate changes (capital structure, controlling authority, or major asset transfer). In addition, the Bank provides shareholders with the right to express their opinions and raise questions during the shareholders' meeting, the right to perceive the regulations and procedures of the shareholders' meeting, the right to propose agendas for the shareholders' meeting, the right to nominate directors, the right to be involved in improving the Bank's business performance, the right to share in the Bank's profit, the right to receive sufficient and up-to-date information in a timely manner, etc.

Meanwhile, the Board of Directors aims to encourage all shareholders to fully exercise their rights and facilitates shareholders by allocating the appropriate time and opportunity to express their opinions and raise questions during the shareholders' meeting. The Bank will not execute any tort affecting or derogating the rights of shareholders.

To ensure that shareholders are equally treated and their basic rights are protected, the Board of Directors has established practical guidelines to treat shareholders equitably for participating in the shareholders' meeting, receiving information, and voting one share for one vote. Shareholders who have a business stake in any agenda item have no right to vote on such an agenda item.

2. Supervision of Usage of Internal Information

The Group has issued a written directive prohibiting the use of internal information for personal gain or for any other purpose that would involve exploiting others. The Group has forbidden directors, executives, employees, and related persons, including spouses, children, and adopted children who are under the legal age, to use any undisclosed information that could

affect the change in the value of shares or the securities trading of the Bank.

The directors, executives, employees, and related persons who can access such undisclosed information must ask for approval prior to trading securities of the Bank at least one day in advance, and the approval is valid from the next business day until the end of the third business day. In addition, the Group has instructed that directors, executives, their spouses, children who are under the legal age, and the legal entity in which directors, executives, and any other related persons collectively hold shares at an amount exceeding 30% of the total voting rights to report (on Form 59) any changes in the status of their holdings of the Bank's securities and derivatives within three business days since the date of purchase, sale, transfer, or receipt of such securities to the SEC and also hand in a copy of the form to the Corporate Secretary, so that it will be reported in the Board of Directors' meeting every time and disclosed in the Form 56-1 One Report.

The Group has forbidden any directors, executives, or employees who are aware of the important information and financial statements to trade the Bank's securities fourteen days prior to the end of the quarter until at least one trading session has elapsed after the Bank's financial statement has been made available to the public.

The Internal Audit Office examines internal information usage practices and compliance with the Guidelines for Business Conduct Policy. Any violations will be reported to the Audit Committee and the Board of Directors for consideration according to the Bank's regulations.

3. Protection against Conflict of Interest

A conflict of interest occurs when an individual's private interests interfere in any way or even appear to interfere with the interests of the Group as a whole. A conflict situation may arise in any of the Group's businesses. Therefore, the Board of Directors has set a written policy on conflict of interest that is used by the Bank and the Group companies.

The Group expects each director, executive, and employee to avoid activities, interests, or associations that may interfere with the independent exercise of his or

her judgment or the best interests of the Group, its clients, its shareholders, or the public, or activities that are unethical or can damage the Group's good reputation.

The Group puts in place measures to protect against any conflict of interest, broadly communities such measures, and instructs directors, executives, and employees to obtain approval prior to engaging in any business activities outside the Bank or the Group companies in order to create awareness and avoid any activities that may cause a conflict of interest with the Group. However, the Group may not be able to foresee all circumstances, and in the event that incidents do occur, the matter shall be addressed ethically and responsibly.

The Bank and the Group companies will not proceed with any transaction that may lead to a conflict of interest unless such transaction is conducted in compliance with the law and ethics or under the following principles:

- Transactions that provide the utmost benefit to clients or are necessary and beneficial to clients under the circumstances;
- Transactions that are normal business operations executed on an arm's-length basis with the general public or
- Transactions to comply with conditions specified by any regulator.

4. Anti-corruption

The Group intends and is committed to taking a stand against corruption in any form by adhering to its Anti-corruption Policy and Guidelines for Business

Conduct (as per details shown in Attachment 5) and regulations according to laws on anti-corruption. The Group discloses its Anti-corruption Policy and will not cooperate with or support any person or entity involved in illegal activity or corruption that is a threat to society or national security.

The Group communicates its Anti-corruption Policy and relevant regulations with directors, executives, and employees on a regular basis and arranges training courses on the topic of Anti-corruption Policy in the form of e-Learning. Everyone must review the policy on a yearly basis and pass the test with a 100% score to ensure their knowledge and understanding of the Anti-corruption Policy.

The Group arranges for reporting channels for complaints and whistleblowing on any unlawful conduct, incompliance with the Group's Guidelines for Business Conduct and Anti-corruption Policy, or improper behavior by employees of the Bank and the Group Companies. The Group also set up the whistleblower protection process to protect whistleblowers from threats or other acts that negatively affect them. The Group realizes the importance of keeping reported information and evidence confidential, as specified in its Whistleblowing Policy.

The Bank and the Group companies have announced their intention to be part of the CAC, which obtains support from the government and the National Anti-Corruption Commission. The Bank and the Group Companies have been certified as full members of the CAC and have been recertified every three years.

6.2 Guidelines for Business Conduct

The Group realizes the importance of its good reputation. Maintaining trust with clients, colleagues, shareholders, regulators, and the general public is the obligation of every director, executive, officer, and employee.

All directors, executives, and employees must comply with laws, rules, regulations, and policies that govern or apply to the businesses of the Bank and the Group companies and adhere to high professional standards of integrity and key principles of business

conduct in the performance of their duties. This is because the Group's businesses are predicated on the trust and respect of clients and the general public.

The Board of Directors has approved the Guidelines for Business Conduct Policy so that directors, officers, and employees of the Group have a standard framework for the performance of their duties. The Guidelines for Business Conduct Policy of the Group set key principles on significant issues, which are: 1) conflict of interest; 2) corporate opportunities; 3) confidentiality obligations;



4) fair dealing; 5) treating individuals with respect and dignity; 6) safeguarding the Group's information, assets, and property; 7) compliance with the law; 8) written and electronic communications; and 9) commitment to promoting ethical conduct (as per details shown in Attachment 5 and on the Bank's website).

The Group communicates and disseminates the Guidelines for Business Conduct Policy via its website and intranet so that directors, executives, and employees can acknowledge and comply with the guidelines when they perform their duties. Furthermore, the Group arranges training courses on the guidelines for business conduct in the form of e-Learning, which is a mandatory course for new staff and requires all executives and employees to review and pass the test with a 100% score on an annual basis to ensure their high standard of performance. In the past year, 4,723 executives and

employees, or 99.85% of the total employees, passed such a course.

The Compliance and Governance Committee has the duty to review, endorse, and/or approve working processes, policies, guidelines, and rules related to core compliance applied to the Group, particularly the Group's Guidelines for Business Conduct, as assigned by the Board of Directors to be used as a performance framework and, through the Legal and Compliance Group, ensure that all parties comply with such guidelines.

The Bank discovered that neither directors nor executives had committed any ethics violations in the previous year. In addition, the Bank assigned EY Corporate Services Limited to assess compliance with the Guidelines for Business Conduct Policy to analyze and improve compliance to be more efficient and effective.

6.3 Major Changes and Improvements to Corporate Governance Policies, Guidelines, and Systems

6.3.1 Major Improvements in Corporate Governance Policies, Guidelines, and Systems

The Board of Directors reviews its Corporate Governance Policy on an annual basis and constantly improves practices on several matters to upgrade the governance level of the Bank and the Group companies. During 2023, the Board of Directors improved key corporate governance practices as follows:

- Reviewed the Bank's Corporate Governance Policy and concluded that its principles remained current and in line with corporate governance laws and regulations. Therefore, the Board of Directors' meeting No. 10/2566, dated September 28, 2023, resolved to maintain the principles of such a policy and revised it by combining the content of Section 1: Rights of Shareholders and Section 2: Equitable Treatment of Shareholders, changing the name of Section 3: Role of Stakeholders to Role of Stakeholders and Sustainable Business to encompass sustainable business development, and amending some details in such a policy

to be in line with the current operations, the Bank's Articles of Association, and new relevant regulations on corporate governance, as well as to be more comparable with international standards.

- Improved the Board of Directors' charter so that its format is consistent with those of other committees of the Bank and the suggestions in the SET's Corporate Sustainability Guide for Listed Companies. Revised the roles, duties, and responsibilities of the Board of Directors in order to be in accordance with the good corporate governance principles and regulations, which include: the Bank of Thailand's notifications No. SorNorSor. 2/2566: Duties, Responsibilities, and Compositions of the Board of Directors of Financial Institutions and Financial Business Groups, and No. SorNorSor. 3/2566: Duties, Responsibilities, and Compositions of the Committees and Senior Executives of Financial Institutions and Financial Business Groups' Parent Companies, the Corporate Governance Code for Listed Companies 2017 ("CG Code"), and the Guidelines for Defining Roles, Duties,

and Responsibilities of the Board of Directors and Management issued by the Thai Institute of Director Association (“IOD”).

- Reviewed the roles, duties, and responsibilities of all committees under the Board of Directors’ supervision and improved the roles, duties, and responsibilities of the Audit Committee, the Nomination and Remuneration Committee, and the Compliance and Governance Committee. For the Audit Committee, additional qualifications of Audit Committee members were specified, which were that the Chairperson of the Audit Committee must not be the Chairperson of the Compliance and Governance Committee, and the Audit Committee members could be in office for no longer than nine years. For the Nomination and Remuneration Committee, its roles, duties, and responsibilities in considering the appointment of qualified persons as the Bank’s persons with management authority were modified to be in line with the Bank of Thailand’s notification No. SorNorSor. 3/2566: Duties, Responsibilities, and Compositions of the Committees and Senior Executives of Financial Institutions and Financial Business Groups’ Parent Companies. For the Compliance and Governance Committee, its duties relating to sustainability development (ESG) governance were defined in line with the Bank of Thailand’s policy statement on Internalizing Environmental and Climate Change Aspects into Financial Institution Business and the IOD’s Best Practices for the Board of Directors in Defining Sustainable Business Strategies.
- Examined and revised the roles and responsibilities of the Chairman of the Board by adding the role of promoting a culture of openness to provide directors with the freedom to discuss, debate, and express their opinions in a constructive, independent, and transparent manner.
- Reviewed and amended the Group’s Consolidated Supervisory Guidelines for the year 2023 to be consistent with the Group’s current structure and business operation, as well as the Bank of Thailand’s notification No. SorNorSor. 4/2566: Corporate Governance Mechanisms of Financial

Institutions and Financial Business Groups to improve the Group’s policy governance and management.

- Acknowledged the assessment result of the Bank’s compliance with the code of conduct for the year 2022 performed by EY Corporate Services Limited (“EY”). EY found out that the Bank had specified proper policies and guidelines and constantly performed in accordance with such policies and guidelines. However, there were some aspects that could be improved, for instance, the consistency between the Guidelines for Business Conduct Policy and domestic and international best practices, the internal and external communication on the Guidelines for Business Conduct Policy, and the process for reviewing the Guidelines for Business Conduct Policy.
- Approved the revision of the capital structure plan to be in line with the business strategy and involved employees in owning the business by issuing KKP ESOP warrants to purchase the Bank’s newly issued ordinary shares up to 60,000,000 units and offering them to the directors, executives, and/or employees of the Bank and its subsidiaries at no cost. This aimed to motivate them to drive the business; increase working effectiveness, a sense of ownership, and organizational engagement; and retain capable executives and employees.
- Approved the appointment of Mrs. Dayana Bunnag, who was an independent director, to jointly set up the Board of Directors’ meeting agendas with the Chairman of the Board and the CEO in order to encourage more balance of authority between the Board of Directors and management and be in line with good corporate governance principles.
- Assigned the Nomination and Remuneration Committee to explore the hiring of a third-party consultant to assist in defining guidelines and recommending the Board of Directors’ performance evaluation.
- Approved the CEO’s succession plan and acknowledged the progress of KKP’s Talent and Succession Management Project.



- Evaluated the performance of the Legal and Compliance Group Head, who was the head of the compliance unit for the year 2022, as recommended by the Bank of Thailand in order to balance the power of management and promote good corporate governance.
- Reviewed the risk appetite for the year 2023 to be consistent with the business plan and revised the risk appetite and risk tolerance level of the credit risk and the financial crime risk to be more appropriate with the current situation.
- Acknowledged the result of the liquidity contingency plan rehearsal for the year 2022 that was conducted successfully according to its objectives. Relevant participants had a better understanding of their roles, duties, and communication process should a crisis arise and provided necessary information for liquidity management during a crisis rehearsal.
- Approved the Group's Whistleblowing Policy so that it had a clear whistleblowing channel and measures to maintain confidentiality and protect whistleblowers from harassment, intimidation, or other actions that might have negative impacts, as well as to be in accordance with the Bank of Thailand's notification No. SorNorSor. 4/2566: Corporate Governance Mechanisms of Financial Institutions and Financial Business Groups and acknowledged the complaint report according to the market conduct for the year 2022.
- Approved the Group's Financial Crime Risk Management Policy so that there is a system to manage and control financial crime risk and fraud problems caused by the actions of internal and external parties in terms of credit fraud, internal fraud, and transaction fraud to ensure it is sufficient and suitable for the amount of financial crime or fraud against the Bank, the Group companies, or the clients and that there is an acceptable risk level which is in accordance with relevant laws.
- Reviewed and revised the policies, regulations, and guidelines for more clarity and to ensure that they are in line with the revised regulations of governing agencies, for instance, various risk management policies, the Delegation of Authority

Policy for Commercial Lending and Counterparty Limit Setting, the Delegation of Authority Policy for Retail Lending, the IT and Data Policy, the Compliance Policy, the Mutual Fund Selling Agent Policy, the Policy on the Use of Services from Service Providers in Securities Business or Derivatives Business, the Business of Designated Payment Services Policy, the Debt Restructuring, Asset Classification, Provision and Write-off Policy, the Policy and Plan on Capital Management, the Employee Trading Policy, the Cryptographic Key Management Regulation for KKPF, and so on.

6.3.2 Implementation of the CG Code Released by the SEC

During the Board of Directors' meeting No. 10/2566 held on September 28, 2023, in which all twelve directors attended, the Board of Directors contemplated the suitability of applying the principles and guidelines of the CG Code for the Bank's business context to ensure that the Bank and the Group has a long-term satisfactory business performance and sustainable value creation and shareholders' and stakeholders' trust, which met the expectations of the business sector, investors, the capital market, and society.

The Board of Directors was of the opinion that the Bank's current practices align with the eight principles of the CG Code. There were only some unapplied guidelines, as shown below:

- Guideline 3.2.1: The Chairman of the Board should be an independent director.
- Guideline 5.2.1 (3): Responsibilities to business partners by engaging in and expecting fair procurement and contracting, including fair contract or agreement conditions, providing access to training, developing potential and enhancing production and service standards in line with applicable laws and standards, and expecting and supervising business partners to respect human rights, social and environmental responsibilities, and treat their employees, staff, and workers fairly, including ensuring that business partners have implemented sustainable and values-based business policies and procedures.

The Chairman of the Board of the Bank is a non-executive director, and his vital role is to ensure that the Board of Directors performs its duties in accordance with the specified direction and strategic goal for the utmost benefit of the Bank and its shareholders. The Chairman of the Board shall not interfere with the duties of management or the implementation of the policies in practice.

In terms of counterparties, the Group realizes the importance of counterparties; therefore, it has defined its role, practice, and responsibilities towards counterparties, as well as the procurement policy, in writing. The Group also includes the improvement of human rights operations by counterparties in its implementation plan, which has already started in 2021 in accordance with the GRI standard.

The Group considers selecting suppliers or outsourcers who have appropriate management approaches that take social and environmental impacts into account. It has developed the Outsourcer Evaluation Form, which covers the evaluation of product or service quality, price, delivery time, team readiness, and attentiveness. It also includes evaluating social and environmental responsibility issues, such as reputation, social recognition, negative news associated with social and environmental responsibilities, worker care, child or forced labor, and the selection of environmentally friendly materials. Also, it considers important environmental standards for outsourcers.

However, the Group has not yet participated in supervising counterparties to respect human rights, social and environmental responsibilities, and treat their workers fairly.

In addition, the Board of Directors' meeting No. 10/2566 resolved that one independent director should be selected to participate in setting the agendas for the Board of Directors' meetings and assigned the Nomination and Remuneration to explore the hiring of a third-party consultant to assist in defining guidelines and recommending the Board of Directors' performance evaluation.

6.3.3 Corporate Governance Practices

The Board of Directors pays great attention and is committed to conducting its business according to good corporate governance principles as prescribed by the relevant supervision authorities. This attentiveness and commitment have enabled the Bank to achieve numerous governance honors and awards, such as the following:

- One of the 226 listed companies ranked "5 TIA" with a full 100 score from the quality assessment of the AGM in 2023 by the Thai Investors Association, the SEC, and the Thai Listed Company Association;
- Rated "Excellent" in CG scoring from the Corporate Governance Report of Thai Listed Companies in 2023 and received five logos from the Thai Institute of Director Association ("IOD");
- One of the 193 listed companies chosen by the SET for the SET ESG Ratings Level BBB. The Bank received Thailand Sustainability Investment for the ninth consecutive year by sustainably operating businesses, developing good risk management processes, adjusting and creating competitive opportunities through business innovations amid changing circumstances, and paying great attention to all stakeholders, including the community, society, and the environment.
- One of the 100 listed companies selected by Thaiapat Institute's ESG Rating Unit to be on the list of ESG100 in 2023 due to outstanding sustainability performance in ESG aspects. The Bank obtained this award for the ninth consecutive year.

In 2023, the Bank's implementations according to each section of the Corporate Governance Policy were as follows:

1. Rights of Shareholders and Equitable Treatment of Shareholders

1.1 The Bank facilitated shareholders' fully exercising their rights by attending and voting in the shareholders' meeting.

The Bank's AGM is held within four months after the end of its fiscal year, or as stipulated by law. An extraordinary general meeting of shareholders may be



called if there is an urgent proposal that requires the shareholders' approval.

In 2023, the AGM was held on April 20, 2023, which was not a commercial bank holiday, via electronic means, in accordance with the Emergency Decree on Electronic Meetings, B.E. 2563 (2020), and other relevant laws and regulations, which offered shareholders the convenience to attend the meeting. During the year, the Bank called no extraordinary general meetings of shareholders.

The Bank fully facilitated all shareholders, including institutional shareholders, to attend the AGM. The Bank had Inventech Systems (Thailand) Company Limited as a meeting system provider and controller. Shareholders wishing to attend the meeting either through electronic means in person or by proxy can submit an e-request form for meeting attendance via web browser or QR code in advance from April 5, 2023, until the end of the meeting.

On the AGM date, the electronic conference (Cisco Webex Meetings) and Inventech Connect systems were available two hours before the opening of the meeting. Shareholders or proxy holders used the provided username and password and followed the procedures to access the systems as per the details disclosed on the AGM notice and the Bank's website.

The AGM notice clearly informed shareholders of all required documents for meeting attendance requests, as well as the Bank's Articles of Association relevant to the shareholders' meeting, such as their legitimate rights to attend the AGM. Proxy forms were also provided to allow shareholders to appoint a third party or the Bank's independent directors as their proxies.

Moreover, the Bank also prepared all AGM documents in English, which were disclosed concurrently with the Thai version, for foreign shareholders. The Bank also gave those shareholders who showed up after the AGM commenced the chance to vote on agenda items still under deliberation.

1.2 The Bank provided advance and complete information on the AGM to shareholders.

The Bank's AGM was conducted in compliance with the AGM checklist of the Thai Investors Association. For instance, the Bank posted the AGM notice along

with information for each agenda item no less than twenty-eight days prior to the AGM date (on March 22, 2023, or twenty-nine days prior to the AGM date) and assigned the Thailand Securities Depository Co., Ltd. (TSD), the registrar, to arrange delivery of the AGM notice to shareholders by post no less than fourteen days prior to the AGM date (on April 3, 2023, or seventeen days prior to the AGM date). The AGM notice was published in both Thai and English daily newspapers for three consecutive days prior to the AGM date (March 29 - 31, 2023). The Bank provided a complete agenda and sufficient information for voting on all agenda items, each of which was clearly identified as either for acknowledgement or consideration, together with the opinions of the Board of Directors on particular issues. For example, for the dividend agenda, the Bank disclosed its dividend payment policy and proposed the dividend amount with supporting reasons and dividend payment information in comparison with the previous year. For the director election agenda, the Bank provided complete profiles of the persons proposed to be elected as directors. For the directors' remuneration agenda, besides the types and amounts of remuneration proposed, the Bank provided information on policy, guidelines, and criteria for considering directors' remuneration. For the auditor appointment agenda, the Bank disclosed complete details of the proposed auditors, including their names, audit firm, experiences, independence, audit and non-audit fees paid by the Bank and its subsidiaries, etc. Objectives, rationales, and the directors' opinions of each agenda item are stated clearly in the AGM notice.

1.3 The Bank allowed shareholders to submit questions relevant to the shareholders' meeting agendas in advance.

For the shareholders' ultimate benefit, once the meeting date had been announced, the Bank allowed shareholders to submit questions relevant to the shareholders' meeting agendas. In order to fully protect shareholders' rights, the Bank disclosed the criteria for the submission of questions in advance on its website. Shareholders were allowed to submit questions regarding the meeting agendas until April 19, 2023, via the Bank's website or registered post, to the Bank's



Corporate Secretary, who gathered, reviewed, and proposed questions submitted by shareholders to the Chairman of the Board and the Board of Directors for consideration.

1.4 The Bank allowed shareholders to propose agendas for the AGM and to nominate directors.

The Bank provided the opportunity for shareholders to propose agendas for the AGM and nominate directors before the AGM notice was issued. For the 2023 AGM, the Bank allowed shareholders to propose agendas and nominate directors in advance for three months prior to the end of its fiscal year, from September 1 to November 30, 2022. Since August 30, 2022, the Bank announced this opportunity through the SET's channel and also disclosed the guidelines for shareholders to propose agenda items and nominate directors on its website. However, no agenda was proposed for the 2023 AGM, and no director was nominated to be the Bank's director by any shareholder during the above-mentioned period.

The Board of Directors is responsible for determining the appropriateness of the agendas proposed by shareholders, and such agenda proposals must be in line with the Bank's criteria, unless otherwise stated by the Board of Directors. The Board of Directors' resolution is considered final.

In the case where many shareholders propose related agendas, the Board of Directors may combine them into one agenda. The proposals, which are approved by the Board of Directors, along with the Board's opinions, will be included as agenda items in the AGM notice. For proposals that are not approved by the Board of Directors, the Bank will inform the shareholder(s) after the Board of Directors' meeting and before the shareholders' meeting via its website or other appropriate channels.

1.5 Shareholders may grant proxies for the shareholders' meeting.

The Bank allows shareholders who cannot attend the shareholders' meetings to appoint a third party or the Bank's independent director as their proxies and vote on their behalf. The proxy forms, on which shareholders are able to specify their votes, are provided together with

the AGM notice. Shareholders can also download proxy forms from the Bank's website. Furthermore, the Bank clearly informs shareholders of all necessary documents or evidence for granting proxies and avoids requiring any condition that would make granting proxies complicated.

For the AGM, the Bank proposes its independent directors as an option for shareholders who cannot attend the shareholders' meetings to appoint as their proxies. The Bank proposed two independent directors to shareholders for granting proxies at the 2023 AGM. 604 shareholders, representing 193,214,966 shares, appointed the Bank's independent directors as their proxies.

1.6 The Bank encourages directors and executives to attend the shareholders' meetings to provide information and answer questions.

The Bank pays attention to the shareholders' meeting; therefore, it encourages its directors, the Chairpersons of the committees, executives, relevant units, and auditors to participate in the shareholders' meeting to provide additional information and answer questions from shareholders. In 2023, the Chairman of the Board and all Chairpersons of the committees under the supervision of the Board of Directors, the CEO, the President, the senior executive in charge of finance, as well as the auditor, participated in the 2023 AGM.

1.7 An appropriate meeting time is allocated, and shareholders are supported in expressing their opinions.

Before considering the agenda items, shareholders are informed about the meeting rules, voting and vote-counting procedures, and how to express opinions, give suggestions, and raise questions relevant to the Bank during the shareholders' meetings. The Chairman of the Board of Directors, acting as the Chairman of the AGM, runs the meeting in accordance with the agenda items specified in the AGM notice without adding any other agenda items that are not notified to shareholders in advance. During the AGM, the Chairman provides appropriate time for discussion and an opportunity for shareholders to equally express their opinions, make inquiries, and request relevant directors to clarify and provide complete information to shareholders.



1.8 Comprehensive minutes of the shareholders' meetings are recorded.

Comprehensive 2023 AGM minutes were recorded. It included the names of directors and executives attending the AGM, the proportion of attending directors, voting and vote-counting procedures, key discussion issues, questions raised, clarifications, comments, resolution results, and complete voting results (for approval, against, or abstain) of each item on the agenda.

The Bank disclosed in a timely manner the resolutions of the 2023 AGM (on April 20, 2023, which was the AGM date) via the SET's channel, delivered the AGM minutes to the regulatory agencies within fourteen days of the meeting date, and disclosed such minutes on its website.

2. Role of Stakeholders and Sustainable Business Development

The Group underscores the significance of stakeholder engagement, encompassing internal stakeholders such as employees and shareholders along with external stakeholders including clients, counterparties, business competitors, creditors, regulators, surrounding communities, and the environment. The Group actively collaborates with all stakeholders through direct meetings, seminars, and communication channels on its website to gather feedback and suggestions. The Group systematically collects and analyzes diverse opinions and suggestions to formulate plans and enhance operations, with the goal of mitigating potential adverse impacts stemming from its business activities. Furthermore, the Group consistently refines policies and practices to adhere to responsible business principles, ensuring equitable protection for stakeholders and fostering confidence that the Group's business operations conscientiously consider societal and environmental aspects.

The Group transparently discloses sustainability policies and practices, demonstrating progress in operations that adhere to international standards for transparent and responsible business conduct. These cover a spectrum of environmental, social, and governance (ESG) issues, including corporate governance, business ethics, anti-corruption measures, risk management and crisis response, cybersecurity, responsible lending and

sustainable investment, client relationship management, financial inclusion and literacy, human rights, fair and inclusive treatment of employees and labor, as well as environmental and climate change management.

2.1 Stakeholders' Involvement to Enhance the Operation of the Bank and the Group

The websites of the Bank and the Group have been developed so that they can become channels through which stakeholders can participate in enhancing the operation of the Bank and the Group. All stakeholders, including clients, counterparties, competitors, employees, shareholders, and creditors, can make suggestions through the websites to create wealth, financial stability, and sustainability.

2.2 Stakeholder Treatment Guidelines

The Board of Directors wants to ensure all stakeholders are well and fairly treated according to their statutory rights and agreements. Therefore, it has defined guidelines for the treatment of various stakeholders in its Corporate Governance Policy, which can be summarized as follows:

Role, Practice, and Responsibilities of the Group Towards Shareholders

The Group aims for good performance by operating businesses with caution and care, competitive capability, steady and sustainable growth, and taking into account current and future risks in order to add value to shareholders in the long term. The Group has a duty to operate businesses, disclose information transparently and fairly to all shareholders for the utmost benefit of shareholders as a whole, and try its best to protect the assets and reputation of the Group.

Role, Practice, and Responsibilities of the Group Towards Clients

The Group realizes that clients' satisfaction and confidence in the Bank and the Group are essential. Thus, the Group strives to initiate innovation in product and service development, including process improvement. This aims to provide the best-quality products and services to clients by keeping in mind their needs and benefits. The Group provides complete and accurate information about products and services without any distortion of fact; conducts advertising and public



relations responsibly without misrepresentation or exploitation of clients' misunderstandings to avoid encouraging undesirable behavior; implements market conduct without any unjust practice; ensures that clients are consistently treated with care and honesty in accordance with terms agreed upon; and respects clients' information privacy. The Group does not release client information to third parties, except upon a client's authorization or when permitted or required by law and does not sell or rent clients' personal information. The Group's employees do not discuss their clients with any other employees not related to the matter. The Group abides by all legal regulations and additional rules regarding clients' information. In the event of doubt, employees must consult with their direct supervisors or the Legal and Compliance Group.

The Group carries out client satisfaction surveys, monitors their results, and welcomes clients' complaints about products and services. Upon receipt, such complaints are investigated, and remedial actions are provided promptly.

Role, Practice, and Responsibilities of the Group Towards Employees

All employees are valued resources and a key success factor in its business operations. Therefore, trainings are continually provided on a regular basis throughout the organization to encourage the development of knowledge, skills, and capabilities among employees. The Group also encourages employees to partake in external trainings and seminars arranged by specialists to enhance their potential to be comparable to the standards of other leading firms in the industry and to participate in the development of the Group to be a leading financial institution that can provide good services to clients.

The Group has in place a system of appointments and transfers, as well as rewards and punishments based on the knowledge, capability, and suitability of employees. The Group respects the rights of every employee by respecting the rights of each employee and individual and maintaining secrecy about personal information. The Group does not tolerate discrimination on the grounds of race, nationality, religion, gender, age, disability, sexual orientation, or any other form of illegal discrimination.

The Group has arranged for a system of remuneration and benefits that is appropriate and equivalent to the standards of other firms in the same industry and also provides retirement compensation adequate for a secure life. The welfare for the employees includes a provident fund, a social security fund, group health insurance, group life insurance, group accident insurance, an annual medical check-up, a nursing room, a "mother's corner" (a breast milk collection room), continuing scholarships until the undergraduate level for children of employees who pass away, and other monetary benefits for assisting employees on various occasions.

The Group emphasizes the importance of a good environment and hygiene in the workplace, so it has set up a working environment that considers safety, health, and an environment suitable for employees to work in while ensuring clients' convenience. Furthermore, the Group has organized fire drills and installed an office security system. The Group has also announced the Guidelines for Safety and Unusual Sight to ensure the safety of its buildings and its employees.

The Group supervises, manages, and justly treats all employees with kindness, politeness, and respect and provides working opportunities for employees at every level. Also, the Group has strived to develop a positive corporate culture and working atmosphere.

The Group has communicated with employees about its objectives, main goals, corporate culture, and strategies so that they have the same target of creating corporate value. The Group has set up the Guidelines for Business Conduct Policy, prescribing the framework for employees in business dealings, and has issued the Anti-corruption Policy to set standards with which employees may operate with a sense of honesty. The Group arranges for the dissemination of the Guidelines for Business Conduct Policy and Anti-corruption Policy to be used in conjunction with the employees' rules and regulations, and compliance is to be reviewed periodically.

(Details on respecting human rights and fair treatment of employees and labor are shown in the Sustainability Report.)



Role, Practice, and Responsibilities of the Group Towards Creditors, including Credit Guarantees

The Bank and the Group companies strictly abide by all terms and conditions stipulated in agreements with creditors and credit guarantees with respect to the purpose and utilization of loans, repayment, and proper maintenance of collateral in compliance with related laws and regulations.

The Bank and the Group companies provide correct and honest status and financial reports to creditors periodically, and in the event that the Bank or any Group company is unable to comply with any condition of an agreement, the Bank or such Group company will immediately inform the creditor so as to find a reasonable and mutually acceptable solution. The Bank and the Group companies strive to maintain good relationships and mutual trust with creditors.

The Group has established a strategy in the treasury function to promote security and strength in capital management to prevent it from experiencing difficulties in repaying creditors. There is also a liquidity management plan for debt repayment to meet the maturity date in a timely manner.

The Risk Oversight Committee of the Bank is responsible for planning, monitoring, and controlling the Group's capital to ensure its sufficiency while considering the Group's position and business activities. In doing so, the Group has an appropriate Internal Capital Adequacy Assessment Process (ICAAP) that is able to cover the Group's significant risks under normal circumstances or in a crisis and is in accordance with the capital management standards under Pillar II of the Bank of Thailand.

Role, Practice, and Responsibilities of the Group Towards Counterparties

The Group realizes that support from counterparties is an important part of its success. As a result, in all transactions, the Group treats all counterparties equally and fairly and strictly adheres to all terms of any agreement. The system to manage and monitor is in place to ensure strict adherence to the terms of the agreement. In the event that the Bank or the Group companies fail to do so, the counterparties will be informed immediately in order to find a reasonable and mutually acceptable solution.

The Bank has its own procurement regulations and procedures, which require the selection process for sellers, counterparties, and consultants to be based on the premise that the Bank or the Group will receive the maximum benefit. This is done in a transparent manner, free from any bias, and is able to be audited. Opportunities will be provided for all qualified counterparties to submit their proposals. Employees are not allowed to receive any benefits from parties entering the bidding process. If there is any evidence of dishonestly requested or received benefits, counterparties will be informed, so the problem will be solved in a fair and timely manner.

The Bank's procurement process comprises the selection of sellers or service providers and the comparison of prices and conditions to create fair competition. To maximize the Bank's benefit, the Bank will engage in price and condition negotiation, "Know Your Suppliers," acceptance of goods and services, seller/service provider performance evaluation (post-delivery and yearly service), and an approved supplier list by considering a variety of factors. Examples include goods and service quality, vendor expertise and experience from previous performance records, financial status, complaints and lawsuits, vendor reputation and reliability, after-sales service, confidentiality of the Bank's information, etc.

In a normal procurement, the Bank will compare and select the best vendor or service provider by checking prices from at least three vendors. For urgent or continuing procurement, the Bank will inquire about the price from at least one vendor from the approved supplier list and subsequently negotiate the price.

The Group has in place an audit system that will not permit the disclosure of any information about counterparties or the use of such information for conducting business in any illegal manner. In addition, the Group does not cooperate with any person or entity associated with illegal activities, those posing a threat to society and the security of the nation, or any activity connected with corruption.

Role, Practice, and Responsibilities of the Group Towards Competitors

The Bank and the Group companies conduct business ethically and in accordance with rules and regulations, avoiding any search for confidential

information about business competitors by dishonest or improper means and refraining from tarnishing competitors' reputations without the truth.

It is against the policy to seek increased sales by disparaging the products and services of others, since the Group's goal is to increase business by offering superior products and services. In the past year, the Bank and the Group companies had no disputes or complaints with their competitors.

Role, Practice, and Responsibilities of the Group Towards the Community, Society, and the Environment

The Group acts as a responsible citizen, supporting democracy under the demo-monarchy system and remaining unbiased in politics. Employees are permitted to exercise their rights and political freedom, which is an individual right, but are not permitted to do so in the name of the Bank or the Group.

The Group strictly conducts business under relevant laws and regulations, will not take part in any activity that causes harm to the community, society, or environment, and will not partake of any profit that can arise from burdening society.

The Group stands firm in its commitment to the synergy benefit of the organization, employees, clients, and shareholders with the economic development and financial markets of Thailand; strives to keep growing together with the financial and capital markets; tries to assist the financial, capital, and securities markets to steadily grow; and supports the use of the knowledge and expertise of the Bank, the Group companies, and their employees relating to management, financial and investment management, system implementation, and the law for the benefit of society and the community.

The Group supports its employees at every level in developing their skills with periodic training seminars to instill a sense of responsibility towards the community, society, and the environment; promotes and creates awareness among employees of the need for natural resources and energy conservation and how to use them wisely; and supports and encourages employees to volunteer and participate in social activities and charity work.

The Group has set aside an appropriate budget for community, social, and charity works without being limited to projects that can only be used for tax reduction

purposes; supports projects that help maintain culture and traditions as well as promote religious activities; and supports the strengthening of the community in which it is located as well as other communities so that they can become self-reliant, help each other, improve the quality of life, and live with happiness.

(Details on the Group's activities for the community, society, and environment are shown in the Sustainability Report.)

2.3 Transaction with Related Persons or Connected Transactions

The Group does not encourage any transaction entered into between the Group and directors, executives, major shareholders, or related persons. This is to avoid any potential conflict of interest. However, while doing business, it may be necessary for the Group to enter into such transactions. This is to be done within the procedures and framework of regulations on such matters.

The Group has established guidelines for connected transactions and a share distribution report. In order for the Group to enter into any connected transaction where there is the possibility of a conflict of interest, this transaction must go through a rigorous process of consideration that is clear, free from bias, and within the boundaries of good ethical practices, keeping in mind the importance of it being beneficial to both the Group and overall shareholders.

For the utmost benefit of the Group, directors and executives who have an interest in any transaction or matter affecting the Bank or the Group are required to report such interests and not participate in the decision-making process on such an issue.

The Bank's Audit Committee has the authority to consider and disclose connected transactions or transactions that may lead to a conflict of interest to ensure that they follow the law and the SET's regulations, are reasonable, and are for the highest benefit of the Group. In the previous year, the Group did not violate any regulations regarding connected transactions.

Directors, executives, employees, and related persons must maintain their securities trading accounts with the securities company in the Group, unless they are exempted under the Bank's regulations. The securities trading transactions of directors and executives must



be on an arm's-length basis without taking unfair advantage of anyone through unethical or illegal means. The transactions must be entered into in the ordinary course of business on substantially the same terms as those prevailing at the time for comparable transactions with other similarly situated clients.

2.4 Be Mindful of Intellectual Property

All employees are obligated to maintain the Bank's and the Group companies' proprietary information and intellectual property. Proprietary information of the Bank and the Group companies includes business, marketing, and service plans; unpublished financial data and reports; databases; client information; and salary and bonus information. Intellectual property comprises trade secrets, patents, trademarks, and copyrights. Unauthorized use or distribution of this material is a violation of the policy. It may also be illegal and result in civil and criminal penalties.

In the meantime, the Group respects the intellectual property of other parties and complies with intellectual property laws. The unauthorized use of another party's patented, trademarked, or copyrighted (audio, video, or text) materials is strictly prohibited, regardless of their sources. In addition, the Group does not permit the use of software or other devices whose primary purpose is the circumvention or violation of another's intellectual property rights.

3. Disclosure and Transparency

Information disclosure is a vital principle of good corporate governance. The Group places great emphasis on the disclosure of information to shareholders. Accurate and complete information is provided to shareholders via accessible and accountable channels in a transparent and timely manner through various actions, as follows:

3.1 Disclosure of Information

The Group ensures that all important information, both financial and non-financial, is disclosed correctly, accurately, on a timely basis, in a transparent manner, and under the regulations of the supervision authorities through the SET's channel, the annual registration statement/ annual report (Form 56-1 One Report), the

website in both Thai and English, as well as through public media (in some circumstances) so that all shareholders can equally receive information.

The Group has clear procedures for information disclosure under ordinary and urgent circumstances alike. In an effort to make financial information more rapidly available, the Group discloses unaudited financial statements for the half-year and year-ended periods and unreviewed financial statements for the first and third quarters, besides the audited and reviewed versions. Also, the Group discloses the management discussion and analysis, along with the performance update presentations, on a quarterly basis on its website. The Group has never been late with its financial reports.

All disclosed information, as well as that made public to shareholders and investors, is disseminated through the website, which is upgraded, regularly updated, and made bilingual to benefit shareholders.

3.2 Investor Relations

Investor relations serves institutional investors, minor shareholders, analysts, and those who are interested in monitoring the Group's information.

In 2023, senior executives and investor relations officers met and provided information to local and foreign analysts, shareholders, and investors, as well as changing the meeting format to be mainly arranged through online channels, on various occasions as follows:

Types of Activities	Times
One-on-one meetings, conference calls, and online meetings	27
Analyst and investor meeting	4
Domestic investor conference	7
Press conference	1

The Bank has set the Code of Conduct for investor relations officers to promote ethical conduct and compliance with laws and regulations among all executives and employees involved with investor relations in terms of the disclosure and confidentiality



of financial statements and any related information, details of which are shown on the Bank's website.

Additionally, the Bank supports its investor relations officers to gain knowledge suitable for their responsibilities and participate in activities of the Thai Investor Relations Club to exchange knowledge, experiences, and practices and build good relationships with other listed companies.

Section 7.6 provides details about the investor relations officer and contact information.

3.3 Appointment of Auditor and Financial Statements

The Board of Directors has assigned the Audit Committee the responsibility for reviewing, selecting, and nominating independent persons whose names appear on the list of auditors approved by the SEC to be appointed as auditors of the Bank and the Group companies, so as to recommend the remuneration of independent auditors.

The Board of Directors, at meeting No. 3/2566 on March 2, 2023, approved a proposal by the Audit Committee to propose to the AGM the appointment and remuneration of auditors from PwC as the auditors of the Bank for 2023. This was due to: 1) PwC having a sound quality control review process and employing new audit technology, including audit software and data analytic tools, in its audit work to increase efficiency and effectiveness; 2) the signing audit partner and audit teams having the knowledge, understanding, capability, and experience in auditing banking and capital market businesses; and 3) the auditors being independent, possessing great skills and knowledge about international auditing standards, and having sufficient resources.

The audit fee was approved by the Bank's shareholders' meeting, of which details for 2023 are shown in Section 7.7.

The auditor expressed an unqualified opinion on the Bank's financial statements in the previous year.

4. Board Responsibilities

4.1 Term of Directorship

The Bank stipulates in Clause 18 of the Articles of Association that at every AGM, at least one-third (1/3) of the directors shall retire from their positions. Should the number of directors not be divisible into three equal

parts, the nearest number to one-third must retire from office. Directors retiring by rotation can be re-elected as directors. In short, the average term of a director is three years.

The Bank's independent directors can hold their positions for no more than nine consecutive years. For any independent director who has held the position for nine years and wants to be re-appointed as an independent director, such a director must have been discharged from the position at least two years before the day the appointment request is submitted to the Bank of Thailand.

In addition, for any independent director who has held the position for less than nine years, if he or she has been discharged from the position for less than two years, he or she may be re-appointed as an independent director. However, the term of such a director's directorship must be counted.

4.2 Board Meeting

Each year, the Bank schedules regular meeting dates and agendas for the Board of Directors' meetings in advance, prior to the end of the previous year, so the Corporate Secretary can inform the board members of those meeting schedules for the coming year. To enable the directors to allocate their time and participate in the meetings, the Board of Directors' meetings will normally be convened on the last Thursday of each month. Additional board meetings may be rescheduled or held, if necessary. Unless there is reasonable ground or necessity, each director must attend at least 75% of all board meetings held in a year.

The quorum for the Board of Directors' meeting must consist of at least two-thirds (2/3) of the board members. At the time of the Board of Directors' voting, there must be at least two-thirds (2/3) of the board members present at the meeting.

One director is entitled to one vote in casting the votes. The exemption is made so that directors having an interest in any matter shall not be entitled to vote on such a matter. In the event that the votes are equal, the Chairman of the meeting is required to make an additional vote of one vote as a final judgment.

The number of board meetings should be consistent with the duties and responsibilities of the Board of



Directors and no less than six times per year. In 2023, the Board of Directors met twelve times. Also, there was one internal meeting among non-executive directors held on November 9, 2023, to discuss the appointment of an independent director to be jointly responsible for setting up agendas for the board meeting with the Chairman of the Board and the CEO, the Group's strategic plan, the risk-based audit, and the use of data analytics in business operations. The results of such a meeting have been reported to the Board of Directors. (The attendance record of each director is shown in Section 8.1.5.)

The Chairman of the Board, the CEO, and the Chairperson of the Audit Committee jointly compile the important and necessary agenda items to be discussed during the meeting. However, any director may freely request to add any agenda item for discussion.

The Corporate Secretary is responsible for the meeting arrangements and sending notices of meetings together with relevant documents to each board member no less than seven days prior to the meeting date, except in urgent cases, in order that the directors may have adequate time to review relevant information prior to the meeting. Each director can make inquiries for additional information from the Corporate Secretary. Each meeting agenda item is well-defined as to whether it is for acknowledgement, approval, consideration, or a regular follow-up on the operating results.

The agenda items for the board meeting are prioritized in order to make the most of the meeting time. During the board meeting, the Chairman of the Board allocates ample time for the management to report and for adequate discussion. Minutes of the meetings are recorded, certified by the Board of Directors, and made available for examination by the Board of Directors and relevant parties.

If any director has a conflict of interest in any matter, directly or indirectly, he or she must disclose it to the Board of Directors before that matter is considered and must not take part in the decision-making process on such a matter. It will be recorded in the minutes of the meeting.

In addition, the Chairman of the Board encourages the CEO to invite senior executives to attend the board

meetings to present additional information and get acquainted with the board members. The Bank also grants opportunities for the directors to request additional and necessary information from the CEO, the President, the Corporate Secretary, or other senior executives within the specified policy framework.

4.3 Directorship in Other Companies of Directors

The Bank is well aware of the value of the experience the directors will gain by being directors of other agencies. Nevertheless, in order to allow executive directors to have sufficient time to perform their duties to the fullest extent, the positions held at other agencies must be under the condition that they will not have an adverse effect on the performance of their duties as directors of the Bank.

As stipulated in the Corporate Governance Policy, the Bank's directors may hold the positions of Chairman of the Board, executive director, or one or more of these positions in no more than three business groups. If the company in which a director holds a title is a single company, then it will be counted as one group. If the company is acquired through debt restructuring, it will be considered part of the same group as the Bank. Furthermore, the Bank's directors can serve as directors of other listed companies on the SET and overseas stock exchanges for no more than four companies, excluding listed companies on the SET acquired through debt restructuring. This is consistent with the Bank of Thailand's notification No. SorNorSor. 2/2566: Duties, Responsibilities, and Compositions of the Board of Directors of Financial Institutions and Financial Business Groups dated January 24, 2023. Also, the Corporate Governance Policy of the Bank suggests that the Bank's executive directors be directors of no more than two listed companies outside the Group.

The Bank's directors may not be partners or directors in any private or public company that operates in the same industry and is considered to be in direct competition with the Bank unless the shareholders' meeting has been informed prior to being elected.

Prior to taking up the post of director, officer, or employee in any other business, the Bank's executive director must receive approval from the Bank. If the Bank's executive director wishes to take up a post as

a director in a listed company in Thailand or overseas, he or she must receive approval from the Executive Committee of the Bank. This is in order to prevent any conflict of interest that may arise.

All new directors must disclose all activities and interests outside the Bank or the Group, and all directors are duty-bound to disclose any changes to the status of their interests outside the Bank or the Group to the Bank.

4.4 Executives' Directorship in Other Companies

The Bank is well aware of the value of the experience the CEO and President of the Bank will gain by being directors of other agencies. Nevertheless, the positions held at other agencies must be under the condition that they will not have an adverse effect on the performance of their duties. The CEO and President of the Bank must not serve as full-time employees of other organizations unless the Bank of Thailand considers that it does not affect the effectiveness of their duties at the Bank.

According to the Corporate Governance Policy, the CEO and President of the Bank may hold the positions of Chairman of the Board, executive director, or one or more of these positions in no more than three business groups. If the company in which they hold a title is a single company, then it will be counted as one group. If the company is acquired through debt restructuring, it will be considered part of the company in the same group as the Bank. Furthermore, the CEO and President of the Bank can serve as directors of other listed companies on the SET and overseas stock exchanges for no more than four companies, excluding listed companies on the SET acquired through debt restructuring.

The CEO and President of the Bank may not be partners or directors in any private or public company that operates in the same industry and is considered to be in direct competition with the Bank.

The CEO of the Bank may not be an employee or executive in any other organization, unless there is reasonable ground or necessity, and must obtain approval from the Bank of Thailand on a case-by-case basis. Senior executives of the Bank, excluding the CEO, are not allowed to perform their duties as employees or executives in any other organizations

without prior approval from the Bank of Thailand. However, executives of the Bank who are assigned to perform their duties in the Group companies on a full-time basis while maintaining their current positions at the Bank (secondment) need no approval from the Bank of Thailand.

Prior to taking up the post of director, officer, or employee in any other business, the CEO and President of the Bank must receive written approval from the Legal and Compliance Group. In the case where the CEO or President of the Bank takes up the post of director in a listed company in Thailand or overseas, he or she must be pre-approved by the Executive Committee of the Bank in order to avoid any conflict of interest that may arise.

Upon entering employment with the Bank, all senior executives must disclose all activities and interests outside the Bank or the Group and are duty-bound to inform the Bank of any changes in the status of interests outside the Bank or the Group.

4.5 Director Orientation

The Bank realizes the importance of duties performed by new directors. Consequently, all new directors must be informed about the Group's overall business operation, structure, and relevant businesses so they understand the business process and shareholding structure of the Group. Furthermore, the Bank will notify them of significant and necessary information for performing their duties as directors, as well as recommended laws, regulations, and required conditions for being directors of listed companies.

The Corporate Secretariat Department is responsible for preparing for any new director a set of documents consisting of the annual report, mission, vision, corporate principles, details on the Group's business operations, Articles of Association and Memorandum of Association of the Bank, director handbook, relevant regulatory notifications that enforce the Bank, copies of the minutes of the Board of Directors' meeting in the previous year, and the CEO's messages to employees.

In 2023, the Board of Directors' meeting No. 1/2566, dated January 26, 2023, resolved to appoint Ms. Punnee Chaiyakul as the Bank's director. Therefore, the Corporate Secretariat Department prepared and provided the



information necessary for the performance of the duties of the new director. The Chairman of the Executive Committee and the CEO set up a meeting with the new director to get acquainted and provide information on the industry and businesses of the Group, as well as advice on laws and regulations. In addition, the corporate secretary and the secretary of the Nomination and Remuneration Committee provided important information relevant to the performance of the duties of directors and subcommittee members to the new director.

4.6 Succession Plan

The Board of Directors oversees a succession plan in order for the Group to conduct business unceasingly and assigns duties to the Nomination and Remuneration

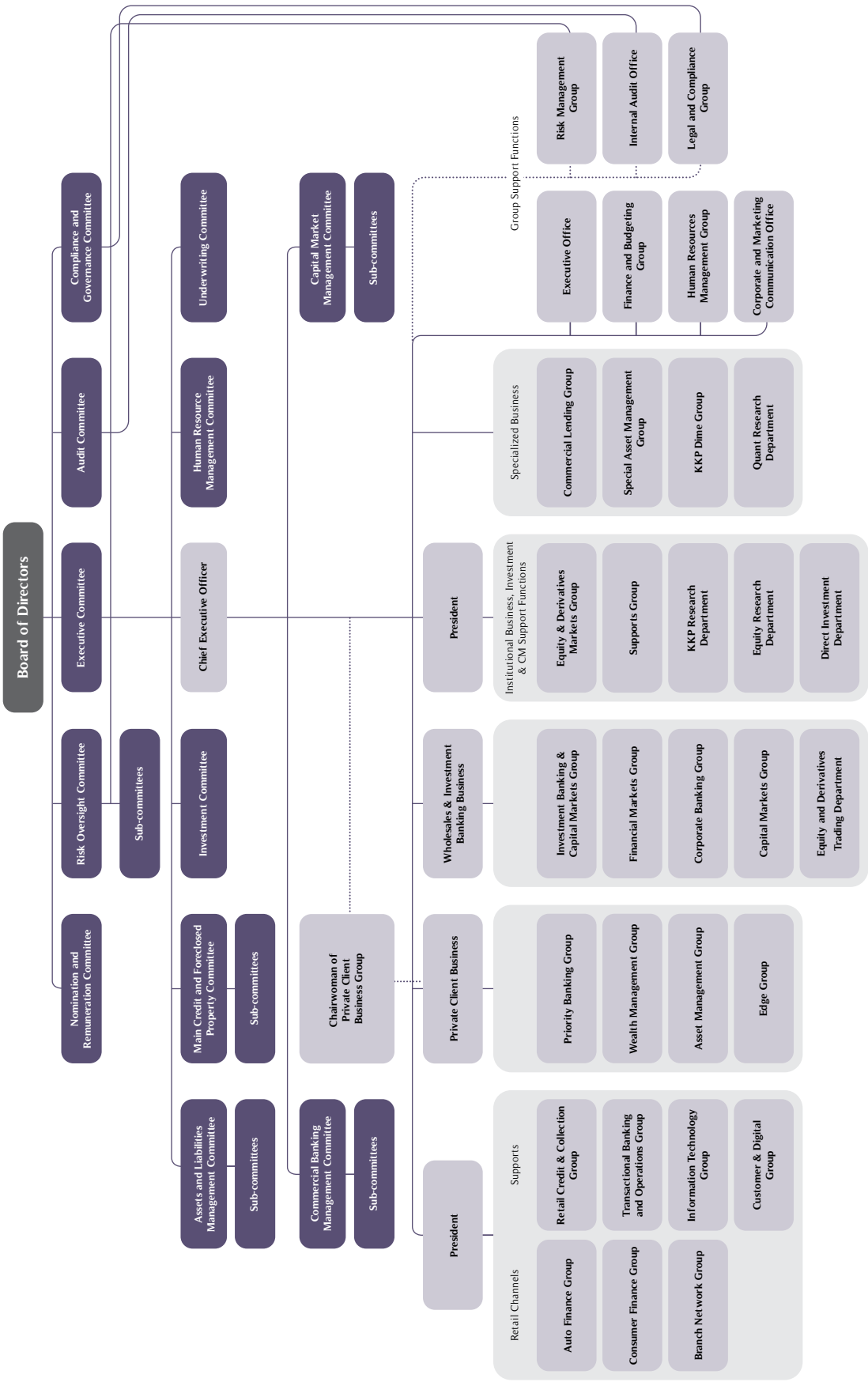
Committee, which is responsible for overseeing that the management has adequately prescribed a relevant policy with proper process for the required succession plan. This aims to prepare candidates for significant positions and assure the continuity of the Bank's and the Group's business operations and practices through the annual review of successors' qualifications, readiness, and development.

The succession plan process consists of: 1) identify key positions; 2) nominate/review and approve a list of successors; 3) develop a customized plan for successor development; and 4) follow up the progress of successor development. The management reports the progress of succession plan annually to the Board of Directors for acknowledgement.



7. Corporate Governance Structure

7.1 Organization Chart





7.2 Board of Directors

7.2.1 Board Composition

As of December 31, 2023, the Bank's Board of Directors is comprised of twelve members, including four independent directors, four non-executive directors, and four executive directors, with a variety of skills, specialized experiences, genders, ages, etc. that commensurate with the size, complexity, business nature, risks, and strategies of the Group. The Bank's Board of Directors presently consists of 33% independent directors and 67% non-executive directors. There are

four female directors, accounting for 33% of the total board members. Three directors fall between the ages of 51 and 60, eight directors fall between the ages of 61 and 70, and one director is over the age of 71. Attachment 1 provides details on the various skills and specialized experiences of the directors. In addition, to comply with good corporate governance principles, the Bank has appointed a non-executive director as Chairman of the Board of Directors. The Chairman of the Board of Directors and the CEO are different individuals.

7.2.2 Board Information

The Bank's Board of Directors is comprised of twelve members, as follows:

Name	Position/Type of Director	Position in Committee under the Supervision of the Board of Directors
1. Mr. Supol Wattanavekin	Chairman/Non-executive Director	Chairman of the Risk Oversight Committee Advisor to the Executive Committee
2. Mrs. Dayana Bunnag	Director/Independent Director	Chairperson of the Audit Committee
3. Assoc. Prof. Dr. Chayodom Sabhasri	Director/Independent Director	Chairman of the Nomination and Remuneration Committee Audit Committee Member
4. Mr. Chalee Chantanayingyong	Director/Independent Director	Chairman of the Compliance and Governance Committee Audit Committee Member
5. Ms. Punnee Chaiyakul ¹	Director/Independent Director	Nomination and Remuneration Committee Member
6. Mr. Suvit Mapaisansin	Director/Non-executive Director	Nomination and Remuneration Committee Member Compliance and Governance Committee Member
7. Prof. Dr. Anya Khanthavit	Director/Non-executive Director	Risk Oversight Committee Member
8. Mrs. Patchanee Limapichat	Director/Non-executive Director	Compliance and Governance Committee Member
9. Mr. Banyong Pongpanich ²	Director/Executive Director	Chairman of the Executive Committee Advisor to the Risk Oversight Committee
10. Ms. Thitinan Wattanavekin ²	Director/Executive Director	Executive Committee Member
11. Mr. Aphinant Klewpatinond	Director/Executive Director	Executive Committee Member Risk Oversight Committee Member
12. Mr. Philip Chen Chong Tan	Director/Executive Director	Executive Committee Member Risk Oversight Committee Member
13. Mr. Chet Pattrakornkul	Advisor to the Board of Directors	Advisor to the Audit Committee
14. Mr. Pongtep Polanun	Advisor to the Board of Directors	-
Ms. Pornpip Chuprakhun	Corporate Secretary	-

Remarks: ¹ She was appointed as the Bank's director, replacing Mr. Veravat Chutichetpong, who resigned, by resolution of the Board of Directors' meeting No. 1/2566 held on January 26, 2023.

² He or she is an executive director who is not an employee of the Bank or the Group companies.

Authorized Directors

The authorized directors of the Bank, who can sign and bind the Bank, are any two of the following four directors, provided that they jointly sign with the Bank's seal affixed: Mr. Banyong Pongpanich, Ms. Thitinan Wattanavekin, Mr. Aphinant Klewpatinond, and Mr. Philip Chen Chong Tan.

7.2.3 Roles and Responsibilities of the Board

As the representative of shareholders, the Board of Directors has roles, duties, and responsibilities to conduct business with integrity to achieve stability and good returns with full capacity as a professional and independence due to the duty of loyalty and the duty of care. The Board of Directors should refrain from having any conflicts of interest, discrimination, or favoring its allies and carefully protect the interests of the overall organization. The scope of authority and duties of the Board of Directors are as follows:

1. Determine short- and long-term business directions and strategic goals of the Group for both financial and non-financial aspects; efficiently allocate significant resources within the Group to ensure objectives and goals are achieved; consider and approve the Group's business plan; and revise such a business plan by taking into account the concept of sustainable banking that focuses on environmental, social, and governance factors, as well as the changes in the ecosystem and factors proposed by the Executive Committee.
2. Define and approve policies and significant business transactions that are required by laws and regulators and oversee and monitor the implementation of those policies through the Executive Committee to ensure that they are carried out efficiently and effectively in order to protect the benefits of the Group and its shareholders and for business sustainability.
3. Oversee the adequate and efficient allocation of significant resources, for instance, capital investment, personnel, technology, etc., and promote the utilization of innovation to create

business opportunities, improve business operation and risk management, and enable the Group to achieve key business objectives and goals. The Board of Directors shall also define the proper remuneration structure to incentivize employees to fully perform their duties with honesty and in accordance with its risk culture. The Board of Directors may delegate the authority to other committees or designated persons to carry out the task and report the result to the Board of Directors as appropriate.

4. Ensure that the Bank's Guidelines for Business Conduct, including business ethics and ethics for directors, persons with management authority, and employees, are in place and adopted as practice guidelines in the organization, as well as encourage fair services to clients (market conduct) in a concrete and effective manner.
5. Define or approve a good and effective risk governance framework to support business operations in accordance with the specified directions and objectives in the rapidly changing business environment. The Board of Directors shall define the appropriate risk appetite level for business operation, monitor the business so it is operated within such a specified risk appetite level, ensure that the system and risk management process can address the overall and significant risks (a comprehensive risk management policy and process), and provide a mechanism to report on risk management in order to prevent or correct critical problems (preventive and corrective action) in a timely manner. The Board of Directors shall also ensure that the Risk Oversight Committee establishes policies, procedures, and controls relating to risk management that, at the minimum, shall include credit risk, market risk, investment risk, liquidity risk, operational risk, reputational risk, legal risk, strategic risk, and information technology risk, as well as risks that may arise from the launch of new products and certain significant business changes and risks that may occur in the future. The Board of Directors shall approve such policies and review them regularly



or immediately after any significant changes, along with the review of actual operational strategies. Furthermore, the Board of Directors has the duty to drive a risk culture (tone from the top), oversee the Group's risks, ensure that the Group's business is operated within specified risk management policies and strategies, support the building of risk culture, encourage and ensure the management adopts a risk culture throughout the organization, constantly monitor and assess whether the risk culture is in line with the expectation and there is any point to be concerned or need further development, as well as ensure the communication of such policies and strategies throughout the organization in order to assure the Group's business is conducted with appropriate risks in the rapidly changing environment.

6. Ensure that the Bank and the Group companies have effective control, oversight, and audit mechanisms (three lines of defense), adequate and proper internal control and internal audit systems that cover various business activities and can abruptly detect any error, as well as an organizational structure that promotes independent and effective control, oversight, and audit functions to make certain that transactions are made efficiently and in accordance with the specified policy and system and relevant laws and regulations. The Board of Directors shall regularly review and assess the internal control system to ensure that it is efficient and appropriate for the Bank's and the Group companies' operations.
7. Study and understand the shareholder structure and relationship, which may affect business management and operation, and oversee that the checks and balances of power between the management and/or major shareholders are suitable. This should be done with an emphasis on creating a good proportion of independent directors among board members.
8. Appoint and specify the roles, duties, and responsibilities of committees as appropriate with the size, business operation, risks, business

direction, and corporate strategy to lessen the burden, increase efficiency and effectiveness in performing the duties of the Board of Directors, and support its oversight responsibility, such as the Audit Committee, Nomination and Remuneration Committee, Risk Oversight Committee, Compliance and Governance Committee, and Executive Committee. The Board of Directors shall regularly follow up on significant reports from such committees to improve operations if any problem arises and regularly review the committees' roles, duties, and responsibilities at least once a year.

9. Ensure that committees require the management to define and implement a system for the Bank's corporate governance in accordance with applicable laws and its business nature. Consider and approve the corporate governance system, including monitoring its effectiveness and providing advice on further improvement.
10. Ensure that the management informs the Board of Directors on any important matters affecting the Bank and the Group and has a reporting process so that the Board of Directors has timely and sufficient information to be able to perform its roles and carry out its duties and responsibilities efficiently.
11. Approve the annual financial reports, which are audited by an external auditor and reviewed by the Executive Committee and Audit Committee, prior to proposing them to the shareholders' meeting for approval. In addition, the Board of Directors shall receive recommendations through the management letter provided by an external auditor and recommendations provided by the Executive Committee.
12. Define policy for risk assessment, capital adequacy, and liquidity of the Bank, and strategy and guidelines to maintain the Bank's capital consistent with the approved risk appetite level. Define a stress test policy that is in line with the Bank's transactions and material risks.
13. Appoint the CEO nominated by the Nomination and Remuneration Committee and determine the performance evaluation criteria for the CEO

that align with his or her performance. Perform or delegate authority to the Nomination and Remuneration Committee to perform the annual performance evaluation of the CEO and approve the remuneration according to the pre-determined criteria. Such remuneration should incentivize competency to perform duties to achieve the Group's long-term key objectives and goals.

14. Appoint and specify the authorities and duties of the Bank's executives and the highest-level executive of KKP CAP as recommended by the Nomination and Remuneration Committee, as well as oversee a succession plan in order for the Group to conduct business unceasingly.
15. Appoint, transfer, remove, and assess the efficiency and effectiveness of the performance of the head of the risk management unit, the head of the compliance unit, and the head of the internal audit unit. The Board of Directors may assign committees to perform such duties on its behalf as is deemed appropriate for the aforementioned persons to act independently.
16. Ensure that the Bank has policies on loans and investments with related parties in place.
17. Review and approve, through committees, the management's proposal relating to the authorization of lending, investments, commitments, or any transactions with loan-like characteristics, as well as purchasing and management expenditures. This is for the benefit of the Bank and in compliance with related laws and regulations.
18. Regularly review the Board of Directors' roles and responsibilities at least once a year to be in line with the changing business environment, industry, relevant factors, regulations, and laws, as well as enable the Bank to adapt in an appropriate and timely manner. Perform an annual performance evaluation of the Board of Directors.
19. Oversee that the Bank discloses important corporate governance information at the shareholders' meeting and to the public accurately, completely, transparently, and timely according to the duty of disclosure.

20. Ensure that each individual director participates in no less than 75% of all Board of Directors' meetings held in a year, unless with reasonable grounds or necessity.

Furthermore, the Board of Directors may seek further professional opinion from external consultants on the operation of the Bank and the Group companies, with the expenses borne by the Bank or the Group companies.

The Chairman of the Board of Directors must be an independent or non-executive director. The Board of Directors should meet at least once every three months or more often as deemed appropriate with the duties and responsibilities of the Board of Directors and no less than six times per year. The quorum for the Board of Directors' meetings must consist of at least two-thirds (2/3) of the board members. At the time of the Board of Directors' voting, there must be at least two-thirds (2/3) of the total number of directors.

All meeting resolutions must be passed by a majority vote of the board members attending the meeting. One director is entitled to one vote in casting the votes. The exemption is made so that directors having an interest in any matter shall not be entitled to vote on such a matter. In the event that the votes are equal, the Chairman of the meeting is required to make an additional vote of one vote as a final judgment.

Matters under the Authority of the Board of Directors of the Bank

The Board of Directors of the Bank has responsibility for the administration of all activities of the Bank and is empowered to proceed under the provisions of law, the Bank's Articles of Association, and the resolution of the shareholders' meeting. These matters, which are under the authority of the Bank's Board of Directors, consist of the following:

1. To determine the business direction and overall strategic goal of the Group.
2. To approve the Group's business plan and annual budget as proposed by the Executive Committee.
3. To define and approve the policies as required by laws or regulatory agencies, including the main policies for operating businesses.



4. To approve the Corporate Governance Policy and the Guidelines for Business Conduct Policy for the Bank and the Group companies as proposed by the Compliance and Governance Committee.
5. To appoint, remove, and define the authorities and duties for the committees under its supervision, including the Bank's senior executives from the First Executive Vice President level and higher.
6. To approve the remuneration and other benefits for high-level executives of the Bank.
7. To appoint and remove the Corporate Secretary.
8. To approve the payment and omission of the interim dividend for shareholders.
9. To propose an increase or reduction in capital or change of share value and the amendment or alteration of the Memorandum of Association, Articles of Association, and/or objectives of the Bank to shareholders.
10. To approve or cancel loans, credit guarantees, or credit limits in excess of the Executive Committee's authorized limit.
11. To approve the granting of loans or credit guarantees for companies that have a business relationship with the Bank as shareholders.
12. To approve the incorporation, merger, or termination of subsidiary companies.
13. To approve the modification, demolition, and writing off of fixed assets and intangible assets that deteriorate or are decommissioned, out of order, lost, damaged, or outdated and are no longer usable, with book values exceeding the Executive Committee's authorized limit.

14. To sell or mortgage any immovable property of the Bank or any rental of immovable property of the Bank for a period exceeding three years.
15. To approve the acquisition or disposal of assets and connected transactions in accordance with the notifications of the Capital Market Supervisory Board.

7.2.4 Roles and Responsibilities of the Chairman of the Board

The Chairman of the Board of Directors has a vital role in ensuring that the Board of Directors performs its duties in accordance with the specified direction and strategic goal for the utmost benefit of the Bank and shareholders as a whole. He will take on leading roles for the Board of Directors, at least covering the following aspects:

1. Oversee, monitor, and ensure that the Bank's Board of Directors efficiently carries out its duties to achieve its objectives and main goal.
2. Ensure that all directors contribute to the Bank's ethical culture and good corporate governance.
3. Set the board meeting agendas by discussing them with the CEO and ensuring that important matters are included.
4. Allocate sufficient time for management to propose topics and for directors to debate important matters thoroughly. Promote a culture of openness to provide directors with the freedom to discuss, debate, and express their opinions in a constructive, independent, and transparent manner.
5. Ensure constructive relations between executive and non-executive directors and between the board and management.

7.3 Committees

The committees, which have been appointed by the Board of Directors to assist in operating the businesses in accordance with the specified policies, consist of the Audit Committee, Nomination and Remuneration Committee, Compliance and Governance Committee, Risk Oversight Committee, and Executive Committee. The term of the committee members is equal to the term of the directorship

7.3.1 Audit Committee

The Audit Committee has the following roles, duties, and responsibilities as assigned by the Board of Directors:

Financial reporting and auditors

1. Review the Group's financial reporting to ensure its accuracy and adequacy and receive information about improper transactions in financial statements or other issues from employees.
2. Consider, select, and nominate an independent person to be the Group's auditor; propose remuneration for the auditor; and attend a non-management meeting with the auditor at least once a year.
3. Consider the plan or scope of the audit to ensure that it has covered all substantive risks and financial reporting requirements. Monitor and ensure that the issues found by the auditor are corrected appropriately and in a timely manner.
4. Consider the Group's policy relating to non-audit services provided by the auditor and review it to ensure that the use of such services does not interfere with the auditor's independence.

Internal control system and internal audit

5. Review the Group's internal controls, including information technology security and control, to ensure that they are suitable and effective.
6. Determine the internal audit unit's independence, review the Group's internal audit to ensure that it is suitable and efficient, and approve the appointment, transfer, and dismissal, as well as the performance efficiency and effectiveness of the chief of the internal audit unit or any other unit in charge of an internal audit.
7. Review the implementation of remedial actions on the audit issues raised by the regulators, external auditors, and internal auditors.

Compliance with laws and regulations

8. Review the performance of the Group companies to ensure compliance with the laws pertaining to financial institutions, the law on securities and exchange, the SET's regulations, the Bank of Thailand's regulations, other laws and regulations relating to financial institutions and securities businesses, and any other laws, such as the

Anti-Money Laundering and Counter-Terrorism and Proliferation of Weapon of Mass Destruction Financing (AML/CTPF), requirements of the OIC, the Personal Data Protection Act, etc.

9. Review to ensure that the Group companies follow the Group's policies.

Connected transactions or transactions that may have conflicts of interest

10. Review the connected transactions or the transactions that may lead to a conflict of interest and the disclosure thereof to ensure that they are in compliance with the laws and the SET's regulations, are reasonable, and are for the highest benefit.

Reporting

11. Report on the committee's performance to the Bank's Board of Directors at least every quarter.
12. Prepare and disclose the following information in the Group's annual report and the Audit Committee's report that must be signed by the Audit Committee's Chairperson:
 - (a) opinion on the accuracy, completeness, and credibility of the Group's financial report;
 - (b) opinion on the adequacy of the Group's internal control system;
 - (c) opinion on the compliance with the laws pertaining to financial institutions, the law on securities and exchange, the SET's regulations, the Bank of Thailand's regulations, other laws and regulations relating to financial institutions and securities businesses, and any other laws, such as the Anti-Money Laundering and Counter-Terrorism and Proliferation of Weapon of Mass Destruction Financing (AML/CTPF), requirements of the OIC, the Personal Data Protection Act, etc.;
 - (d) opinion on the suitability of the auditor;
 - (e) opinion on the transactions that may lead to a conflict of interest;
 - (f) the number of the Audit Committee's meetings and the attendance of such meetings by each committee member;



- (g) opinion or overview comment received by the Audit Committee from its performance of duties in accordance with the charter; and
 - (h) other transactions that, according to the Audit Committee's opinion, should be known to shareholders and general investors and subject to the scope of duties and responsibilities assigned by the Bank's Board of Directors.
13. Report to the Bank's Board of Directors so that remedial action can be taken within the timeframe that the Audit Committee deems appropriate in case the Audit Committee finds or suspects any misconduct as follows:
- (a) Any transaction that causes a conflict of interest;
 - (b) Any fraud, irregularity, or material defect in an internal control system; or
 - (c) Any violation of the laws pertaining to financial institutions, the law on securities and exchange, the SET's regulations, the Bank of Thailand's regulations, other laws and regulations related to financial institutions and securities businesses, and any other laws, such as the Anti-Money Laundering and Counter-Terrorism and Proliferation of Weapon of Mass Destruction Financing (AML/CTPF), requirements of the OIC, the Personal Data Protection Act, etc. If the Bank's Board of Directors or the management fails to rectify the matter within the period specified by the Audit Committee, the Audit Committee shall disclose such transaction or act in the annual report and report to the Bank of Thailand, the SEC, or the SET accordingly.
- Section 305, Section 306, Section 308, Section 309, Section 310, Section 311, Section 312, or Section 313 and report the preliminary investigation result to the SEC and auditor within thirty days from the notification date.
- 15. Inspect or question any relevant personnel regarding any related issues within the Group. The Audit Committee is authorized to hire or bring in specialists to assist with the auditing process, as deemed appropriate.
 - 16. If necessary, the Audit Committee may invite the management or any relevant person(s) to join the meeting to give additional information related to the matter being audited.
 - 17. Consult and exchange views with the Risk Oversight Committee in order to assess if the risk management policies and strategies cover all existing and emerging risks and if the implementations of such policies and strategies are effective and efficient.
 - 18. Review the accuracy of the Anti-corruption Self-evaluation Report and reference documents, which are prepared and audited by the Legal and Compliance Group and the Internal Audit Office, respectively, in accordance with the review period as prescribed by CAC
 - 19. Perform any other act as assigned by the Bank's Board of Directors and accepted by the Audit Committee.
 - 20. Perform any other act as the law prescribes under the authority of the Audit Committee.

The Audit Committee shall meet at least once every quarter or as often as it deems appropriate and also meet with the Audit Committee of the Group companies at least twice a year. The Chairperson of the Audit Committee may set up the committee meeting via an electronic channel. The quorum for the Audit committee's meetings must consist of no less than half of the Audit Committee members. The meeting resolution is passed by a majority vote of the committee members attending the meeting. The Audit Committee may adopt a resolution without holding a meeting if the Chairperson of the Audit Committee approves and all committee members sign their names on a copy of the text of such a resolution and such a resolution shall have the same force and effect as

Others

- 14. Investigate immediately when receiving information from the auditor pursuant to Section 89/25 of the Securities and Exchange Act about suspicious circumstances that the director, manager, or any person responsible for the operation of the Group commits an offense under Section 281/2 paragraph two,

if it had been adopted at a duly convened meeting of the Audit Committee. The Chairperson of the Audit Committee or the committee member who has been assigned to act as the Chairperson of the meeting has the casting vote.

The Audit Committee consists of three members who are independent directors, as follows:

- | | |
|---|---------------------------------------|
| 1. Mrs. Dayana Bunnag | Chairperson of the
Audit Committee |
| 2. Assoc. Prof. Dr.
Chayodom Sabhasri ¹ | Audit Committee
Member |
| 3. Mr. Chalee Chantanayingyong | Audit Committee
Member |
| Dr. Narong Preedanana | Audit Committee
Secretary |

Mr. Chet Pattrakornkul is an advisor to the Audit Committee.

Remark: ¹ He was appointed as an Audit Committee member by resolution of the Board of Directors' meeting No. 1/2566 held on January 26, 2023.

All three members of the Audit Committee have the knowledge and experience to be able to review the credibility of the financial reports. Their profiles are as described in Attachment 1.

7.3.2 Nomination and Remuneration Committee

The Nomination and Remuneration Committee has the following roles, duties, and responsibilities as assigned by the Board of Directors:

1. Establish policy, criteria, and process for nominating directors and persons with management authority for the Bank and the Group companies in order to propose them to the Bank's Board of Directors; select and propose qualified persons to be the board members, members of subcommittees directly reporting to the Board of Directors, persons with management authority, advisors of the Bank and the highest-level executive of KKP CAP to the Bank's Board of Directors for consideration; and give consent to the directors and persons with management authority of the

Group companies prior to being proposed for appointment. The Nomination and Remuneration Committee can consider appointing qualified persons as persons with management authority and advisors of the Bank who act equivalently to persons with management authority. The Nomination and Remuneration Committee shall report to the Bank's Board of Directors after the appointment's approval.

2. Consider the size and composition of the Board of Directors of the Bank and the Group companies, which are appropriate with the changing circumstances. Oversee that the Group has a mechanism or tool to support the process for selecting and nominating director candidates to ensure that the Board of Directors of the Bank and the Group companies consist of qualified individuals with a wide range of knowledge, capabilities, and experiences favorable to long-term business growth and the directions and strategies of the Group, such as developing a skill matrix that is necessary for the Bank's Board of Directors, etc.
3. Ensure that the board members and persons with management authority of the Bank and the Group companies receive remuneration and benefits that are commensurate with their duties and responsibilities. Consider the remuneration and other benefits for the board members and the CEO of the Bank that reflect the objectives, duties, and responsibilities. and relevant risks¹ prior to proposing them to the Board of Directors. In addition, the committee shall establish a transparent payment policy for remuneration and other benefits for other persons with management authority as a guideline for consideration by the Human Resource Management Committee or the Capital Market Human Resources Management Committee. The committee may also consult with the Risk Oversight Committee to ensure that the remuneration can reflect important risks.

¹ The remuneration should not relate too much to short-term profits or targets and must not create incentives for entering into risky transactions that can affect the Group's stability.



4. Consider and establish guidelines for the performance evaluation of the board members and the CEO of the Bank to propose for the Board of Directors' consideration. The evaluation of the board members should be in the form of both self-evaluation and cross-evaluation or third-party evaluation. The committee shall also establish guidelines for the performance evaluation of the persons with management authority for the Human Resource Management Committee. These guidelines will assist the Human Resource Management Committee in considering the annual remuneration by taking into account the roles and responsibilities, the related risks, the management of business in accordance with the organization's goals and strategies, and the increasing value of shareholders' proportion in the long term.
5. Oversee the disclosure of the policy and process for the selection of directors and persons with management authority of the Bank, the remuneration policy, and various forms of benefits, as well as prepare the committee's report in the Bank's annual report.
6. Oversee that the Bank has a succession plan for executives in place to ensure planning and preparation for critical positions.
7. Report on the committee's performance to the Board of Directors at least once a year.

The Nomination and Remuneration Committee shall meet at least twice a year or as often as it deems appropriate. The Chairman of the Nomination and Remuneration Committee may set up the committee meeting via an electronic channel. The quorum for the Nomination and Remuneration Committee's meetings must consist of no less than half of the Nomination and Remuneration Committee members. The meeting resolution is passed by a majority vote of the committee members attending the meeting. The Nomination and Remuneration Committee may adopt a resolution without holding a meeting if the Chairman of the Nomination and Remuneration Committee approves and all committee members sign their names on a copy of the text of such a resolution and such a resolution shall have the same force and effect as if it had been adopted at a duly

convened meeting of the Nomination and Remuneration Committee. The Chairman of the Nomination and Remuneration Committee or the committee member who has been assigned to act as the Chairperson of the meeting has the casting vote.

The Nomination and Remuneration Committee consists of three members, as follows:

1. Assoc. Prof. Dr. Chayodom Sabhasri ^{1,3}	Chairman of the Nomination and Remuneration Committee
2. Mr. Suvit Mapaisansin ²	Nomination and Remuneration Committee Member
3. Ms. Punnee Chaiyakul ^{1,4}	Nomination and Remuneration Committee Member
Mrs. Penroong Suwannakudt	Nomination and Remuneration Committee Secretary

Remarks: ¹ Independent director

² Non-executive director

³ He was appointed as the Chairman of the Nomination and Remuneration Committee by resolution of the Board of Directors' meeting No. 1/2566 held on January 26, 2023.

⁴ She was appointed as a Nomination and Remuneration Committee member by resolution of the Board of Directors' meeting No. 1/2566 held on January 26, 2023.

7.3.3 Compliance and Governance Committee

The Compliance and Governance Committee has the following roles, duties, and responsibilities as assigned by the Board of Directors:

Compliance

To ensure that the Bank and the Group companies comply with laws, regulations, rules, standards, and practices applicable to various transactions, as well as policies related to the Bank's and the Group companies' operations. The roles, duties, and responsibilities of

the Compliance and Governance Committee regarding oversight in terms of adhering to laws and various regulations are as follows:

1. Approve the Annual Compliance Plan of the compliance unit; acknowledge the report on the operations of the compliance unit; and provide advice in relation thereto to ensure that the annual plan is fully implemented and achieves its objectives.
2. Provide an opinion on the Annual Compliance Report and report it to the Board of Directors.
3. Acknowledge the audit reports from regulatory bodies such as the Bank of Thailand, the SEC, etc.
4. Acknowledge and ensure that the Bank has a process to address the issues identified by regulatory audits and the issues discovered by the compliance unit.
5. Review, endorse, and/or approve working processes, policies, guidelines, and rules related to core compliance applied to the Group, particularly the Group's guidelines for business conduct, as assigned by the Board of Directors, and consider, endorse, and/or approve non-significant changes and report to the Board of Directors once a year.
6. Endorse the appointment, transfer, dismissal, and performance evaluation of the top executive of the compliance unit.
7. Acknowledge the risk framework in terms of legal and regulatory compliance and the results of the risk assessment based on such a framework, as well as review the outcomes from the evaluation of the adequacy and effectiveness of the risk framework of the Group in terms of compliance, whereby there are significant changes every year.
8. Provide guidance on compliance with the regulations and/or issues that have been presented with the aim of enhancing business operational efficiency.
9. Report on the committee's performance to the Board of Directors at least once a year and immediately if there is any significant incompliance with the rules of the regulators, the Bank, and/or the Group companies.

Corporate governance

To ensure that the Group has an effective and independent corporate governance system by specifying policies and operational procedures suitable for the business operations. The roles, duties, and responsibilities of the Compliance and Governance Committee, particularly on corporate governance in compliance with the standards and in good governance, are as follows:

10. Regularly review the corporate governance principles of the Bank and the Group companies and their compliance with international standards and suggestions of regulators; consider the assessment result of the Bank's and the Group companies' corporate governance carried out by external entities; and recommend the development of the Bank's corporate governance principles to the Board of Directors for approval.
11. Review, endorse, and/or approve policies, guidelines, and regulations related to good governance in line with governance principles as assigned by the Board of Directors, as well as consider, endorse, and/or approve amendments regarding minor changes, and report to the Board of Directors once a year.
12. Review and endorse the scope of duties of the committees appointed by the Board of Directors to align with the responsibilities assigned by the Board of Directors and the relevant laws and regulations, and review the roles and duties in relation thereto at least once a year to seek approval from the Board of Directors.
13. Provide guidance on compliance with the regulations and/or issues that have been presented with the aim of enhancing business operational efficiency.

Sustainability development (ESG) governance

To oversee execution in accordance with the law and international regulations and guidelines based on sustainability principles and practices, or as determined by the Board of Directors. The roles, duties, and responsibilities of the Compliance and Governance Committee on environmental, social, and governance (ESG) or sustainability are as follows:



14. Endorse and provide guidance on the corporate sustainability goals as well as the strategic direction and policies regarding ESG, risks, and impacts, including climate-related matters affecting stakeholders from the Bank's and the Group companies' business operations, for the Board of Directors' approval.
15. Acknowledge and provide recommendations on progress reports and sustainability performance, as well as provide advice on business opportunities, particularly on sustainability and climate-related matters.
16. Endorse and approve the sustainability report and propose it to the Board of Directors for acknowledgment.
17. Acknowledge the framework of risk rising from ESG impacts, along with the results of ESG risk assessment, provide opinions and recommendations on the effectiveness of the ESG risk assessment outcome within the operations of the Bank and the Group companies, and provide opinions on matters concerning risk management and sustainability impacts to the Board of Directors or the Risk Oversight Committee.
18. Acknowledge the sustainability performance report, including initiative projects related to environmental sustainability, climate-related concerns, human rights, responsible investment and lending, and other relevant subjects, and provide opinions and recommendations for appropriate adjustments and enhancements. Present a performance report to the Board of Directors at least once a year and promptly report significant concerns.
19. Provide guidance on compliance with the law, regulations, and/or issues that have been presented for the Bank and the Group companies with the aim of enhancing business operational efficiency.

The Compliance and Governance Committee shall meet at least once every quarter or as often as it deems appropriate. The Chairman of the Compliance and Governance Committee may set up the committee meeting via an electronic channel. The quorum for the

Compliance and Governance Committee's meetings must consist of no less than half of the Compliance and Governance Committee members. The meeting resolution is passed by a majority vote of the committee members attending the meeting. The Compliance and Governance Committee may adopt a resolution without holding a meeting if the Chairman of the Compliance and Governance Committee approves and all committee members sign their names on a copy of the text of such a resolution and such a resolution shall have the same force and effect as if it had been adopted at a duly convened meeting of the Compliance and Governance Committee. The Chairman of the Compliance and Governance Committee or the committee member who has been assigned to act as the Chairperson of the meeting has the casting vote.

The Compliance and Governance Committee consists of three members, as follows:

- | | |
|---|---|
| 1. Mr. Chalee Chantanayingyong ¹ | Chairman of the Compliance and Governance Committee |
| 2. Mr. Suvit Mapaisansin ² | Compliance and Governance Committee Member |
| 3. Mrs. Patchanee Limapichat ² | Compliance and Governance Committee Member |
| Mr. Aphichart Chongsanguanpradab | Compliance and Governance Committee Secretary |

Remarks: ¹ Independent director

² Non-executive director

7.3.4 Risk Oversight Committee

The Risk Oversight Committee has the following roles, duties, and responsibilities as assigned by the Board of Directors:

1. Set up the overall policy on risk management for the Bank and the Group companies and propose it to the Board of Directors for consideration.

This includes major policies on credit risk, market risk, liquidity risk, operational risk, including IT risk, risk appetite, and any other risk that could adversely affect the Bank's and the Group companies' reputations.

2. Develop strategies that are consistent with the Bank's risk management policy. The strategies should enable the committee to assess, monitor, and control risks at acceptable levels. Additionally, it is the responsibility of the committee to set up criteria for considering reserves for asset classification.
3. Consider and approve criteria relating to lending, commitments, and any transactions with loan-like characteristics that are within the risk management framework set by a regulatory agency or the Bank. It is the committee's responsibility to consider and establish credit policies in order to propose them to the Board of Directors for approval.
4. Oversee the risk management of the Bank and the Group companies and report to the Board of Directors.
5. Give suggestions to the Board of Directors about the financial institution's risk management framework.
6. Report to the Audit Committee and/or the Compliance and Governance Committee to acknowledge the issues that need to be improved to be consistent with the risk management policies and guidelines.
7. Oversee that senior executives, including the Head of Risk Management Group, comply with the risk management policies and strategies as well as the specified risk appetite.
8. Oversee that strategies on capital and liquidity management for absorbing various types of risks at the financial institution are in line with the approved risk appetite.
9. Revisit and review the sufficiency and effectiveness of the overall risk management policies and strategies as well as risk appetite at least once a year or when there is any significant change, where the Risk Oversight Committee should consult and exchange views with the

Audit Committee in order to assess if the risk management policies and strategies cover all existing and new types of risks and if the implementation of such policies and strategies is effective and efficient.

10. Report the committee's performance to the Board of Directors at least once a year. And also report the following to the Board of Directors: risk exposures, effectiveness of risk management, progress on the implementation of risk culture, important factors and problems, and the required revisions to meet the risk management policies and strategies. Review the adequacy of the risk management policies and systems as well as the effectiveness of such systems and their implementation according to specified policies.
11. Express an opinion or take part in the evaluation of the effectiveness and efficiency of the Head of Risk Management Group.

The Risk Oversight Committee shall meet at least once every quarter or as often as it deems appropriate. The Chairman of the Risk Oversight Committee may set up the committee meeting via an electronic channel. The quorum for the Risk Oversight Committee's meetings must consist of no less than half of the Risk Oversight Committee members. The meeting resolution is passed by a majority vote of the committee members attending the meeting. The Risk Oversight Committee may adopt a resolution without holding a meeting if the Chairman of the Risk Oversight Committee approves and all committee members sign their names on a copy of the text of such a resolution and such a resolution shall have the same force and effect as if it had been adopted at a duly convened meeting of the Risk Oversight Committee. The Chairman of the Risk Oversight Committee has the casting vote.

The Chairman of the Risk Oversight Committee must be an independent director or non-executive director. At least half of the committee members must be independent directors or non-executive directors.

The Risk Oversight Committee consists of four members, as follows:



1. Mr. Supol Wattanavekin¹ Chairman of the Risk Oversight Committee
2. Prof. Dr. Anya Khanthavit¹ Risk Oversight Committee Member
3. Mr. Aphinant Klewpatinond Risk Oversight Committee Member
4. Mr. Philip Chen Chong Tan Risk Oversight Committee Member
- Dr. Popanit Poommarapan Risk Oversight Committee Secretary
- Mr. Banyong Pongpanich is an advisor to the Risk Oversight Committee.

Remark: ¹ Non-executive director

7.3.5 Executive Committee

The Executive Committee has the following roles, duties, and responsibilities as assigned by the Board of Directors:

1. Determine the short- and long-term business directions and strategic goals of the Group for both financial and non-financial aspects by analyzing the ecosystem and factors prior to proposing them to the Board of Directors for consideration.
2. Consider the policy and operating plan of the Bank and the Group companies, as proposed by the CEO, prior to proposing them to the Board of Directors for consideration, emphasizing adequate and efficient allocation of key resources, and ensuring that the CEO operates the business in accordance with the approved policy effectively and efficiently.
3. Consider and approve the policies, guidelines, and working rules of the Bank and the Group companies.
4. Oversee the business operations of the Bank and the Group companies in order to carry out business in accordance with the laws and approved policies, as well as assign operating matters of the Bank and the Group companies to the CEO and subcommittees in order to propose them to the Board of Directors for consideration.

5. Establish the overall organizational structure in accordance with the business directions and goals, as well as give consent to any revision to the Bank's organizational structure at the group level (in the case of setting up a new business or dismissing any business) prior to proposing it to the Board of Directors for consideration. Meanwhile, the CEO and the President are authorized to approve the revision of the organizational structure at the departmental or group level (excluding setting up a new business or dismissing any business) according to line authority as deemed appropriate.
6. Supervise the performance and establish the roles and responsibilities of the CEO, subcommittees, and executives, who are assigned by the Executive Committee to be responsible for a specific matter.
7. Consider and approve loans, restructuring loans, and sales of main foreclosed property; set the asset price to be purchased from auctions; exercise the right to object in accordance with the specified limit; approve the legal expenses and litigation against debtors; and approve the securities underwriting and securities commitment of the Bank or the Group companies within the specified limit and propose it to the Board of Directors for acknowledgement.
8. Approve the unreviewed or unaudited financial statements in order to disclose them to the SET and relevant supervisory agencies and consider the reviewed or audited financial statements before proposing them to the Board of Directors for approval.

The Executive Committee shall meet at least once a month or as often as it deems appropriate. The Chairman of the Executive Committee may set up the committee meeting via an electronic channel. The quorum for the Executive Committee's meetings must consist of no less than half of the Executive Committee members. The meeting resolution is passed by a majority vote of the committee members attending the meeting. In cases where unanimity is not reached, the committee member may propose such an agenda to the Board of Directors

for consideration. The Executive Committee may adopt a resolution without holding a meeting if the Chairman of the Executive Committee approves and all committee members sign their names on a copy of the text of such a resolution and such a resolution shall have the same force and effect as if it had been adopted at a duly convened meeting of the Executive Committee.

The Executive Committee consists of ten members, as follows:

- | | |
|-------------------------------|---|
| 1. Mr. Banyong Pongpanich | Chairman of
the Executive
Committee |
| 2. Mr. Aphinant Klewpatinond | Executive
Committee Member |
| 3. Ms. Thitinan Wattanavekin | Executive
Committee Member |
| 4. Mr. Pracha Chumnamkitkosol | Executive
Committee Member |
| 5. Dr. Anuchit Anuchitanukul | Executive
Committee Member |
| 6. Mr. Philip Chen Chong Tan | Executive
Committee Member |
| 7. Mr. Trairak Tengtrirat | Executive
Committee Member |
| 8. Mrs. Kulnan Tsanthaiwo | Executive
Committee Member |
| 9. Mr. Supachoke Supabundit | Executive
Committee Member |
| 10. Mr. Kampol Jantavibool | Executive
Committee Member |
| Mrs. Vararat Satayarak | Executive
Committee Secretary |

Mr. Supol Wattanavekin is an advisor to the Executive Committee.

In addition, the Bank has other committees and subcommittees that are established to assist the above-mentioned committees and the CEO in effectively and efficiently operating the business of the Bank and the Group companies.

Subcommittee under the Supervision of the Risk Oversight Committee

- 1) Operational Risk Sub-committee

Subcommittee under the Supervision of the Compliance and Governance Committee

- 1) Sustainability Sub-committee

Committees under the Supervision of the Executive Committee

- 1) Assets and Liabilities Management Committee
- 2) Main Credit and Foreclosed Property Committee
- 3) Human Resource Management Committee
- 4) Investment Committee
- 5) Underwriting Committee

Subcommittee under the Supervision of the Assets and Liabilities Management Committee

- 1) Money Desk Sub-committee

Committees and subcommittees under the Supervision of the Main Credit and Foreclosed Property Committee

- 1) Credit and Foreclosed Property Committee
- 2) Lombard Sub-committee
- 3) Foreclosed Property Sub-committee
- 4) Asset Appraisal and Valuation Sub-committee

Subcommittees under the Supervision of the Commercial Banking Management Committee

- 1) Property and Equipment Management Sub-committee
- 2) IT Investment Sub-committee
- 3) Procurement Sub-committee
- 4) IT Procurement Sub-committee
- 5) New Product & Process Review Sub-committee
- 6) Business Development & Product Strategy Sub-committee
- 7) Crisis Management Sub-committee
- 8) Integrated Marketing Sub-committee

Committees under the Supervision of the Board of Directors of KKP CAP

- 1) Capital Market Audit Committee
- 2) Capital Market Risk Management Committee
- 3) Capital Market Human Resources Management Committee

Committees under the Supervision of the Board of Directors of KKPS

- 1) Audit Committee
- 2) Risk Management Committee

- 3) Investment Committee
- 4) Property/REITS Investment Committee

Committees under the Supervision of the Board of Directors of KKPAM

- 1) Audit Committee
- 2) Risk Management Committee

Committees under the Supervision of the Board of Directors of KKP DIME

- 1) Audit Committee
- 2) Risk Management Committee

7.4 Management

7.4.1 Name of Management of the Bank (As of December 31, 2023)

No.	Name of Executive	Position
1.	Mr. Aphinant Klewpatinond	Chief Executive Officer Acting Head of Commercial Lending Group ¹ Executive Committee Member
2.	Mr. Philip Chen Chong Tan	President Executive Committee Member
3.	Mrs. Kulnan Tsanhaiwo	First Executive Vice President Advisor to Chief Executive Officer Acting Department Head of Deposit and Bancassurance Product Development Executive Committee Member
4.	Dr. Anuchit Anuchitanukul	First Executive Vice President Advisor to Chief Executive Officer Executive Committee Member
5.	Mr. Trairak Tengtrirat	First Executive Vice President Head of Corporate Banking Group Executive Committee Member
6.	Mr. Pracha Chumnarnkitkosol	First Executive Vice President Head of Special Asset Management Group Executive Committee Member
7.	Mr. Kampol Jantavibool	Executive Committee Member
8.	Mr. Supachoke Supabundit	Executive Committee Member
9.	Ms. Kusumann Lowsalaraks	First Executive Vice President Head of Auto Finance Group
10.	Mrs. Kessara Liengchayetz	First Executive Vice President Head of Priority Banking Group Department Head of Sales
11.	Mrs. Ketsuda Uththalye	First Executive Vice President Head of Transactional Banking and Operations Group
12.	Mr. Preecha Techarungchaikul	First Executive Vice President Head of Financial Markets Group Head of Finance and Budgeting Group



No.	Name of Executive	Position
13.	Mr. Panya Vechbanyongratana	First Executive Vice President Advisor to Head of Information Technology Group
14.	Dr. Popanit Poommarapan	First Executive Vice President Head of Risk Management Group Acting Department Head of Operational Risk Management
15.	Mrs. Penroong Suwannakudt	First Executive Vice President Head of Human Resources Management Group
16.	Mr. Pattarapong Raktabutr	First Executive Vice President Head of Consumer Finance Group Head of Branch Network Group
17.	Mr. Worrakrit Jaruwongpak	First Executive Vice President Advisor to President
18.	Mr. Somkiat Jompratchaya	First Executive Vice President Head of Retail Credit and Collection Group Acting Department Head of Retail Credit Risk Management
19.	Mr. Anuwat Ruamsuke	First Executive Vice President Head of Capital Markets Group
20.	Mr. Aphichart Chongsanguanpradab	First Executive Vice President Head of Legal and Compliance Group
21.	Ms. Nilawan Treekitjamroon	Senior Vice President Department Head of Accounting
22.	Mr. Partsakorn Boonyaprasit	Executive Vice President Deputy Head of Information Technology Group ²
23.	Ms. Natjakorn Chainit	Executive Vice President Deputy Head of Legal and Compliance Group
24.	Mr. Hirunrooj Loutheeravong	Executive Vice President Deputy Head of Consumer Finance Group Acting Department Head of Telemarketing & Cross Sale Acting Department Head of Personal Acquiring 1
25.	Mr. Chainarong Rojanasintu	Executive Vice President Department Head of Corporate Lending
26.	Mr. Naphat Theodthai	Executive Vice President Department Head of Financial Crime Risk Management
27.	Dr. Narong Preedanan	Executive Vice President Head of Internal Audit Office
28.	Ms. Tongjai Chartwinyanuyutt	Executive Vice President Consumer Finance Product Head
29.	Mr. Techin Dulyarittirong	Executive Vice President Auto Finance Product Head
30.	Ms. Nithivadee Tantipoj	Executive Vice President Executive Office
31.	Ms. Pattanai Luangtrakul	Executive Vice President Head of Corporate and Marketing Communication Office
32.	Mrs. Pichaya Sotangkur	Executive Vice President Department Head of Commercial Credit Analysis



No.	Name of Executive	Position
33.	Mr. Romsai Tandakoseya	Executive Vice President Department Head of Commercial and Financial Institutions Credit Risk Management
34.	Mr. Wanakan Kanjanasoon	Executive Vice President Department Head of Retail Business Strategy and Innovation
35.	Mrs. Wandee Srimonthol	Executive Vice President - Assistant of President Executive Office
36.	Dr. Weerawich Roekchamnong	Executive Vice President Department Head of Product Management and Business Support
37.	Mr. Somchai Viriyathanit	Executive Vice President Department Head of Debt Restructuring 1 Acting Department Head of Foreclosed Property Management
38.	Mr. Sujarus Cherdchamadol	Executive Vice President Department Head of Capital Market and Technology Legal Acting Department Head of Law and Regulatory Compliance - Capital Market
39.	Mr. Apiwat Puspakom	Executive Vice President Department Head of Balance Sheet Management Department Head of Treasury

Remarks: No. 1 - 20 and 22 - 39 are executives according to the definition of the Bank of Thailand.

No. 1 - 2, 5 - 6, 9 - 12, 14 - 16, and 18 - 20 are executives according to the definition of the SEC.

¹ Mr. Surat Leelatawivat was appointed as First Executive Vice President and Head of Commercial Lending Group effective January 1, 2024.

² Mr. Partsakorn Boonyaprasit was appointed as Head of Information Technology Group effective January 1, 2024.

7.4.2 Remuneration of Executive Directors and Executives

On an annual basis, the Nomination and Remuneration Committee shall arrange the performance evaluation of the CEO (Details of the executive performance evaluation are shown in Section 8.1.4). The evaluation result shall be used as one of the factors to determine appropriate compensation. The Chairman of the Board of Directors, the Chairman of the Executive Committee, and the Chairman of the Nomination and Remuneration Committee shall jointly communicate the evaluation result to the CEO.

In 2023, the Bank paid compensation to forty-five executives², including the Bank's advisors and the executives who are on secondment from subsidiaries, totaling Baht 472,621,310. The compensation arranged for the executives and advisors was in the form of

monthly salary, bonus, and advisor remuneration, which were determined based on the total compensation concept, taking into account the performance of the Bank, the business groups, and the individual's performance in accordance with his or her duty and management responsibility for operating the business to achieve the specified plan and strategy. Such an amount consisted of a fixed remuneration of Baht 226,804,150 and a variable remuneration of Baht 245,817,160.

Furthermore, the executives of the Bank receive the same benefits and welfare as employees, such as medical fees, health check-ups, life insurance, accident insurance, total permanent disability insurance, health insurance, staff loan, employer's contribution to the provident fund, etc. In 2023, the Bank contributed Baht 19,536,197.50 to the provident fund for forty-two executives.

² Executives mean "persons with management authority" according to the definition of the Bank of Thailand on Corporate Governance of Financial Institutions, including "management" as defined by the SEC.

The 2023 AGM, dated April 20, 2023, approved the issuance and allocation of warrants for the purchase of ordinary shares of the Bank in the amount of up to 60,000,000 units for allotment to executives and employees (“KKP ESOP warrant”) at no cost. This aimed to motivate executives and employees to efficiently and jointly work to drive business growth and productivity, allow executives and employees to participate in ownership, create bonding and loyalty to the organization, and retain

talents with the organization in the long term. The Bank has guidelines and procedures to allocate such warrants to full-time employees as of June 30, 2023, in accordance with their positions and remaining working period. One unit of the KKP ESOP warrant will be entitled to purchase one ordinary share of the Bank. The exercise price is Baht 72 per share. The Bank allocated thirty-eight executives 12,624,000 units of the KKP ESOP warrants, representing 21% of the total KKP ESOP warrants.

The table shows changes in executives' KKP shareholding.

No.	Name of Executive*	Shareholding (Share)		Change Increase/ (Decrease) (Share)	Shareholding (%)
		December 31, 2022	December 31, 2023		
1.	Mr. Aphinant Klewpatinond	1,200,000	1,250,000	50,000	0.15
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
2.	Mr. Philip Chen Chong Tan	40,000	200,000	160,000	0.02
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
3.	Mrs. Kulnan Tsanthaiwo	-	-	-	-
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
4.	Dr. Anuchit Anuchitanukul	-	-	-	-
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
5.	Mr. Trairak Tengtrirat	35,700	35,700	-	0.00
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
6.	Mr. Pracha Chumnarnkitkosol	-	-	-	-
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
7.	Mr. Kampol Jantavibool	-	-	-	-
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
8.	Mr. Supachoke Supabundit	-	-	-	-
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
9.	Ms. Kusumann Lowsalaraks	-	-	-	-
	Spouse	-	-	-	-
	Minor Children	-	-	-	-



No.	Name of Executive*	Shareholding (Share)		Change Increase/ (Decrease) (Share)	Shareholding (%)
		December 31, 2022	December 31, 2023		
10.	Mrs. Kessara Liengchayetz	-	-	-	-
	Spouse	50,000	90,000	40,000	0.01
	Minor Children	-	-	-	-
11.	Mrs. Ketsuda Uhthalye	-	5,000	5,000	0.00
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
12.	Mr. Preecha Techarungchaikul	-	-	-	-
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
13.	Mr. Panya Vechbanyongratana	-	-	-	-
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
14.	Dr. Popanit Poommarapan	-	-	-	-
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
15.	Mrs. Penroong Suwannakudt	-	-	-	-
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
16.	Mr. Pattarapong Raktabutr	-	-	-	-
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
17.	Mr. Worakrit Jaruwongpak	-	-	-	-
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
18.	Mr. Somkiat Jomprachaya	-	-	-	-
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
19.	Mr. Anuwat Ruamsuke	-	-	-	-
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
20.	Mr. Aphichart Chongsanguanpradab	-	-	-	-
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
21.	Ms. Nilawan Treekitjamroon	-	-	-	-
	Spouse	-	-	-	-
	Minor Children	-	-	-	-



No.	Name of Executive*	Shareholding (Share)		Change Increase/ (Decrease) (Share)	Shareholding (%)
		December 31, 2022	December 31, 2023		
22.	Mr. Partsakorn Boonyaprasit	5,500	5,500	-	0.00
	Spouse	5,000	5,000	-	0.00
	Minor Children	-	-	-	-
23.	Ms. Natjakorn Chainit	500	7,500	7,000	0.00
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
24.	Mr. Hirunrooj Loutheeravong	-	-	-	-
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
25.	Mr. Chainarong Rojanasintu	82	82	-	0.00
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
26.	Mr. Naphat Theodthai	-	-	-	-
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
27.	Dr. Narong Preedanan	-	-	-	-
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
28.	Ms. Tongjai Chartwinyanuyutt	-	-	-	-
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
29.	Mr. Techin Dulyarittirong	-	50,000	50,000	0.01
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
30.	Ms. Nithivadee Tantipoj	18,000	100,000	82,000	0.01
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
31.	Ms. Pattanai Luangtrakul	-	-	-	-
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
32.	Mrs. Pichaya Sotangkur	-	-	-	-
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
33.	Mr. Romsai Tandakoseya	-	-	-	-
	Spouse	-	-	-	-
	Minor Children	-	-	-	-



No.	Name of Executive*	Shareholding (Share)		Change Increase/ (Decrease) (Share)	Shareholding (%)
		December 31, 2022	December 31, 2023		
34.	Mr. Wanakan Kanjanasoon	56,500	56,500	-	0.01
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
35.	Mrs. Wandee Srimonthol	-	-	-	-
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
36.	Dr. Weerawich Roekchamnong	-	-	-	-
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
37.	Mr. Somchai Viriyathanit ¹	N/A	-	-	-
	Spouse	N/A	-	-	-
	Minor Children	N/A	-	-	-
38.	Mr. Sujarus Cherdchamadol ¹	N/A	25,000	25,000	0.00
	Spouse	N/A	-	-	-
	Minor Children	N/A	-	-	-
39.	Mr. Apiwat Puspakom ¹	N/A	-	-	-
	Spouse	N/A	-	-	-
	Minor Children	N/A	-	-	-

Remarks: * Information on the names and positions of executives is shown in Section 7.4.

¹ Appointed in the year 2023. Hence, the number of shareholdings as of December 31, 2022, is not an appropriate comparison.

7.5 Personnel

The Group acknowledges employees as its most valuable resource, as they play a pivotal role in its success and sustainable growth. Beyond being business partners, they are considered integral members of the Group.

The Group's human resources management principles are encapsulated in five key words: **seeking, teaching, doing, nurturing, and promoting**. This involves actively seeking and inviting qualified candidates with the potential and skill set suitable for the job and fostering a team-oriented attitude. The Group provides employees with lifelong learning opportunities to enhance their skills, perform duties to their fullest capabilities, voice opinions leading to actions, and receive compensation aligned with their performance and industry standards. The Group encourages employees to shine and reach their fullest potential.

The organization expects all employees to embody the corporate principles of “winning attitude, grit, community, and market” to drive the Group towards high performance, increased productivity, business income generation, and value creation for stakeholders, including employees, clients, the Group, and society. The Group aspires to be recognized as “a great place to work” where all employees are happy and fully motivated.

As of December 31, 2023, the Bank employed a total of 3,907 personnel, comprising 1,461 men and 2,446 women, excluding those on secondment from other Group companies. The employee distribution includes 1,729 individuals in business functions and 2,178 in support functions.



Internal Capabilities Development

The Group places a strong focus on developing internal capabilities to ensure competitiveness and support sustainable growth. Human resources strategy, policy, and vision are critical components of achieving strategic business goals.

Beyond identifying and recruiting highly qualified personnel, the Group seeks candidates aligned with its values and corporate principles to strengthen the working team. The Group considers leveraging internal capabilities and personnel dedication crucial to delivering top-notch services and products to clients. The Group also emphasizes a competitive compensation scheme, ensuring internal equity and external competitiveness based on results from compensation surveys conducted by leading human resource consulting firms.

Moreover, the Group actively promotes a positive corporate culture, knowledge sharing, a happy workplace, robust employee engagement, equality, and respect for individual rights.

7.5.1 Human Resources Policy

(1) Personnel Recruitment and Selection (Talent Acquisition)

The Group leverages cutting-edge technology and diverse channels to attract qualified candidates for open positions. By aligning with business needs and enhancing competitiveness, the Group has strengthened and expanded the gateway to the labor market.

The Group aspires to be a “great place to work,” focusing on creating an exceptional experience for both employees and candidates throughout their journey. The Group empowers individuals in aspects of learning, acting, earning, enjoying, and feeling proud through an employer value proposition (EVP) centered on “opportunities.”

Job openings are publicized on various platforms, including the KKP Career website, LinkedIn, the official Line account @KKPCareer, the Blognone page, and Jobtopgun. The Group continually develops sourcing channels, such as the Job Fair Metaverse, and engages in year-round activities and projects with universities.

The Group prioritizes the development of selection tools, employing behavioral-based interviews to assess

candidates’ qualifications, skills, and potential alignment with corporate principles (principle-based selection). Regular knowledge-sharing sessions enhance hiring managers’ skills, ensuring they are adept at identifying a quality workforce while reinforcing attitudes, ethics, and creativity specific to the positions.

Diversity and inclusion are paramount in the recruitment process, with a commitment to zero tolerance for discrimination based on race, nationality, religion, gender, age, disability, sexual orientation, or any other illegal form of discrimination. The Group provides equal employment opportunities, fostering an environment where all candidates, both internally and externally, have an equal chance to contribute to the organization’s sustainable growth.

The Group places a high priority on diversity and inclusion in accordance with the Empowerment of Persons with Disabilities Act, B.E. 2550 (2007), Section 35. It coordinated with the Thai Banker’s Association and the Thai Red Cross Society to transform its approach to promoting and developing the quality of life for people with disabilities. This involves engaging in outsourcing work or service contracts and providing employment opportunities for persons with disabilities within the Thai Red Cross Society and the social innovation network. As of the end of the year 2023, the Group had hired 45 persons with disabilities, in accordance with the legally mandated ratio of 1 employee with disabilities per 100 employees. This initiative aligns with the objective of enhancing the quality of life for persons with disabilities by offering them opportunities for suitable professions, close-to-home employment, and effective utilization of their capabilities.

(2) Career Management

The Group places a strong emphasis on the career development of its employees, encouraging them to cultivate the potential and competencies essential for efficient and effective performance. Fostering motivation, the Group empowers employees to contribute to the organization’s sustainable success, engage actively, and progress in their careers.

The promotion of “job applications” is actively supported, with external hiring only considered when no suitable candidate is found within the organization.



Promotions occur semi-annually, with established criteria communicated and comprehended by all employees.

Furthermore, the Group provides opportunities for employees to self-select and plan their career development through a structured process. This proactive approach enables employees to prepare for potential changes in responsibilities and align their career paths with organizational goals, as well as enabling the Group to maintain qualified personnel.

(3) Performance Management

The Group implements a performance management system characterized by fairness and transparency across all employee levels. The system fosters collaboration, systematically enhances operations and services, going beyond the evaluation of individual performance. Performance evaluations serve as feedback for employee development, incorporating a 360-degree assessment (cross-evaluation), and play a crucial role in career advancement, allowing the organization to proactively identify and retain high-potential employees.

The underlying concept of the performance management system is “flexibility within framework,” incorporating targets or key performance indicators (KPIs), corporate principles, collaboration, and self-development into the performance management process between managers and subordinates. The Bank and Group companies actively encourage meaningful ongoing conversations, emphasizing the involvement of all employees in the goal-setting process. The Bank and the Group companies actively encouraged employees to demonstrate behavior consistent with corporate principles, fostering collaboration for goal achievement. Furthermore, the Group establishes a calibration performance evaluation process for all positions. This ensures that overall assessment results are considered fairly and align with the principles and guidelines for performance evaluation set by the Group.

(4) Employee Compensation and Benefits

The Group places a high priority on human resources management principles, ensuring that employee compensation aligns with the long- and short-term operating results of both the Bank and the

Group companies. Three key principles ground the compensation structure:

- 1) Equitability
- 2) Pay for performance-based
- 3) Competency-based

Effective compensation management is a key focus, with the Bank participating in an annual compensation and welfare survey with industry peers. External factors that may impact the organization's standing are considered, leading to continuous criteria development for a competitive compensation and welfare strategy. This strategy aims to attract and retain knowledgeable and competent personnel.

The variable compensation component, including the annual bonus, is determined based on individual performance, roles, and responsibilities in comparison with targets and the “total compensation concept.” It also considers the short- and long-term operating results of the Bank and the Group companies, as well as future business competency and long-term value creation for shareholders.

The Group also emphasizes non-monetary components of compensation, offering welfare programs tailored to the current economic situation. This approach enhances employee well-being and quality of life, aligning with leading industry standards. Moreover, the Group supports diversity and inclusion trends within the organization, such as LGBTQ+, while championing the importance of equality. This ensures that employees perceive the Group as a happy workplace and have benefits aligned with their needs.

In 2023, at the 2023 AGM held on April 20, 2023, approval was sought for the issuance of KKKP ESOP warrants to executives and employees. This initiative aims to motivate collaboration, drive business growth, encourage ownership participation, foster organizational commitment, and retain talented individuals in the long term.

The Group consistently reviews guidelines and regulations for employee compensation and benefits. The Group made adjustments to the health insurance plan in 2023 to provide more comprehensive coverage. Recognizing the importance of mental health, the Group prioritizes promoting overall well-being and happiness. Besides addressing physical health, the Group

acknowledges the crucial role of mental health in contributing to a high quality of life for employees. The Group enhances welfare coverage for group health insurance and life insurance, covering accidental and total permanent disability for all employees. This considers the equality of human beings' basic needs, irrespective of age, years of service, or corporate title. The adjustments align with economic conditions, the cost of living, and market medical care rates. Furthermore, employees can now choose insurance coverage based on their specific needs through the introduction of alternative plans.

Employees' compensation structure consists of three components:

1) Direct Monetary Compensation

Monetary compensation is meticulously structured, taking into account the employee's job scope, competency, and performance. Salaries and various monetary forms explicitly reward this component, reflecting an employee's performance in their assigned roles. Employees who deliver the required performance receive salary increases, adjustments, bonuses, incentives, and other related monetary rewards. The Group additionally provides job-related allowances, such as accommodation allowance, shift allowance, weekend shift allowance, auto insurance allowance, etc., based on job titles. Operational staff also receive ad hoc allowances in response to the rising cost of living.

In 2023, the Bank disbursed compensation to its employees, executives³, and advisors to the Board of Directors (including the CEO). This compensation included salary, performance bonuses, contributions to the provident fund, and advisor remuneration, totaling Baht 4,115,422,228.53. The compensation ratio for employees and executives (including advisors) was 88.04% and 11.96%, respectively. The proportion of compensation for female and male employees stood at 62.61% and 37.39%, respectively. Notably, the ratio of the CEO's basic salary to the total basic salary of all employees below the CEO was 0.60% (actual salary paid for the year 2023).

2) Indirect Monetary Compensation

To foster high morale and maintain a healthy work-life balance, the Group offers a range of welfare and benefits as part of indirect monetary compensation.

These include:

- Provident Fund: a fund set up to secure employees' financial well-being in the long term.
- Social Security Fund: providing social security benefits for employees.
- Insurance coverage: life, accident, and total permanent disability insurance to safeguard employees and their families.
- Employee Assistance Program (EAP): Offering support in case of hospital admission due to critical illnesses and/or other contagious diseases.
- Staff loans: Various loan options covering essential needs.
- Emergency loan: specifically designed for the treatment of critical illnesses, whether affecting employees or their family members.
- Retirement benefit: ensuring financial security for employees after retirement.
- Annual medical check-up: supporting employees in maintaining good health through regular check-ups.
- Prolonged sick leave with pay: providing financial support during extended sick leave periods.
- First aid room: a facility dedicated to providing initial medical assistance and more.

These benefits contribute to the overall well-being of employees and reflect the Group's commitment to their welfare beyond direct monetary compensation.

Provident Fund

The Bank has established an employee provident fund in adherence to Ministerial Regulation No. 162 (B.E. 2526). The primary objectives of the provident fund are to:

- (1) Promote employee savings: encourage employees to save for their future financial well-being.
- (2) Establish a safety net: create a safety net mechanism to support employees and their families.

³ Executives means "person with management authority" according to the definition of the Bank of Thailand on Corporate Governance of Financial Institutions including "management" as defined by the SEC.



The provident fund has been duly registered under the names “Kiatnakin Registered Provident Fund” and “Provident Fund SCBAM Master Fund Already Registered,” in accordance with the Provident Fund Act, B.E. 2530 (1987). Below, we outline the details and contribution scheme.

Year of Service	Employee's Contribution (% of Salary)	Employer's Contribution (% of Salary)
Less than five years	5, 8, 10, 12, 15	5
Five years or more	5, 8, 10, 12, 15	10

Provident Fund Management

The Provident Fund Committee, whose members are elected by representatives of employees and the employer, carefully considers the fund's investment policy. The Provident Fund Committee serves a two-year term and holds the authority and responsibility to monitor the fund's performance, including determining the appropriate investment policy. In an effort to align with employees' needs and savings goals, the Group permits provident fund members to independently switch their investment policy or modify their contributions. This flexibility enables employees to adapt to the economic situation, manage their risk profile, and align their savings goals. Currently, 93.88% of the Bank's total 3,907 employees, who have completed their probationary period, are registered as provident fund members.

Other Welfare & Benefits

- Health Care

The Group prioritizes the health care of its employees through a comprehensive approach:

- Group health insurance: The Group provides group health insurance through a selected insurer, offering a network of services, hospitals, and clinics for convenient access to necessary treatments. The health care plan has been upgraded to a flexible benefit plan with increased options, and the Group regularly evaluates expanding choices to cover a broader spectrum of employee needs. Employees can also purchase group health insurance for their families at a corporate rate, ensuring affordable access to medical treatments.

- Preventive medical check-up: The Group conducts an annual preventive medical check-up tailored to employees in different age groups, emphasizing the correlation between good health and effective work.
- First-aid room and mother's corner: The Group maintains a treatment first-aid room and a dedicated mother's corner room, staffed with an in-house specialized doctor.
- Financial assistance for medical expenses: The Group reviews financial assistance practices, proposing improvements in financial aid for serious illnesses and severe contagious diseases. The Group has expanded the scope to cover both inpatient (IPD) and outpatient (OPD) medical expenses.

- Life, Accident, and Total Permanent Disability Group Insurance

To ensure employees' security and quality of life, the Group provides 24-hour insurance coverage, both during and outside working hours.

- Staff Loan

In addition to the existing housing loan, the Group offers various types of loans to cater to employee needs, including multi-purpose personal loans, car loans, and natural disaster loans.

- Retirement Benefits

The Group regularly reviews retirement benefit guidelines to ensure appropriateness. In 2023, the Group made adjustments to retirement benefits, allocating a budget for catering and souvenirs. Retired employees receive memorials distributed equally among employees at all levels, emphasizing the organization's principle of respecting individuals and promoting equality.

3) Non-monetary Compensation

Beyond monetary incentives, the Group offers various forms of compensation to foster employee development and well-being:

- Challenging assignments: Employees are given challenging job assignments to stimulate personal and professional growth.
- Training programs: Personal development is encouraged through comprehensive training programs and other systems tailored to enhance employees' capabilities.

- Internal transfers (Career Connect): The Group supports internal transfers and assignments, enabling employees to explore opportunities for career development within the organization.
- Guidelines for remote work: The Group provides guidelines for working from home, empowering employees to manage their time effectively, achieve work-life balance, and enhance overall efficiency.
- Employee experience policies and activities: Tailored policies and activities cater to the diverse needs of employees across different generations. This includes flexible work hours, a freedom-to-dress policy, recreational activities, various activity clubs, and the exchange of positive sentiments through e-Cards.
- Co-working space: A dedicated co-working space accommodates the modern work style, emphasizing collaboration and social interaction among employees. Additionally, there is a designated prayer room equipped with facilities adhering to religious principles.
- Fitness center (KKP Fitness Center): The Group prioritizes employee health by providing a fitness center equipped with a variety of facilities and professional trainers. The belief is that maintaining good physical and mental health contributes to enhancing efficiency in the workplace.

7.5.2 Human Development Policy

(1) Training

The Group places emphasis on supporting the skill and knowledge development of its employees and executives at all levels. The Group achieves this through a combination of online and classroom training (hybrid learning), as well as external training sessions and seminars organized by domestic and international organizations. These initiatives aim to enhance the required skills and knowledge, covering diverse aspects such as digital tools and management. Also, the Group emphasizes the importance of cultivating a flexible and growth mindset among employees at all levels. By encouraging openness to learning and self-development, the organization fosters a positive work attitude

that enhances trustworthiness and expertise. The Group's training programs are designed to develop a comprehensive set of skills, including work skills, knowledge, core competencies, functional competencies, and leadership competencies. Our aim is to continuously develop employees by equipping them with new skills (reskill) and enhancing their existing skills to surpass their previous capabilities (upskill). Ultimately, this strategic approach aims to elevate their performance potential, increasing work efficiency and effectiveness (productivity).

During 2023, the Group supported its employees in participating in a variety of training programs, ranging from generic to specialized development objectives. These initiatives included workshops, lectures, and leadership development programs designed to facilitate the exchange of experiences. Additionally, the Group introduced digital learning technology, incorporating e-learning as a tool for employees to conveniently access self-development training through the internet, podcasts, and a virtual classroom. The Group emphasizes the importance of regular monitoring, feedback, and evaluation to ensure that learning meets the intended objectives.

The KKP Academy has been proving the training curriculum for all employees since 2020. It consists of the following components:

The School of Wealth functions as a knowledge center, providing financial planning and investment services to our clients. We specifically tailor our products, services, processes, systems, and tools for client service employees.

The School of Investment Banking serves as a valuable resource for knowledge and skills essential to the investment banking business. Employees can explore a wide range of topics in the general category to gain a comprehensive understanding of the investment banking industry. Furthermore, the school provides specific knowledge and skills tailored for individuals working in related fields.

The School of Retail Banking is a knowledge resource center specializing in retail banking for clients and small businesses. We offer comprehensive information on products, services, money-selling channels, and various processes and regulations,



enabling employees to gain a thorough understanding of every dimension.

The School of Corporate and Commercial Banking is a comprehensive source of product knowledge and policies tailored for medium- and large-sized enterprises. Covering various product formats and workflow techniques, it ensures employees have convenient access to essential information, including relationship management and the development of connections with business owners at the client level.

The School of Leadership focuses on developing knowledge and skills in leadership. It encompasses leaders at all levels, guiding them from self-leadership to departmental leadership. Utilizing diverse learning processes, it nurtures potential in both attitude and skills, with a strong emphasis on the importance of caring for employees under their responsibilities.

The School of Governance, Risk, and Compliance is a source of knowledge and skills relating to risk management, governance, and relevant laws.

The School of Digital serves as a knowledge hub for digital and financial technology, covering various IT systems in terms of management, data analysis, and the application of tools and AI. This resource empowers employees to enhance their knowledge and apply it to the development of their work, ensuring they remain abreast of the constantly evolving competitive business landscape.

Examples of in-house training programs aimed at developing the skills of employees and executives include:

- Techniques for New Leaders: This course focuses on developing the skills of individuals newly promoted to the role of manager.
- Coaching for High Performance: Geared towards enhancing coaching skills, this course prepares leaders to effectively fulfill their role as team coaches.
- Essentials of Leadership: Tailored for high performers, this course prepares individuals for promotion to the managerial level.
- Negotiation Skills: Designed to improve negotiation communication skills, this course addresses various situations that may arise in both daily life and the workplace.

- Course for New Branch Employees: This specialized course concentrates on the skills and knowledge essential for new employees working at branches. Attendance is mandatory for all new branch employees, and the positive impact on performance aligns with the Bank's expectations.

Moreover, the Group has invited knowledgeable and experienced facilitators to share their thoughts, knowledge, concepts, practices, technical processes, and experiences with its employees and executives through experience-sharing dialogs, videos, and documents, which are easy, accessible, and self-learning content via a specific learning platform. The Group encourages its employees to enhance their knowledge and experiences through various channels ("anytime, anywhere") as well as e-learning.

The Group has introduced additional learning interventions through the KKP Edge project, a continuous learning program for employees in various key functions whose responsibilities involve fostering mutual understanding and respect.

Moreover, since 2018, the Group has launched the "Taxila Platform," a learning system designed to facilitate diverse learning experiences anywhere and anytime through mobile phones and the internet network. Aligned with the lifestyle preferences of the new generation and the organization, this platform serves as a channel for knowledge exchange (learning agility). It has become an essential tool for employees to regularly review crucial business knowledge and understand important topics such as the Anti-money Laundering Policy, Anti-corruption Policy, Guidelines for Business Conduct Policy, and more.

In 2023, the Group's employees attended an average of approximately 17.28 training hours per year, equivalent to about 2.5 days, resulting in over 72,400 training records. The shift to online learning has influenced changes in employee behavior and learning styles, favoring shorter, more concise, and user-friendly content (microlearning). Employees are encouraged to allocate dedicated study time for themselves to foster creativity and expand existing knowledge. These shifts have contributed to a notable increase in training hours among employees, with a significant uptick in access to training content—approximately five courses, aligning with



the standard level of training offered by organizations in the industry.

(2) Knowledge Management

The KKP Academy format systematically organizes and stores knowledge, categorizing it into distinct business groups represented as schools. For example, the School of Wealth serves as a comprehensive knowledge source for private banking, covering products, processes, and working techniques. This valuable database is further accessible through online courses available on the Taxila Platform. These courses not only facilitate ongoing improvement but also foster innovation within different departments.

(3) Succession Plan

The Group consistently adheres to its succession and talent pool management plans. In 2023, the Group conducted a thorough review of the plan to ensure that identified talent successors are well-prepared to consistently support the Group's business operations. Employees and executives within the talent pool are provided with significant career development opportunities in various aspects, grooming them to become successors in essential and critical positions at the management level and/or roles requiring specialized

expertise. This ensures that successors are adequately prepared and capable of assuming their responsibilities on time. Annually, the Board of Directors receives a report on the details of the succession plan.

7.5.3 Internal Communication

The Group has consistently placed highly efficient communication systems for all employees, such as Town Hall for executives to communicate with middle-management employees, CEO messages to all employees, including a variety of channels via internal email to send news and information within the organization, the Viva Engage platform for communicating with employees, the Intranet (KKP World), desktop wallpaper, LED on office floors, VDO conferences for long-distance conferences, as well as posters to ensure that employees acknowledge policies and business direction as well as get complete and up-to-date information. The internal communication channels are also venues for the exchange of ideas and are communication channels between employees and management. This helps foster an atmosphere of cooperation at work, creates an open-minded working environment, promotes the good image of the organization, and supports the Group in achieving its business projections.

7.6 Names of Accounting Head, Corporate Secretary, Internal Audit Head, Compliance Head, and Investor Relations Officer

Accounting Head	: Ms. Nilawan Treekitjamroon Senior Vice President Department Head of Accounting, Finance and Budgeting Group
Corporate Secretary	: Ms. Porntip Chuprakhun Senior Vice President Department Head of Corporate Secretariat, Executive Office
Internal Audit Head	: Dr. Narong Preedanana Executive Vice President Head of Internal Audit Office
Compliance Head	: Mr. Aphichart Chongsanguanpradab First Executive Vice President Head of Legal and Compliance Group



Investor Relations Officer	: Mrs. Dujdao Intharasombat Senior Vice President Department Head of Investor Relations and Business Planning, Finance and Budgeting Group
Contact Information	Tel. 0-2495-1366 Email: investor_relations@kkpfg.com Website: www.kkpfg.com Address: Kiatnakin Phatra Bank Public Company Limited 12 th Floor, KKP Tower A 209 Sukhumvit 21 (Asoke) Road, Khlong Toey Nua Wattana, Bangkok 10110

7.7 Auditor's Remuneration

In 2023, the Bank and its subsidiaries engaged PricewaterhouseCoopers ABAS Ltd. as an external auditor, for which they incurred the following fee charges:

7.7.1 Audit Fee

The Bank and its subsidiaries paid the audit fee to PricewaterhouseCoopers ABAS Ltd. in the previous accounting period, totaling Baht 17,155,000, consisting of the audit fee for the Bank in the amount of Baht 9,419,000 and the audit fees for its subsidiaries, which were expenses of each company, for a total of Baht 7,736,000.

7.7.2 Non-audit Fee

The Bank assigned PricewaterhouseCoopers ABAS Ltd. to perform the non-audit service for ESG consulting services in the previous accounting period, totaling Baht 800,000, and in the future, Baht 1,200,000 will be paid for services previously agreed upon but not yet fully provided.

The Audit Committee has already considered and concluded that hiring PricewaterhouseCoopers ABAS Ltd. to provide such a service did not create a conflict of interest that would cause the auditor to lack independence and be unneutral in his or her audit work.



8. Key Performance Report on Corporate Governance

8.1 Performance of the Board of Directors in the Previous Year

8.1.1 Nomination of Directors and Executives

Nomination and Appointment of Directors

The Nomination and Remuneration Committee is responsible for selecting and determining appropriate persons with experience, knowledge, and competencies beneficial to the Bank and the Group to be nominated as the Bank's directors, independent directors, or Audit Committee members and to propose the nominations to the Board of Directors' meeting and the shareholders' meeting in accordance with the Bank's Articles of Association.

In the nomination of new directors, the Bank considers the board structure according to the board skill matrix, which had been approved by the Board of Directors, to determine the necessary qualifications, knowledge, skills, and experiences of the new directors so that the board's component is in line with the Group's business strategy. Also, the Bank uses a director pool to select new directors.

Mr. Veravat Chutichetpong, Independent Director, resigned from the Bank's director post, effective December 1, 2022, due to his increasing personal mission.

The Nomination and Remuneration Committee's meeting No. 6/2565, dated November 21, 2022, therefore considered selecting a person with appropriate qualifications to be the Bank's director, replacing Mr. Veravat Chutichetpong. Such a meeting resolved to propose to the Board of Directors to consider and appoint Ms. Punnee Chaiyakul as an independent director, replacing Mr. Veravat Chutichetpong, as she has complete qualifications as an independent director as defined by laws and the Bank. She has knowledge, competencies, and experience in brand building and the setting up of communication strategies, which would benefit the Group in defining its direction, strategy, and business plan. Also, she has no prohibited attributes as defined in the legal provisions currently applied

to the Bank. Her term as the Bank's director is equal to the remaining term of Mr. Veravat Chutichetpong. Consequently, the Board of Directors' meeting No. 1/2566 dated January 26, 2023, resolved to appoint Ms. Punnee Chaiyakul as the Bank's director.

The Bank has twelve directors. During the 2023 AGM, four directors, who were retired by rotation, are as follows:

- | | |
|------------------------------|---------------------------|
| 1. Mr. Suvit Mapaisansin | Non-executive
Director |
| 2. Prof. Dr. Anya Khanthavit | Non-executive
Director |
| 3. Mrs. Patchanee Limapichat | Non-executive
Director |
| 4. Mr. Aphinant Klewpatinond | Executive Director |

The Bank had posted on its website an invitation to shareholders to propose the names of qualified persons to be elected as directors; there was no such director nominee from any shareholder.

The Board of Directors, excluding the directors who had an interest in this matter, had agreed with the suggestion of the Nomination and Remuneration Committee, which had thoroughly considered the qualifications beneficial to the Bank's operation, the board structure in accordance with the board skill matrix, as well as the director pool, which was disclosed on the IOD's website. The Nomination and Remuneration Committee was of the opinion that four retiring directors, namely Mr. Suvit Mapaisansin, Prof. Dr. Anya Khanthavit, Mrs. Patchanee Limapichat, and Mr. Aphinant Klewpatinond, possess complete qualifications with no prohibited attributes as defined in the legal provisions currently applied to the Bank. They have knowledge, competencies, and experiences in the related business operations of the Group; have performed their duties with accountability and integrity; and have greatly contributed to the operations of the Group throughout their term. Thus, the shareholders' meeting should re-elect all four retiring directors for another term.



Right of Shareholders to Nominate Directors

Allowing shareholders to nominate directors in advance is part of the Bank's corporate governance principles. The Bank has defined and published the guidelines for shareholders to nominate directors on its website.

The shareholder who would like to nominate a director must possess the following qualifications:

- 1) Be the Bank's shareholder, holding a minimum of 200,000 shares, which can be either owned by one shareholder or combined;
- 2) Has owned the shares as stipulated above continuously for at least one year by the date the shareholder proposes the director nominee; and
- 3) Show proof of share ownership, such as a certified letter from a securities company or other evidence from the SET or TSD.

The Nomination and Remuneration Committee will evaluate the qualifications of the nominees and give its opinion to the Board of Directors for further consideration and to propose to the shareholders' meeting. The board's resolution is considered final.

The nominees approved by the Nomination and Remuneration Committee and the Board of Directors will be included in the agenda for director elections, along with the opinion of the Board of Directors. For nominees who are not approved by the Nomination and Remuneration Committee or the Board of Directors, the Bank will inform the shareholder(s) after the Board of Directors' meeting via its website or other appropriate channels.

Nomination and Appointment of Executives

The Nomination and Remuneration Committee is responsible for selecting and determining qualified individuals with the desired qualifications to be appointed as the highest executives of the Bank and the Group. The committee selects qualified individuals based on their qualifications, knowledge, capabilities, and experience in the financial and banking industries, as well as other attributes that are necessary for the appointed roles. Furthermore, the qualified individuals should demonstrate professional values and vision that are aligned with those of the Board of Directors to ensure the success of the Bank and the Group as targeted. Upon selecting qualified individuals, the

committee will propose the selected candidates to the Board of Directors for approval.

For other management positions, the senior executives are responsible for recruiting individuals who demonstrate the knowledge, capabilities, and experiences that are required for the appointed positions. Senior executives will propose selected candidates to the Nomination and Remuneration Committee for endorsement and to the Board of Directors for approval prior to proposing them to the Bank of Thailand for approval.

Procedures in the Appointment of Directors, Executives, Persons with Management Authority, or Advisors of the Bank

The Bank has set the guidelines for appointing directors, executives, persons with management authority, or advisors of the Bank so that the approval of such persons complies with the notification of the SEC and the SET, the Financial Institution Business Act B.E. 2551 (2008), and the notification of the Bank of Thailand, which specifies that financial institutions have to verify the qualifications of persons proposed to be appointed as directors, executives, persons with management authority, or advisors to ensure that they do not hold incompatibility as prescribed in Section 24(1) - (9) of the Financial Institution Business Act B.E. 2551 (2008) and possess an additional three aspects required by the Bank of Thailand, which include 1) honesty, integrity, and reputation; 2) competence, capability, and experience; and 3) financial soundness.

The management will propose the qualified persons with no prohibited attributes for being appointed as the Bank's directors, executives, persons with management authority, or advisors, as defined in the legal provisions, to the Nomination and Remuneration Committee for endorsement and to the Board of Directors for approval or endorsement, as the case may be, prior to proposing them to the Bank of Thailand for approval.

For director appointment, upon approval from the Bank of Thailand, the nominated persons will be proposed to the Board of Directors for approval or for presentation at the shareholders' meeting for election, as the case may be.

8.1.2 Development of Directors and Executives

The Bank encourages its directors and executives to participate in seminars and training sessions of the IOD, the SET, or other independent institutions to

benefit the performance of their duties for the Bank and the Group.

In 2023, there were seven directors and the Head of Finance and Budgeting Group who attended the training programs of the IOD and other institutions as per the details shown in Attachment 1 and summarized as follows:

Name of Director or Executive	Course	Organizer
1. Mr. Supol Wattanavekin	• Thailand Investment Conference 2023 (Online)	• KKPS
2. Mrs. Dayana Bunnag	<ul style="list-style-type: none"> • Seminar on "The Importance of the Audit Committee and Confidence in the Thai Capital Market" (2023) (Online) • Director Briefing 6/2023: Sustainability Trends in Business Across Industries (Online) • Navigating AI Governance and ESG Reporting for the Future (2023) (Online) 	<ul style="list-style-type: none"> • SEC, SET, Thailand Federation of Accounting Professions (TFAC), IOD, and TLCA • IOD • KPMG
3. Mr. Chalee Chantanayingyong	<ul style="list-style-type: none"> • Seminar on "The Importance of the Audit Committee and Confidence in the Thai Capital Market" (2023) (Online) • Hot Issue for Directors: Climate Governance (2/2023) (Online) 	<ul style="list-style-type: none"> • SEC, SET, TFAC, IOD, and TLCA • IOD
4. Assoc. Prof. Dr. Chayodom Sabhasri	• The Cullinan: The Making of the Digital Board (2/2023)	• Digital Economy Promotion Agency (depa), TMA, and the Ministry of Digital Economy and Society
5. Ms. Punnee Chaiyakul	<ul style="list-style-type: none"> • Seminar on "The Importance of the Audit Committee and Confidence in the Thai Capital Market" (2023) (Online) • Director Briefing 6/2023: Sustainability Trends in Business Across Industries (Online) 	<ul style="list-style-type: none"> • SEC, SET, TFAC, IOD, and TLCA • IOD
6. Prof. Dr. Anya Khanthavit	<ul style="list-style-type: none"> • Director Briefing 6/2023: Sustainability Trends in Business Across Industries (Online) • Base Erosion and Profit Sharing (Pillar 2) (2023) • Refreshment Training Program 9/2023: Good Practices in Reporting and Disclosing Information for Directors and Executives (RFP 9/2023) • Virtual Power Purchase Agreement (VPPA) (2023) (Online) 	<ul style="list-style-type: none"> • IOD • KPMG • IOD • Electricity Generating Authority of Thailand (EGAT)
7. Mrs. Patchanee Limaphichat	<ul style="list-style-type: none"> • Director Briefing 6/2023: Sustainability Trends in Business Across Industries (Online) • The Role of Technology in Electronic Trading Global Perspectives (2023) • Director Briefing 4/2023: Building a Cyber-Resilient Board: Strategies for Effective Cybersecurity Oversight • Thailand Investment Conference 2023 (Online) 	<ul style="list-style-type: none"> • IOD • Bangkokbiznews • IOD • KKPS
8. Mr. Preecha Techarungchaikul	<ul style="list-style-type: none"> • TLCA CFO Professional Development Program (TLCA CFO CPD) <ul style="list-style-type: none"> - No. 1/2023 Topic: "Economic Update for CFO" (Online) (2 hours) - No. 2/2023 Topic: "Risk Management for CFOs" (Online) (2 hours) - No. 3/2023 Topic: "Fintech: Financial Technology" (Online) (2 hours) 	• TLCA



In addition, the Corporate Secretariat Department has organized executive talk sessions on the business operations of the Group for directors and executives. During 2023, there were six executive talk sessions on the following topics:

No.	Date	Subject	Speaker
1.	February 2, 2023	2023 Support Groups Business Plan	Head of Business Support Groups
2.	June 15, 2023	Overall Effectiveness of Cyber Security Annual Report 2023	Mr. Krit Kadnok, Vice President Department Head of IT Security, Information Technology Group
		Challenges Confronting Thailand	Dr. Supavud Saicheua Director and Advisor of KKPFPG
3.	July 6, 2023	Wealth Management Advisory Process	Dr. Jon Wongswan, Managing Director Department Head of Investment Solutions, Wealth Management Group, KKPS
4.	August 3, 2023	Financial Crime Risk Management Review 2022 - 2023	Mr. Naphat Theodthai, Executive Vice President Department Head of Financial Crime, Risk Management Group
5.	October 5, 2023	What is Climate Change and Why Bank Plays An Important Role?	Mr. Romsai Tandakoseya, Executive Vice President Department Head of Commercial and Financial Institutions Credit Risk Management, Risk Management Group Ms. Pattanai Luangtrakul, Executive Vice President Head of Corporate and Marketing Communication Office
6.	November 2, 2023	Economic Outlook: Cyclical Structural and Disruption	Mr. Therapong Vachirapong Managing Director, Equity Analyst and Strategist, Equity Research Department, KKPS Dr. Pipat Luengnaruemitchai Managing Director, Chief Economist of KKPFPG Dr. Nasha Ananchotikul, Senior Vice President Department Head of KKP Research, KKPS

Below is the directors' attendance record for the above-mentioned executive talk sessions.

No.	Name of Director	No. 1 Feb. 2023	No. 2 Jun. 2023	No. 3 Jul. 2023	No. 4 Aug. 2023	No. 5 Oct. 2023	No. 6 Nov. 2023
1.	Mr. Supol Wattanavekin	✓	✓	✓	✓	✓	✓
2.	Mrs. Dayana Bunnag	✓	✓	✓	✓	-	-
3.	Mr. Chalee Chantanayingyong	✓	✓	✓	-	✓	✓
4.	Assoc. Prof. Dr. Chayodom Sabhasri	✓	✓	✓	✓	✓	✓
5.	Ms. Punnee Chaiyakul	✓	✓	✓	✓	✓	✓
6.	Mr. Suvit Mapaisansin	✓	✓	✓	✓	✓	✓
7.	Prof. Dr. Anya Khanthavit	✓	✓	✓	✓	✓	✓

No.	Name of Director	No. 1 Feb. 2023	No. 2 Jun. 2023	No. 3 Jul. 2023	No. 4 Aug. 2023	No. 5 Oct. 2023	No. 6 Nov. 2023
8.	Mrs. Patchanee Limapichat	✓	✓	✓	✓	✓	✓
9.	Mr. Banyong Pongpanich	✓	✓	✓	✓	✓	✓
10.	Ms. Thitinan Wattanavekin	✓	✓	✓	✓	✓	✓
11.	Mr. Aphinant Klewpatinond	✓	✓	✓	✓	✓	✓
12.	Mr. Philip Chen Chong Tan	✓	✓	✓	✓	✓	✓

The Board of Directors periodically receives updates on the development plan for directors and executives. Over the past year, 2023 training recap and 2024 training programs relevant to the development of directors and executives of the Group were brought for acknowledgment during the Board of Directors' meeting No. 11/2566 held on November 9, 2023.

8.1.3 Performance Assessment of the Board

Performance Assessment of the Board as a Whole

The Board of Directors conducts its annual self-assessment to determine whether or not, over the past year, it has carried out its duties completely and appropriately according to the framework of authorities and responsibilities and corporate governance principles. The assessment result is gathered and summarized by the Corporate Secretary.

The assessment form used for the Board of Directors as a whole has been adapted from the assessment form of the SET with changes that make it suitable for the Bank's Board of Directors. It assesses six major aspects: 1) structures and qualifications of the board members; 2) roles and responsibilities of the board members; 3) Board of Directors' meetings; 4) Board of Directors duties; 5) relationship with management; and 6) director self-development, of which the overall aspects accounted for forty-five individual subjects as a whole within the range of 0 - 4, or strongly disagree to strongly agree.

The result of the 2023 annual assessment of the Board of Directors as a whole was favorable, with an

average score of 3.85, which was equal to the average score in the year 2022.

Performance Assessment of the Board as an Individual

In 2023, the Board of Directors conducted its own self-assessment as an individual through both self-evaluation and cross-evaluation. The Board of Directors conducts the assessment annually. The assessment result is gathered and summarized by the Corporate Secretary and used to improve the performance of the Board of Directors.

The individual self-evaluation assessment form used by the Board of Directors has been adjusted to make it suitable for the context of the Bank's Board of Directors. It assesses two major aspects: 1) the director's duties and 2) the expected role and competency, of which the entire aspects account for ten individual subjects as a whole within the range of 0 - 4, or strongly disagree to strongly agree.

The result of the 2023 annual assessment of the Board of Directors as an individual by self-evaluation was favorable, with an average score of 3.80, which was slightly lower than the average score of 3.86 in the year 2022.

The cross-evaluation assessment form for individual members of the Board of Directors evaluates two major aspects: 1) the director's duties and 2) the expected role and competency, of which the entire aspects account for ten individual subjects as a whole within the range of 0 - 4, or strongly disagree to strongly agree.

The result of the 2023 annual assessment of the Board of Directors as an individual by cross-evaluation was favorable, with an average score of 3.95, which was equal to the average score in the year 2022.



8.1.4 Performance Assessment of the Senior Executive

On an annual basis, the Chairman of the Nomination and Remuneration Committee, who is an independent director, shall conduct the evaluation of the Bank's annual performance and the CEO's performance. The evaluation is conducted by the Banks' directors, and its result shall be taken into account in determining the CEO's remuneration. The evaluation also serves as feedback to the CEO, reflecting the Board of Directors' view on the Bank's performance and the need to review strategies, policies, and management approaches to improve management effectiveness and efficiency.

Evaluation Framework

1. The following criteria are employed in evaluating the Bank's annual performance by all directors:
 - 1.1 Profitability
 - 1.2 Overall financial status
 - 1.3 The Bank's strategy and goal formulation
 - 1.4 Risk taking level and risk management system
 - 1.5 Overall effectiveness of the Bank's management
 - 1.6 Human resource management efficiency
 - 1.7 The Bank's image and perception towards its stakeholders
 - 1.8 Collaboration and efficiency in working with the Board of Directors
2. In evaluating the CEO's performance, the CEO, in conducting the self-assessment, and the Bank's directors, along with subcommittee members who have the CEO as their Chairman, employ the following criteria:
 - 2.1 Visionary leader
 - 2.1.1 Establishing the Group's direction and business structure and positioning
 - 2.1.2 Vision and strategic thinking
 - 2.1.3 Driving synergies and collaboration
 - 2.1.4 Organization development
 - 2.1.5 Understanding stakeholders
 - 2.2 Corporate governance
 - 2.2.1 Implementing corporate governance
 - 2.2.2 Being responsive to stakeholders' concerns and needs

2.2.3 Managing the effectiveness of committees

2.3 Planning and execution

2.3.1 Creating alignment for strategy execution

2.3.2 Systematic planning

2.3.3 Problem solving and decision-making

2.3.4 Collaboration with related committees

2.4 Leadership role model

2.4.1 Aligning executives and stakeholders

2.4.2 Building engagement among executives

2.4.3 Achievement motivation

2.4.4 Self-control and working under pressure

2.4.5 Personnel management and development

2.4.6 Demonstrating good governance

2.4.7 Demonstrating a sense of belonging

2.5 Change management

2.5.1 Pro-activeness

2.5.2 Leading change

The Nomination and Remuneration Committee's secretary shall compile the evaluation result and report it to the Nomination and Remuneration Committee and to the Board of Directors, respectively. Such evaluation results shall be shared with the CEO by the Chairman of the Board of Directors, the Chairman of the Executive Committee, and the Chairman of the Nomination and Remuneration Committee to establish a mutual understanding of the expectations of the Board of Directors afterwards.

The CEO performance evaluation report presented to the Board of Directors includes the overall performance evaluation results of the current year compared with those in the past two years and the scores provided by different groups of evaluators, such as the Board of Directors and the subcommittees chaired by the CEO. It also incorporates the scores from the front office, middle office, and business enabler, along with open-ended questions, opinions, and suggestions.

The result of the CEO performance evaluation for 2023 was the average score of all sections of 3.67 from the scale 1 - 4, or the range of need to improve to excellent levels, which is slightly lower than the average score of 3.71 in the year 2022.

8.1.5 Meeting Attendance of Directors

No.	Name	Board Meeting Attendance in 2023				Non-executive Director Meeting Attendance (1 Meeting)		2023 AGM Attendance (1 Meeting)	
		Total (12 Meetings)	Scheduled Meeting (11 Meetings)		Special/ Urgent Meeting (1 Meeting)		In Person		Via the Electronic Channel
			In Person	Via the Electronic Channel	In Person	Via the Electronic Channel			
1.	Mr. Supol Wattanavekin	12/12	10	1	1	-	1	-	1/1
2.	Mrs. Dayana Bunnag	11/12 ¹	4	7	-	-	-	1	1/1
3.	Assoc. Prof. Dr. Chayodom Sabhasri	12/12	5	6	-	1	-	1	1/1
4.	Mr. Chalee Chantanayingyong	12/12	2	9	-	1	-	1	1/1
5.	Ms. Punnee Chaiyakul ²	11/11	9	1	1	-	1	-	1/1
6.	Mr. Suvit Mapaisansin	12/12	9	2	1	-	1	-	1/1
7.	Prof. Dr. Anya Khanthavit	12/12	4	7	-	1	-	1	1/1
8.	Mrs. Patchanee Limapichat	12/12	10	1	1	-	1	-	1/1
9.	Mr. Banyong Pongpanich	10/12 ³	9	-	1	-			1/1
10.	Ms. Thitinan Wattanavekin	12/12	2	9	-	1			1/1
11.	Mr. Aphinant Klewpatinond	12/12	10	1	1	-			1/1
12.	Mr. Philip Chen Chong Tan	12/12	10	1	1	-			1/1

Remarks: ¹ The Board of Directors' meeting No. 3/2566, held on March 2, 2023, was called urgently; therefore, Mrs. Dayana Bunnag was unable to attend the meeting.

² She was appointed as the Bank's director, replacing Mr. Veravat Chutichetpong, by resolution of the Board of Directors' meeting No. 1/2566 held on January 26, 2023.

³ Mr. Banyong Pongpanich was absent two times due to his business.

8.1.6 Directors' Remuneration

Monetary Remuneration

The Bank has developed a director's remuneration structure that is in line with industry practices. The directors' remuneration shall be determined based on their fiduciary duties. The level of remuneration shall be attractive for qualified directors and shall incentivize the directors to perform their duties with dedication for the Bank. In addition, the directors' remuneration shall be reviewed annually to ensure its competitiveness compared with the directors' remuneration of listed companies with

similar businesses or equivalent, as disclosed in the IOD's Thai Directors Compensation Survey.

The Nomination and Remuneration Committee shall review and determine the directors' remuneration on an annual basis and propose it to the Board of Directors' meeting and the AGM for approval.

The director's remuneration structure consists of:

- Retaining Fee: Monthly remuneration payout to the Chairperson and directors of the board.
- Attendance Fee: Directors are entitled to receive the attendance fee based on their attendance in subcommittee meetings.



- Bonus: Annual remuneration for the directors, which is related to the Bank's performance.

The 2023 AGM, dated April 20, 2023, approved a budget of Baht 27 million for the directors' remuneration (excluding directors' bonuses) for the year 2023. Such remuneration consisted of monthly remuneration and

attendance fees at the same rate as those of the previous year, as they were still appropriate and comparable to those of other commercial banks at the same level, as per the following significant details proposed by the Nomination and Remuneration Committee:

Components of Remuneration	Retaining Fee (Baht/Month)	Attendance Fee (Baht/Meeting)
(1) Remuneration of Board of Directors		
- Chairperson	150,000	-
- Member	75,000	-
(2) Remuneration of Subcommittees		
- Chairperson of the Audit Committee	-	75,000
- Chairman of the other subcommittees	-	60,000
- Member	-	40,000

In the event that additional subcommittees were appointed, the Board of Directors could determine the remuneration for such subcommittee members, provided that the total remuneration would not exceed Baht 27 million, as proposed at the shareholders' meeting for approval.

The Board of Directors was of the opinion that the remuneration for the Chairman of the Board of Directors, which was higher than that of other directors, was appropriate, as the Chairman of the Board of Directors has a significant role in supporting the performance of the Board of Directors in accordance with the specified direction and strategy for the utmost benefit of the Bank and shareholders.

The Board of Directors set the attendance fee for the Chairperson of the Audit Committee higher than the attendance fee for the Chairperson of other subcommittees since the Chairperson of the Audit Committee had a significant role in ensuring the Bank and the Group companies had correct and adequate financial reporting as well as a suitable and efficient internal control system. The transactions of the Bank and the Group companies also increased and were subject to stricter rules and regulations. Moreover, the Chairperson of the Audit Committee was not a member

of any other subcommittee of the Bank to perform duty independently.

Regarding the directors' bonus for performance in 2023, the Board of Directors would propose it to the 2024 AGM for consideration and approval so that it would be in accordance with the actual performance of the Board of Directors and the operating results of the Bank.

Executive directors who receive a monthly salary as employees of the Bank or the Group companies shall not receive a monthly remuneration, attendance fee, or bonus as directors of the Bank.

Directors who are appointed as directors in any committees of the Bank and its subsidiaries shall be entitled to receive the attendance fee based on their attendance and delegated authorities.

The subsequent table presents the remuneration of directors for the year 2023. In general, the Bank paid all components of director remuneration for a total of Baht 17,327,500 which was less than the Baht 27 million directors' remuneration budget for 2023 but excluded the directors' bonus that would be proposed to the 2024 AGM for approval. Furthermore, there was the remuneration of Baht 3,825,000 paid to the Bank's directors, who were also consultants, directors, and/or subcommittee members of the Group companies.

(Unit : Baht)

No.	Name of Director	Attendance Fee (Based on their attendance)											Grand Total		
		Retaining Fee	Board of Directors	Audit Remuneration Committee	Nomination and Remuneration Committee	Compliance and Governance Committee	Risk Oversight Committee	Executive Committee	Investment Committee	Human Resource Management Committee	Total Directors' Remuneration of the Bank (Excluding Bonus)	2023 Bonus (Paid in Remuneration of 2024) ¹		Total Directors' Remuneration of the Group companies	
1.	Mr. Supol Wattanavekin		1,800,000	-	-	-	660,000	-	-	-	2,460,000	2,360,000	4,820,000	-	4,820,000
2.	Mrs. Dayana Bunnag		900,000	1,350,000	-	-	-	-	-	-	2,250,000	1,180,000	3,430,000	-	3,430,000
3.	Assoc. Prof. Dr. Chayodom Sabhasri		900,000	680,000	320,000	-	-	-	-	-	1,900,000	1,180,000	3,080,000	-	3,080,000
4.	Mr. Chalee Chantanayingyong		900,000	720,000	-	300,000	-	-	-	-	1,920,000	1,180,000	3,100,000	-	3,100,000
5.	Ms. Purnee Chaiyakul ²		837,500	-	160,000	-	-	-	-	-	997,500	1,100,000	2,097,500	-	2,097,500
6.	Mr. Suvit Mapaisansin		900,000	-	240,000	200,000	-	-	-	-	1,340,000	1,180,000	2,520,000	600,000	3,120,000
7.	Prof. Dr. Anya Khanthavit		900,000	-	-	-	440,000	-	-	-	1,340,000	1,180,000	2,520,000	540,000	3,060,000
8.	Ms. Patchanee Limapichat		900,000	-	-	200,000	-	-	-	-	1,100,000	1,180,000	2,280,000	630,000	2,910,000
9.	Mr. Banyong Pongpanich		900,000	-	-	-	-	720,000	600,000	180,000	2,400,000	2,360,000	4,760,000	1,335,000	6,095,000
10.	Ms. Thitinan Wattanavekin		900,000	-	-	-	-	600,000	-	120,000	1,620,000	1,180,000	2,800,000	720,000	3,520,000
11.	Mr. Aphinant Kiewpatinond		-	-	-	-	-	-	-	-	-	-	-	-	-
12.	Mr. Philip Chen Chong Tan		-	-	-	-	-	-	-	-	-	-	-	-	-
Total			9,837,500	2,750,000	720,000	700,000	1,100,000	1,320,000	600,000	300,000	17,327,500	14,080,000	31,407,500	3,825,000	35,232,500

Remark: - For the year 2023, the Bank has paid other general benefits, such as group life and health insurance and physical checkups, amounting to Baht 313,575.91.

- Executive directors, who received monthly salaries as employees from the Bank or the Group companies, would not receive a monthly retaining fee, attendance fee, or a bonus as directors of the Bank.

¹ The Board of Directors will propose the directors' 2023 bonus to the 2024 AGM for consideration and approval so that it is in accordance with the actual performance of the Board of Directors and the operating results of the Bank.

² Appointed as the Bank's independent director and Nomination and Remuneration Committee member in replacement of the director who resigned, effective January 26, 2023.



Other Compensations

In addition to the directors' remuneration in the form of a retaining fee, attendance fee, and bonus, the Bank also provides other general benefits and perquisites for the directors, as follows:

The group insurance covers life, accidents, total permanent disability, and health for the Chairman of the Board and directors who are non-executive directors.

Beginning in October 2022, the Group has adjusted the insurance coverage for the Chairman and non-executive directors to be equal to that of senior executives, so that they are in line with the Group's standard and equal for all levels. The group life, accident, total permanent disability, and health insurance premium for directors for the year 2023 was Baht 313,575.91.

The table shows changes in directors' KKP shareholding.

No.	Name	Shareholding (Share)		Change Increase/ (Decrease) (Share)	Shareholding (%)
		December 31, 2022	December 31, 2023		
1.	Mr. Supol Wattanavekin	12,605,416	13,105,416	500,000	1.55
	Spouse	1,071,434	1,071,434	-	0.13
	Minor Children	-	-	-	-
2.	Mrs. Dayana Bunnag	-	-	-	-
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
3.	Mr. Chalee Chantanayingyong	-	-	-	-
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
4.	Assoc. Prof. Dr. Chayodom Sabhasri	-	-	-	-
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
5.	Ms. Punnee Chaiyakul ¹	N/A	-	-	-
	Spouse	N/A	-	-	-
	Minor Children	N/A	-	-	-
6.	Mr. Suvit Mapaisansin	779,406	879,406	100,000	0.10
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
7.	Prof. Dr. Anya Khanthavit	-	-	-	-
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
8.	Mrs. Patchanee Limapichat	-	-	-	-
	Spouse	-	-	-	-
	Minor Children	-	-	-	-

No.	Name	Shareholding (Share)		Change Increase/ (Decrease) (Share)	Shareholding (%)
		December 31, 2022	December 31, 2023		
9.	Mr. Banyong Pongpanich	2,500,046	3,300,046	800,000	0.39
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
10.	Ms. Thitinan Wattanavekin	35,532,761	35,532,761	-	4.20
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
11.	Mr. Aphinant Klewpatinond	1,200,000	1,250,000	50,000	0.15
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
12.	Mr. Philip Chen Chong Tan	40,000	200,000	160,000	0.02
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
13.	Mr. Chet Pattrakomkul ²	50,000	50,000	-	0.01
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
14.	Mr. Pongtep Polanun ³	488	30,488	30,000	0.00
	Spouse	-	-	-	-
	Minor Children	-	-	-	-

Remarks: ¹ She was appointed as the Bank's director, replacing Mr. Veravat Chutichetpong, who resigned from the director post, by resolution of the Board of Directors' meeting No. 1/2566 held on January 26, 2023. Hence, the number of shareholdings as of December 31, 2022, is not an appropriate comparison.

² He is an advisor to the Board of Directors and an advisor to the Audit Committee.

³ He is an advisor to the Board of Directors.

8.1.7 Supervision of Subsidiaries and Affiliates

The Bank supervises the Group companies by having the Board of Directors determine the overall strategic direction and goals and approve the Group's policies and business direction as proposed by the Executive Committee and the nomination of qualified candidates for the highest-level executive of KKP CAP as nominated by the Nomination and Remuneration Committee to act as the Bank's representatives in overseeing the Group's business operations. Furthermore,

the Nomination and Remuneration Committee has been charged with providing consent on the appointment of the directors and persons with management authority of the Group companies prior to their being proposed for appointment to the authorized persons.

In relation to the oversight of overall management, the Bank, through the Board of Directors, has established the Group's monitoring and overseeing structure, which covers the areas of risk management, compliance, internal control system monitoring, and business administration.



As the Bank recognizes the importance of information disclosure under corporate governance principles, the Board of Directors has assigned the Compliance and Governance Committee to supervise the Group's regulatory compliance through the Bank's Legal and Compliance Group, which is responsible for monitoring the Group's compliance and directly reports to the Compliance and Governance Committee.

Moreover, the Board of Directors has assigned the Bank's Audit Committee the responsibility of ensuring an appropriate and efficient internal control system for the Bank and the Group companies. The Bank's Internal Audit Office oversees the internal audit system and directly reports to the Audit Committee. In addition, the Board of Directors of the companies in the capital market business and/or the Audit Committee of those companies will be responsible for ensuring that the Group companies in the capital market business have a sufficient and appropriate internal control system in place.

This year, the Bank improved the Group's supervision guidelines, as well as the policies and announcements related to overseeing the business operations of the Bank and the Group companies, in order to improve the efficiency of working procedures, prevent any conflict of interest, and align with the laws and regulations issued by the regulators, namely the BOT, the OIC, the SEC, the AMLO, and the SET, such as the Internal Capital Adequacy Assessment Process (ICAPP) Policy, the Capital Management Policy, the IT and Data Policy, the IT Risk Management Policy, the Financial Crime Risk Management Policy, the Whistleblowing Policy, the Compliance Policy, etc. to ensure that the Bank and the Group supervise their operations in accordance with the guidelines of the official agencies.

8.1.8 Monitoring Compliance of Policies and Guidelines

1. Protection Against Conflict of Interest

The Group is committed to protecting against conflict of interest in doing business by the Bank and the Group companies through various measures. The Group thoroughly communicates measures to protect against any conflict of interest that may arise. Directors, executives, and employees are required to obtain

approval before conducting business activities outside the Bank or the Group companies so that they realize the conflict of interest and avoid any contacts with individuals who may cause a conflict of interest with the Group.

1) Connected Transactions

The Group does not encourage any transactions entered into between the Group and directors, executives, major shareholders, or related persons. This is to avoid any potential conflict of interest. However, in the course of doing business, it may be necessary for the Group to enter into such transactions. This is to be done within the procedures and framework of the regulations governing such matters.

The Audit Committee of the Bank has the authority to consider and disclose connected transactions or transactions that may lead to a conflict of interest to ensure that they are in compliance with the laws and the SET's regulations, are reasonable, and are for the highest benefit of the Group.

In the previous year, the Group did not violate any regulations regarding connected transactions. Moreover, the Internal Audit Office audited connected transactions that may lead to a conflict of interest and found no issue with the specified measures for protecting conflicts of interest. The Internal Audit Office has an annual audit plan on this matter.

2) Business Activities Outside the Bank or the Group Companies

Directors, executives, and employees may engage in any outside business of the Bank or the Group companies, such as serving as a partner or shareholder in another business, an officer in a family-owned corporation, or an outside director of another company. The appropriateness of engaging in these and other types of outside business activities depends on many factors, including the nature and extent of the outside interest, the relationship between the Bank or the Group companies and the outside entities, and the duties involved.

Prior to taking up a post as a director or executive in any other business, directors, executives, and employees must receive written approval from the unit assigned by the Bank and be in accordance with the specified guidelines.

Directors, executives, and employees must strictly abide by the policy and regulations governing outside

interests, for instance, obtaining approval before conducting all of their outside business dealings, including partnerships or shareholdings in other companies, with the Bank or the Group companies, in order to consider any conflict of interest that may arise.

The Bank's directors may not be partners or directors in any private or public company that operates in the same industry and is considered to be in direct competition with the Bank unless the shareholders' meeting has been informed prior to being elected.

Prior to taking up the post of director, officer, or employee in any other business, the Bank's executive directors must receive approval from the Bank. If the Group's directors, executives, and employees wish to take up a post as directors in a listed company in Thailand or overseas, he or she must receive pre-approval from the Executive Committee of the Bank. This is in order to prevent any conflict of interest that may arise.

The Bank has guidelines for the directors, executives, and related persons to report any outside interests of serving as a director or executive, including holding shares in any other corporations, to consider any potential conflict of interest.

In the previous year, before serving as directors in any other corporations or businesses outside the Group, the directors and executives had sought approval and reported on outside interest information, as specified by the Group.

2. Supervision of the Use of Inside Information

The Group has issued a written directive forbidding the use of its inside information for personal or others' gain, which will be taking advantage of others, such as trading securities by using inside information, using clients' transaction information for personal or others' gain before proceeding with clients' transactions (front run), or using investment analysis information obtained from the performance of duty that has not been disclosed for trading securities of their own or others, etc.

The Group forbids any directors, executives, and employees of the Bank who can access the Bank's financial information and their related persons to trade the Bank's shares fourteen days prior to the end of the quarter until at least one trading session has elapsed after the Bank's financial statements have

been disclosed to the public. Moreover, the directors, executives, employees, and related persons who can access such undisclosed information that can affect the change in the value of shares or securities trading of the Bank must ask for approval prior to trading shares of the Bank for at least one day, and the approval is valid from the next business day until the end of the third business day.

In addition, the Bank instructs directors, executives, their spouses, children who are under the legal age, and the legal entity in which directors, executives, and any other related persons collectively hold shares at an amount exceeding 30% of the total voting rights to report (Form 59) any changes in the status of their holdings of the Bank's securities and derivatives within three business days since the date of purchase, sale, transfer, or receipt of such securities to the SEC and also hand in a copy of the form to the Corporate Secretary, so it will be reported in the Board of Directors' meeting every time.

During the year, the Corporate Secretary sends emails to directors and executives in advance to inform them of the blackout period during the fourteen days prior to the end of the quarter until at least one trading session has elapsed after the Bank's financial statements have been disclosed to the public to ensure that they strictly comply with the defined guidelines.

In the previous year, the directors and executives of the Bank traded the Bank's securities twenty-six times. (The details on the changes in directors' and executives' KKP shareholdings are disclosed in the directors' remuneration section and the remuneration of executive directors and executives section, respectively.) Moreover, the Office of Compliance had reviewed the practice of using inside information and found no violations against the Bank's policy and regulations.

3. Anti-corruption and Anti-bribery

The Group intends and is committed to taking a stand against corruption in any form by adhering to the Guidelines for Business Conduct Policy, the Corporate Governance Policy, the Anti-corruption Policy, and regulations according to anti-corruption laws that are to be strictly followed. The Bank and the Group companies have announced their intention to be part of the CAC, which obtains support from the government and the



National Anti-Corruption Commission. The Bank and the Group companies have been certified as full members of the CAC and have been recertified every three years as follows:

- The Bank was certified as a full member of the CAC on January 16, 2015; was first recertified on November 10, 2017; recertified for the second time on December 31, 2020; and recertified for the third time on December 31, 2023.
- KKP CAP was certified as a full member of the CAC on January 10, 2014; was first recertified on March 9, 2017; recertified for the second time on February 7, 2020; and recertified for the third time on March 31, 2023.
- KKPS was certified as a full member of the CAC on April 4, 2014; was first recertified on March 9, 2017; recertified for the second time on February 7, 2020; and recertified for the third time on March 31, 2023.
- KKPAM became a full member of the CAC on October 3, 2014; and has since been recertified twice, first on February 12, 2018, and then on March 31, 2021.
- KKP DIME has declared its intention to be part of the CAC on November 20, 2023.

The Group has continually implemented an anti-corruption program as follows:

- The Group has defined the Anti-corruption Policy for all directors, executives, and employees as a guideline to perform their duties and operate the business in a transparent manner, aiming to create a common attitude toward anti-corruption and pave the way to building a sustainable organization. Such policy forbids directors, executives, and employees from giving bribes, payoffs, or payments of any kind to any person, government official, or entity for the purpose of improperly obtaining or retaining business or influencing consideration of any business activity. Offering gifts, reception fees, and other benefits must not affect, directly or indirectly, a decision or lead to the obtaining of improper benefits or any conflict of interest. The business operation must be conducted carefully and without any

characteristics that could directly or indirectly lead to corruption or biased discretion.

The Anti-corruption Policy prohibits the request for, proceeding with, or acceptance of any corruption for the benefit of themselves, their families, friends, or acquaintances in any form, directly or indirectly. Directors, executives, employees, and their family members must not accept any gifts, reception fees, or other benefits that are not normal, too frequent, or not in line with tradition or the Group's business principles. The Group will not cooperate with or support any illegal activity, corruption, or other activity that is a threat to society or national security. In any case, the Group has no policy of paying any facilitating fee to shorten or expedite the process for a government official.

- All units of the Bank and the Group companies are required to implement operational risk management standards through the use of Risk and Control Self-Assessment (RCSA) and perform their own corruption risk assessment in accordance with the policy, guidelines, rules, and instruments specified by the risk management unit in order to be reported to the Operational Risk Management Department of the Bank on a regular basis for its review, analysis, and presentation to the Operational Risk Sub-committee, the Risk Oversight Committee, and senior executives. This is to ensure efficient monitoring and control of operational risks, keeping them within an acceptable level, and being prepared to deal with potential risks.
- The Group has issued regulations on the receiving and giving of gifts and other benefits to external persons to be used by its directors, executives, and employees as a guideline to perform their duties in accordance with the Anti-corruption Policy and relevant legal requirements. This is to ensure that receiving and giving gifts and other benefits are reasonable and appropriate in value and do not have characteristics leading to corruption.
- The Group communicates its Anti-corruption Policy, Whistleblowing Policy, and related

regulations and clarifies the role of its directors, executives, and employees when they see suspicious actions related to corruption. The Group will not demote or take disciplinary action against any person who refuses to be involved in a corruption scheme, even though it may have made the Group lose a business opportunity. The Group also distributes information on its Anti-corruption Policy to directors, executives, and employees through the intranet and provides an e-Learning training course for all employees on the Anti-corruption Policy together with an assessment form for understanding by employees. This e-Learning training course has been implemented annually for both new and existing employees to review their understanding of the Anti-corruption Policy. In the previous year, 4,744 directors, executives, and employees altogether, or 99.75% of the Group's directors, executives, and employees, attended such training courses and passed the assessment.

The Group also communicates its Anti-corruption Policy to the general public and other stakeholders through various channels, such as emails, the website, the Form 56-1 One Report, the Sustainability Report, and various PR media. Furthermore, the Group specifies clauses in its agreements with third parties regarding compliance with its Anti-corruption Policy and relevant laws. In addition,

Mr. Banyong Pongpanich, the executive of the Bank and the Group companies, who is knowledgeable and experienced in anti-corruption matters, was invited by several public and private agencies to be their academic lecturer on the topic of anti-corruption.

- Following its intention of providing services with good corporate governance and a rejection of all types of corruption, the Group asks clients and counterparties to cooperate by not providing gifts to directors, executives, and employees of the Group during the New Year festival or other occasions.
- The Bank and the Group companies, in conjunction with the CAC, have announced the "No Gift Policy," which is consistent with the Group's continuous anti-corruption practices. Moreover, the Bank has cooperated with the Thai Bankers' Association to declare the "No Gift Policy" to confirm its intent against corruption in any form and support transparency and good corporate governance in its business operations.

4. Whistleblowing

The Group has arranged for reporting channels or whistleblowing on any illegal activities, noncompliance of the Guidelines for Business Conduct Policy, or any suspected corruption or improper behavior of all employees. The reporting channels are as follows:

Internal Channels for Directors, Executives, Employees, and Officers of the Group

Send written reports to the following persons by post or email (this means persons in the following positions of the Group companies):

1. Independent directors
2. Chairman of the Board of Directors
3. Chairperson of the Audit Committee
4. CEO
5. Head of Human Resources Management Group
6. Head of Legal and Compliance Group
7. Head of Internal Audit Office
8. Online form on the website: <https://kkpfg.com/th/whistleblowing-form>



Channels for Outsiders or Stakeholders (i.e., Shareholders, Clients, Counterparties, and Employees of Counterparties)

Send written reports to the following persons by post or email:

1. Independent Director

To Independent Director
Kiatnakin Phatra Financial Group
209 KKP Tower, Sukhumvit 21 (Asoke) Road
Khlong Toey Nua, Wattana, Bangkok 10110

Email
independent_director@kkpfg.com

2. Chairperson of the Audit Committee

To Chairperson of the Audit Committee
Kiatnakin Phatra Financial Group
209 KKP Tower, Sukhumvit 21 (Asoke) Road
Khlong Toey Nua, Wattana, Bangkok 10110

Email
chairperson.ac@kkpfg.com

3. Corporate Secretariat Department

To Corporate Secretariat Department
Kiatnakin Phatra Financial Group
209 KKP Tower, Sukhumvit 21 (Asoke) Road
Khlong Toey Nua, Wattana, Bangkok 10110

Email
corporate_secretary@kkpfg.com

4. Online form on the website: <https://kkpfg.com/th/whistleblowing-form>

The Group will protect whistleblowers and reporters by keeping their information confidential, disclosing information on a need-to-know basis, considering the safety of the information owner as a priority, and protecting them from being intimidated, threatened, or unfairly bullied by beneficiaries who are affected by the reported information under the Personal Data Protection Act.

Concerning employee misconduct, the Group will handle complaints, as well as investigations and disciplinary action, in accordance with its whistleblowing process.

A total of 410 complaint cases were recorded in the previous year, with 2 cases related to wrongdoing and violations of good governance policies, as summarized below.

Case No.	Issue	Result from the Investigation	Action/ Solution
1.	The marketing agent impersonated and used the client's documents to apply for auto financing.	Severe violation of the Bank's ethics and rules	<ul style="list-style-type: none"> Implemented the highest level of personnel management regulations. Considered victim healing scheme. Notified relevant parties that the Bank has no policy allowing clients to make payments through employees' accounts.
2.	The marketing agent corrupted in applying for a loan, issued the car registration book by himself, embezzled, and received a bribe from a used car company.	Severe violation of the Bank's ethics and rules	<ul style="list-style-type: none"> Implemented the highest level of personnel management regulations. Considered victim healing scheme. Notified relevant parties that the Bank has no policy allowing clients to make payments through employees' accounts.

The Board of Directors, in meeting No. 1/2567 dated January 25, 2024, acknowledged the report on complaints in 2023.



8.1.9 Review of Strategy, Vision, and Mission

The Bank's Board of Directors, in conjunction with the Executive Committee, reviews the vision, mission, purpose, and corporate principles periodically so as to make adjustments that reflect the business target and strategy in the future. Furthermore, the Board of

Directors sporadically monitors the management's business operations in accordance with the Group's strategic direction.

In the previous year, the Board of Directors' meeting No. 11/2566, dated November 9, 2023, reviewed the vision, mission, purpose, and principles of the Group to be consistent with its business target and strategy.

8.2 Performance of the Audit Committee in the Previous Year

In the year 2023, the Audit Committee had thirteen meetings to perform its duties in accordance with the scope of duties and authorities as assigned by the Board of Directors, of which key activities could be summarized here:

- In each quarter, the committee reviewed the financial reports through a meeting with executives of the Finance and Budgeting Group and external auditors to consider all comments made during the auditing and reviewing of financial statements, including the changes in policies of the Group related to the development of the new treasury system to ensure compliance with relevant accounting standards and best practices in the majority of the commercial banking industry. In this regard, the committee discussed with auditors and management the appropriateness of the expected credit loss allowance and any additional expected credit loss by management overlay. In addition, on a half-yearly basis, the committee and external auditors had meetings arranged without the attendance of the executives.
- By working together with the internal auditors and external auditors, the committee reviewed the internal control system, including information technology security and control as well as cyber security, to assess the efficiency and sufficiency of these systems. The committee was of the opinion that the Group had sufficient and appropriate internal control systems. In the past year, the Bank and its subsidiaries had some deficiencies in the internal control systems, and management gave serious attention to these issues in order

to correct and improve the performance of the systems. However, the Audit Committee believed that the Group should further enhance its internal control system to adapt to various changes, such as regulatory changes, the increasing shift towards digital business models, technological advancements, and economic challenges expected in the upcoming year. The external auditors did not make any remarks that could be deemed to have any significance for the Group's internal controls. Moreover, in 2023, the Bank's management was engaged in assessing the adequacy of internal control using the SEC's checklist, which was developed under the COSO 2013 framework. The committee and the Board of Directors reviewed the assessment results to exchange views and develop a mutual understanding of the state of internal controls in order to determine appropriate actions.

- The committee reviewed and approved the annual internal audit plan. In this regard, the committee recommended that the Internal Audit Office consider a plan for investing in the development of audit capabilities related to information technology and digital aspects, covering both tools and human resources. This includes allocating the necessary budget for these initiatives. Additionally, internal auditors should remain vigilant and adopt a forward-looking perspective to stay abreast of evolving trends. Furthermore, the committee determined the independence of the internal audit function and reviewed the annual performance of the Head of the Internal Audit Office.



- The committee reviewed the Group's risk management system and measures as reported by the risk management function. These included the key risk factors and the management response to address those risks in line with the Group's policies, strategies, and plans. The committee emphasized the significance of addressing the issues where fraudsters misuse the clients' accounts (ghost accounts) to receive and transfer funds acquired through illicit activities. This has become a widespread problem, affecting the general public and commercial banks. The Bank has undertaken measures to combat financial fraud activities, including enhancing operational processes and implementing various technologies for prevention and detection. These efforts have resulted in a significant reduction in the number of ghost accounts associated with the Bank.
- The committee reviewed related-party transactions or transactions that may lead to a conflict of interest, including the disclosure thereon, to ensure that they were in compliance with the laws and regulations imposed by the SET and were reasonable and for the highest benefit of the Group.
- On a quarterly basis, the committee reviewed the internal audit's report to assess whether disclosure and appropriate surveillance and monitoring programs were in place. This was to ensure compliance with the laws and regulations relating to the Group's business, including those imposed by the Bank of Thailand, the SEC, the OIC, the AMLO, etc.
- The committee reviewed the performance of the Bank's external auditors on their duties over the year. The committee was of the opinion that the auditors of PricewaterhouseCoopers ABAS Ltd. were independent, possessed great skill and knowledge about international auditing standards, demonstrated a high level of proficiency in auditing banking and capital markets businesses, and had sufficient resources. As a result, the committee considered and re-nominated PricewaterhouseCoopers ABAS Ltd. as the auditors of the Bank for the year 2024 and submitted its recommendation on the appointment and remuneration of the

Bank's external auditors to the Board of Directors to be proposed to the shareholders' meeting for approval.

- The committee considered the Group's policy on non-audit services provided by the Bank's external auditors and reviewed such services to ensure that non-audit engagement did not impair the independence of the Bank's external auditors.
- The committee arranged meetings with other audit committees within the Group to exchange views and opinions regarding the role of the audit committees in accordance with the good governance, risk, and control (GRC) framework so as to allow all committee members to be able to assess the overall picture of the Group's internal control.

According to a self-assessment carried out in 2023, the results suggested that the committee has satisfactorily discharged its duties in accordance with the requirements set out in the committee's charter.

In summary, the committee has performed its duties independently and has been open in expressing its opinions for the best benefit of the Bank. The committee is of the opinion that the Bank has appropriate and efficient risk management and sound internal controls in place to undertake transactions with related parties and monitor compliance with the rules and policies as well as for other bank operations. The financial statements of the Bank are reliable, have been constructed with sufficient control systems, and are in accordance with Thai financial reporting standards.

The committee has recommended to the Board of Directors that communication be continuously made to all staff that the Group emphasizes the importance of observing good business conduct and that fraudulent behavior is unacceptable (Zero Tolerance to Fraud Policy). In the year 2023, the Bank arranged for an independent expert from outside the organization to assess the appropriateness and completeness of its code of conduct. This includes evaluating the adherence to the specified principles. The committee and the Board of Directors have received the report on the results of this assessment. The Bank will use the assessment findings to make improvements going forward.

Meeting Attendance Record

No.	Name	Position	Meeting Attendance		
			Total (18 Meetings)	In Person (No. of Meetings)	Via the Electronic Channel (No. of Meetings)
1.	Mrs. Dayana Bunnag	Chairperson	18/18	-	18
2.	Mr. Chalee Chantanayingyong	Member	18/18	-	18
3.	Assoc. Prof. Dr. Chayodom Sabhasri ¹	Member	17/17 ²	-	17
4.	Mr. Chet Pattrakornkul	Advisor	18/18	-	18

Remarks: ¹ He was appointed as a member, replacing Mr. Veravat Chutichetpong, who resigned, by resolution of the Board of Directors' meeting No. 1/2566 held on January 26, 2023, effective January 26, 2023.

² The number of meetings attended was counted from February to December 2023.

Performance Assessment

The Audit Committee performed its self-assessment by using the assessment form published in the Audit Committee's manual of the SEC. The assessment form consisted of two main parts, which were Part 1: the appropriateness of the structure and composition of the committee and the general environment that could help the committee effectively perform its task, and Part 2: the performance of the committee during the past year. The assessment form for the committee had ninety-five questions in total. It aimed to improve the environment

to facilitate the performance of the committee as well as the charter of the committee to make it more suitable. The result of Part 1, the appropriateness of the structure and composition of the committee and the general environment that could help the committee effectively perform its task, received an average score of 3.97 out of a full score of 4. In Part 2, the performance of the committee during the past year received an overall average score of 3.98 out of a full score of 4, which meant the committee was able to fulfill its duties in accordance with the provisions stipulated in its charter comprehensively.

8.3 Performance of the Nomination and Remuneration Committee in the Previous Year

In the year 2023, the Nomination and Remuneration Committee conducted six meetings to fulfill its designated responsibilities within the framework and authorities outlined by the Board of Directors. The following key activities summarize the committee's achievements:

1. Selected and nominated candidates for the Bank's director positions, aiming to replace those who retired by rotation or resigned from their roles. The proposed candidates were presented to the Board of Directors and, subsequently, to

the annual general meeting of shareholders for election. The committee ensured that the board's composition and size aligned with business goals and adhered to corporate governance standards. Utilizing mechanisms such as the board skill matrix, the committee guaranteed that proposed directors possessed the requisite knowledge, competency, and experience beneficial for the long-term operation and alignment with the Group's business direction and strategy.



2. Approved nominated candidates for directors of Group companies before proposing them to the respective Boards of Directors and shareholders' meetings for consideration and appointment.
3. Evaluated and nominated qualified candidates for management positions within the Bank, seeking endorsement from the Bank of Thailand and subsequent approval from the Board of Directors. The committee also endorsed the appointment of management personnel in Group companies, focusing on diversity and appropriateness in terms of knowledge, competence, and experience to reinforce the Group's business direction.
4. Ensured the proper execution of the annual performance assessment of the Board of Directors and CEO. Assessment results, including feedback and comments from board members and related committees, were reported to enhance overall performance.
5. Reviewed and ensured that compensation for the Board of Directors and subcommittee members was appropriate and competitive with industry practices before proposing it for consideration and approval.
6. Approved CEO compensation based on duties, responsibilities, risks, assessment results, and performance, aligning with the annual budget framework approved by the Board of Directors.
7. Evaluated criteria for the allocation of rights to purchase ordinary shares of the Bank for directors, executives, and employees (KKP ESOP Warrant), ensuring comparability with industry practices.
8. Reviewed the Nomination and Remuneration Committee charter for 2023 to ensure consistency and appropriateness with Bank of Thailand notification No. SorNorSor. 3/2023. Proposed amendments were forwarded to the Compliance and Governance Committee and the Bank's Board of Directors for approval.
9. Considered the extension of the CEO's term, aligning with the Bank of Thailand guidelines mandating renewal every four years.
10. Acknowledged bonus and annual merit budget criteria and guidelines for the Bank's personnel with management authority, considering factors such as overall organizational performance, individual performance, and the total compensation concept.
11. Monitored the progress of succession planning for senior executive positions and group talents, ensuring continuous and appropriate implementation for sustainable human resources management.

In performing these responsibilities, the committee operated with prudence and transparency, adhering to applicable laws, regulations, and good corporate governance principles for the benefit of the Bank and its shareholders.

Meeting Attendance Record

No.	Name	Position	Meeting Attendance		
			Total (6 Meetings)	In Person (No. of Meetings)	Via the Electronic Channel (No. of Meetings)
1.	Assoc. Prof. Dr. Chayodom Sabhasri ¹	Chairman	6/6	1	5
2.	Mr. Suvit Mapaisansin	Member	6/6	1	5
3.	Ms. Punnee Chaiyakul ²	Member	4/4	-	4

Remarks: ¹ He was appointed as Chairman of the Nomination and Remuneration Committee by resolution of the Board of Directors' meeting No. 1/2566 held on January 26, 2023.

² She was appointed as a Nomination and Remuneration Committee member, replacing Mr. Veravat Chutichetpong, who resigned, by resolution of the Board of Directors' meeting No. 1/2566 held on January 26, 2023.

Performance Assessment

The Nomination and Remuneration Committee performed its self-assessment by using the assessment form, in which questions were divided into six topics. They were: 1) the structure and qualification of the committee; 2) the roles, duties, and responsibilities of the committee; 3) the committee's meetings; 4) the performance of the committee; 5) the relationship with management; and 6) the self-improvement of committee

members. The answer scale was 0 - 4, from totally disagreeing to totally agreeing. The result of the self-assessment of the Nomination and Remuneration Committee was an average of 3.62.

The Nomination and Remuneration Committee has brought the results of the performance assessment, opinions, and suggestions to improve its performance in accordance with the assigned roles, duties, and responsibilities.

8.4 Performance of the Compliance and Governance Committee in the Previous Year

The Compliance and Governance Committee consists of one independent director and two non-executive directors. In 2023, the committee fulfilled its duties as outlined in its charter and authorized by the Board of Directors by holding five meetings, which can be summarized as follows:

1. Considered and endorsed the revision of the policies, guidelines, and significant plans.

The committee considered and endorsed the revision of the policies, guidelines, and significant plans of the Bank and the Group as follows:

- The Whistleblowing Policy of the Group
- The Compliance Policy of the Group
- The Anti-corruption Policy of the Group
- The review of the Bank's implementation of the CG Code for the year 2023
- The Corporate Governance Policy of the Bank
- The Employee Trading Guidelines of the Bank
- The Connected Transaction and Share Distribution Report Guidelines of the Group
- The Outside Interest Guidelines of the Group
- The Guidelines on Reporting Interests of Directors, Executives, and Related Persons of the Bank
- The Regulation of Gift-Practicing of the Group
- The preparation of Watch List and Restricted List Regulation; and
- The review and amendment of the charters of the Board of Directors and committees for the year 2023

2. Considered and approved the annual compliance report for the year 2022, as well as the compliance year plan for the year 2023.

The committee considered and endorsed the annual compliance report for the year 2022 and approved the compliance year plan for the year 2023 of the Bank prior to submitting them to the regulatory agencies, i.e., the Bank of Thailand, the SEC, and the ThaiBMA.

3. Acknowledged and monitored the Bank of Thailand's audit report of the Bank and the Group companies for the year 2023.

The committee acknowledged the audit report of the Bank and the Group companies for the year 2023 prepared by the Bank of Thailand and monitored and followed up on compliance with the suggestions required by the Bank of Thailand's examiners.

4. Acknowledged and followed up on the compliance reports of the Bank and the Group companies

The committee acknowledged and followed up on the compliance reports of the Bank and the Group companies, such as the credit review, the review of the process of the brokerage business and distribution of investment units (LBDU), the debt instrument transactions, the issuance and offering of structured notes, the review of the process of the investment consultant regarding investment advice on perpetual bonds, the compliance report on market conduct, fair lending, IT risk data set, default interest & payment hierarchy, financial marketing



and risk management processes in trading accounts, the report on mystery shopping, the report on the results of the assessment of compliance with the Code of Conduct of the Bank, assessment of compliance risk framework for the 2nd half of 2022 etc. The committee also provided opinions and suggestions for improvement. If the committee found any significant issues that might pose a compliance risk, it requested urgent action from the management or relevant units to address these issues.

5. Acknowledged and followed up on the report on the results of the assessment of compliance with the Bank's code of conduct for the year 2022.

In the previous year, the Bank engaged EY Corporate Services Limited to conduct an assessment of compliance with the Guidelines for Business Conduct Policy to analyze and improve guidelines for conducting business ethics to be more efficient and effective.

The committee acknowledged the report on the results of the assessment of compliance with the Bank's code of conduct for the year 2022. The evaluation results found that the Bank has established appropriate policies and guidelines. However, there are suggestions that the Bank can improve, such as the consistency of the Guidelines for Business Conduct Policy with national and international good practices, communication and review of the Guidelines for Business Conduct Policy, and whistleblowing regarding violations of the Guidelines for Business Conduct Policy. The Bank has gradually implemented the aforementioned recommendations.

6. Approved the charter of the Sustainability Sub-committee and appointed the members of the Sustainability Sub-committee.

The Board of Directors assigned the committee the responsibility of overseeing sustainability operations in accordance with laws and international practices based on sustainability principles. In 2023, the committee considered and approved the charter of the Sustainability Sub-committee. The committee has determined the scope of authority, duties, and responsibilities of the Sustainability Sub-committee and appointed its members.

7. Performed the committee self-assessment for 2023.

The committee performed its self-assessment each year using the assessment form, with questions divided into six topics. These were: 1) the structure and qualification of the committee; 2) the roles, duties, and responsibilities of the committee; 3) the committee's meetings; 4) the performance of the committee; 5) the relationship with management; and 6) the self-improvement of committee members. The answer scale was 0 - 4, from totally disagreeing to totally agreeing. The result of the self-assessment of the Compliance and Governance Committee for 2023 was an average of 3.86.

The committee has brought the results of the performance assessment, opinions, and suggestions to improve its performance in accordance with the assigned roles, duties, and responsibilities.

Meeting Attendance Record

No.	Name	Position	Meeting Attendance		
			Total (5 Meetings)	In Person (No. of Meetings)	Via the Electronic Channel (No. of Meetings)
1.	Mr. Chalee Chantanayingyong	Chairman	5/5	-	5
2.	Mr. Suvit Mapaisansin	Member	5/5	-	5
3.	Mrs. Patchanee Limapichat	Member	5/5	-	5

Remark: In 2023, all Compliance and Governance Committee meetings were held via the electronic channel.

8.5 Performance of the Executive Committee in the Previous Year

The Executive Committee met fifteen times in 2023 to carry out its responsibilities in line with the powers and authority granted by the Board of Directors. The following is a summary of committee's main actions:

1. By examining the ecosystem and relevant factors, it determined the Group's short- and long-term business directions and strategic goals for both financial and non-financial aspects. Approved the Group's vision, mission, purpose, and principles review for the year 2023 before recommending them to the Board of Directors for approval.
2. Endorsed the Group's revision of the business plan and budget for the midyear of 2023 and the business plan and annual budget for the years 2024 - 2026 by stressing the proper and effective distribution of essential resources, such as capital investment, staff, technology, etc., prior to proposing them to the Board of Directors for approval.
3. Reviewed key management reports, including the Group's business performance report and the risk appetite report, and kept an eye on the Group's operations to make sure they were compliant with applicable laws and specified policies.
4. Endorsed or approved the review and amendments of policies and guidelines that are in place to encourage open and effective business practices and adhere to evolving legal requirements. A few of the policies that were cited were the IT and Data Policy, the Delegation of Authority Policy for Retail Lending, the Business of Designated Payment Services Policy, the Mutual Fund Selling Agent Policy, the Bank's Employee Trading Guidelines, and the Cryptographic Key Management Regulation.
5. Endorsed the Group's supervisory guidelines for the year 2023 to ensure they are in line with the Group's current structure and business operation, as well as to enable the Group to have better practices in corporate management and policy governance prior to proposing them to the Board of Directors for approval.
6. Approved the unreviewed and unaudited financial statements to disclose to the SET, relevant supervisory agencies, and the public.
7. Approved the profit and dividend payment allocation for 2022 before putting it forward for approval to the Board of Directors and the shareholders' meeting. Likewise, approved the profit and interim dividend payment allocation from the operating result from January 1 to June 30, 2023, before putting it forward for approval to the Board of Directors.
8. Approved the review and modifications of the Capital Management Plan and Policy and the Internal Capital Adequacy Assessment Process (ICAAP Report) for the year 2023 to make sure that capital is suitable for the ongoing business operations before recommending them to the Board of Directors for approval, and approved the review and amendments of the Liquidity Management Guidelines for 2023.
9. Examined the Executive Committee's roles, duties, and responsibilities for 2023 before recommending them to the Board of Directors for approval, approved the revision of the roles, duties, and responsibilities and the change of members for subcommittees under supervision to ensure more appropriateness, and monitored the performance of the subcommittees under supervision.
10. Completed the Executive Committee's self-evaluation and approved the Executive Committee's report for 2023.
11. In line with the Executive Committee's authority, it approved, reviewed, and revised the credit line and credit covenant for the Bank's counterparties; additionally, it acknowledged that the Main Credit and Foreclosed Property Committee had reviewed the credit line and covenant for the Bank's counterparties.
12. Before submitting with the OIC, approved the market conduct annual statement for the sale of insurance products for the year 2022.



13. Accepted the supervisory stress test results for 2023.
14. Approved being a director in a listed company of an executive.
15. Approved the extra funding request for the wealth platform project of KKPS.
16. Endorsed the Private Client Group's compensation structure at KKPS.
17. Approved the increase in KKP DIME's registered capital from Baht 500 million to Baht 1 billion to be used for business operations and to maintain the SEC-mandated net capital ratio.
18. Approved the information technology system's risk level assessment before recommending it to the Board of Directors for approval.
19. Acknowledged the issuance and offering of the debenture report for the year 2022 and approved the issuance and offering of subordinated debentures, which could be counted as tier 2 capital, and the early redemption of KK285A and KK280A.

Meeting Attendance Record

No.	Name	Position	Meeting Attendance		
			Total (15 Meetings) ^{1,2}	In Person (No. of Meetings)	Via the Electronic Channel (No. of Meetings)
1.	Mr. Supol Wattanavekin	Advisor	13/15 ³	-	13
2.	Mr. Banyong Pongpanich	Chairman	12/15	9	3
3.	Mr. Aphinant Klewpatinond	Member	15/15	11	4
4.	Ms. Thitinan Wattanavekin	Member	15/15	-	15
5.	Mr. Pracha Chumnarnkitkosol	Member	13/15 ⁴	-	13
6.	Dr. Anuchit Anuchitanukul	Member	15/15	3	12
7.	Mr. Philip Chen Chong Tan	Member	15/15	11	4
8.	Mr. Trairak Tengtrirat	Member	11/15 ⁵	1	10
9.	Mrs. Kulnan Tsanthaiwo	Member	13/15	6	7
10.	Mr. Supachoke Supabundit	Member	12/15 ⁶	3	9
11.	Mr. Kampol Jantavibool	Member	14/15	10	4

Remarks: ¹ The Executive Committee's meeting No. 3/2566, held on March 2, 2023, was called urgently; therefore, Mr. Trairak Tengtrirat was unable to attend the meeting due to the Group's business.

² The Executive Committee's meeting No. 5/2566, held on April 10, 2023, was called urgently; therefore, the following directors could not attend the meeting: Mr. Banyong Pongpanich, Mr. Supachoke Supabundit, and Mr. Kampol Jantavibool.

³ Mr. Supol Wattanavekin was absent two times, one of which was due to the Group's business.

⁴ Mr. Pracha Chumnarnkitkosol was absent two times, one of which was due to the Group's business.

⁵ Mr. Trairak Tengtrirat was absent four times, three of which were due to the Group's business.

⁶ Mr. Supachoke Supabundit was absent three times, two of which were due to the Group's business.

Performance Assessment

Using the assessment form, the Executive Committee evaluated itself. The questions on the form were divided into four groups: 1) performance in relation to duties, authorities, and responsibilities; 2) committee meetings; 3) chairperson performance; and 4) committee meeting minutes. The response was on a scale of 0 - 4,

where 4 was considerable agreement and 0 was serious disagreement. The average score obtained from the committee's self-evaluation was 3.66.

The Executive Committee has brought the performance assessment results, opinions, and suggestions to better perform in accordance with the roles, duties, and responsibilities as assigned.

8.6 Performance of the Risk Oversight Committee in the Previous Year

The Risk Oversight Committee had eleven meetings in 2023 to fulfill its duties within the assigned scope and authorities set by the Board of Directors, with a summary of key activities provided here:

1. Developed strategies that were consistent with the Bank's Risk Management Policy. The strategies should enable the Risk Oversight Committee to assess, monitor, and control risks to acceptable levels.
2. Endorsed, reviewed, and updated overall policies on risk management for the Bank and the Group and proposed them to the Board of Directors for consideration and approval, such as Credit Risk Management Policy, Liquidity Risk Management Policy, Market Risk Management Policy, Operational Risk Management Policy, IT Risk Management Policy, Reputational Risk Management Policy, Loan Approval Policy, Investment and Trading Policy, and Delegation of Authority Policy for Retail Lending-Product Program.
3. Reviewed and improved the risk management system, as well as approved the criteria and regulations of the Bank and the Group companies, such as criteria relating to lending, commitments, and any transactions with loan-like characteristics; criteria on asset classification, including criteria for stress testing (in accordance with ICAAP and Supervisory scenarios) in order to assess capital adequacy for the year 2023; and a single lending limit plan and risk mitigation plan.
4. Approved the well-suited member changes and acknowledged the performance of the subcommittee under supervision.
5. Acknowledged the Bank's and the Group companies' overall risk, credit risk analysis and management report, operational risk and loss report, and issues from the Risk Management Committees of the subsidiaries in the capital market business.
6. Reported credit risk management policies and loan approval criteria to the Executive Committee and the Board of Directors.

Meeting Attendance Record

No.	Name	Position	Meeting Attendance		
			Total (11 Meetings)	In Person (No. of Meetings)	Via the Electronic Channel (No. of Meetings)
1.	Mr. Banyong Pongpanich	Advisor	0/11	-	-
2.	Mr. Supol Wattanavekin	Chairman	11/11	8	3
3.	Prof. Dr. Anya Khanthavit	Member	11/11	1	10
4.	Mr. Aphinant Klewpatinond	Member	11/11	5	6
5.	Mr. Philip Chen Chong Tan	Member	11/11	4	7



Performance Assessment

The Risk Oversight Committee performed its self-assessment by using the assessment form, in which questions were divided into four topics: 1) performance according to duties, authorities, and responsibilities; 2) committee meetings; 3) chairperson performance; and 4) committee meeting minutes. The response was on a scale of 0 - 4, where 4 was considerable agreement

and 0 was serious disagreement. The average score obtained from the committee's self-evaluation was 3.39.

The Risk Oversight Committee has brought the performance assessment results, opinions, and suggestions to better performance with the roles, duties, and responsibilities as assigned.

9. Internal Controls and Related Transactions

9.1 Internal Controls

9.1.1 Summary of Internal Controls and Risk Management

The Group pays attention to the importance of good governance and requires its executives and employees to abide by the following guidelines:

- Promote, support, and establish a greater understanding of internal controls as well as positive relationships and widespread acceptance among executives and employees for their particular duties and roles through effective corporate communications fostered by the senior executives.
- Promote and support the implementation of a self-regulation process in each division or business unit with adherence to the internal control frameworks and guidance of COSO Enterprise Risk Management (“COSO ERM”).

It is the Group’s policy to foster an effective and efficient self-regulatory process, internal controls, and risk management. The Audit Committee, the Compliance and Governance Committee, the Risk Oversight Committee, and the assigned executives regularly review the efficiency of these three processes, which govern financial controls, operations, and compliance. The Group regularly assesses internal control elements in eight aspects: internal environment, objective setting, event identification, risk assessment, risk response, control activities, information and communication, and monitoring. The Group also takes appropriate actions to assure consistent improvements in the three such processes.

To conform to the frameworks and guidance of good governance, internal controls, and risk management, as prescribed in the eight components of COSO ERM, the Group undertakes the following actions:

1. Internal Environment

The Group encourages its directors, executives, and all staff to recognize the necessity of an internal control system. The Board of Directors and board-

appointed committees ensure that business objectives are clearly stated, assessable, and applicable as staff practice guidelines. The organizational structure is designed to enable the efficient management of business operations. The Group prescribes in writing its Guidelines for Business Conduct Policy and Conflict of Interest Policy, which prohibit executives and employees from acting in a manner that would create a conflict with the organization’s interests, as well as prescribing penalties for violations thereof. The Group has established the Internal Audit Office, the Legal and Compliance Group, and the Risk Management Group, which are the key supporting arms ensuring efficiency in good governance, internal controls, and risk management. The Group has also established policies and procedures that strictly govern financial transactions, procurement, general administration, and fraud protection measures. In addition, it has set strategies for human resources management and prescribes staff policies regarding selection, recruitment, orientation, training, and development. Other internal control mechanisms include supervision and team management, as well as appropriate checks and balances in each of the Group’s business functions.

2. Objective Setting

Each of the Group’s business units is required to set its own objectives that are linked to the Group’s corporate vision, mission, and strategies with clearly defined key performance indicators. In brief, the “SMART” concept, which is an acronym for criteria for the setting of objectives that represent business imperatives, is applied. This concept includes the following:

Specific: targeted returns or outcomes are clearly defined and understandable to all employees.

Measurable: achievements can be quantified and measured.

Achievable: targets are possible to achieve given the availability of the Bank’s current resources.

Relevant: conform to the Bank’s operation strategies and targets.



Timeliness: the achievement timeframe is clearly specified.

All of these objective settings aim to create efficiency, appropriateness, and a common ground on a corporate direction for an acceptable risk level.

3. Event Identification

The Group identifies internal and external events that may have an impact on its business targets. Appropriate stress test assessments are carried out under specified stress scenarios to assess the severity of potential losses or adversity and to determine proper response planning for such outcomes. The Bank's Risk Management Group, under the supervision of the Risk Oversight Committee, generally performs regular reviews of stress test procedures and the environment in accordance with the risk management framework and policy prescribed by the Bank of Thailand.

4. Risk Assessment

The Bank consistently and continuously promotes its risk management policy and risk assessment process, evaluates both internal and external risk factors that may materially affect the Bank's business operations, establishes control measures to monitor changes in such factors, and implements mitigation measures. The Risk Management Group, under the supervision of the Risk Oversight Committee, regularly communicates with relevant functions of the Group to remain aware of and comply with such risk management measures. The Internal Audit Office shall review and monitor relevant implementations thereof to assure compliance with the prescribed risk management plans by each unit.

5. Risk Response

The Risk Management Group, together with related business units, determines risk response methods for mitigation of such risks to an acceptable threshold. Exploring appropriate risk response methods based on the probability or consequences of a risk event is undertaken via cost-benefit analysis. The Group continually and consistently monitors and reviews its risk response measures.

6. Control Activities

The Group specifies in writing its delegation of authority for all levels of authority in management and committees. The controls include the segregation of duties and responsibilities of various functional roles, such as approval and authorization, recording of information data, recognition of accounting entries, fiduciary duty, and property management. The actions create a check-and-balance mechanism. If the Group undertakes transactions with its major shareholders, directors, executives, or connected parties thereof, the Group also sets approval measures to govern such transactions, and in the event that the Group has investments in its subsidiaries or affiliates, the Group also monitors the business operations of such entities on a regular basis. The Group gives strategic guidance to an individual appointed to serve as director or management of such entities. The Legal and Compliance Group monitors the legal compliance of the Group to assure the mitigation of reputational risk. In the event of an error or a deficiency, a fact-finding panel comprised of an independent body shall be established to investigate the facts and propose remedial and improvement methods to prevent such an error or deficiency from recurring.

7. Information and Communication

The Group has arranged to have an information technology system that can adequately support information management. It has also established comprehensive intra-corporate communications that are high-quality, clear, timely, and have organization-wide coverage. The system, which has the beneficial features of completeness, simplicity, and an easy-to-use pattern, provides support for decision-making with data storage and data classification. The Bank has set up the IT Investment Sub-committee to consider the value of IT investment and supervise the management of the Bank's information. It also promotes knowledge management activities to make knowledge and proficiency accessible to all employees and encourages them to apply such knowledge and proficiency in their work duties. The Group also promotes business expertise and advisory skills among employees to enable them to better serve their clients, trade partners, and related parties, as well



as maximize corporate benefits as per the Group's targeted vision and mission.

8. Monitoring

The Group has processes, procedures, and tools to support its executives, Board members, and committees in monitoring business operations, improving efficiency, and making assessments according to key performance indicators. All these help in ensuring the performance and ongoing efficiency of the internal control system and are regularly adjusted with changes in circumstances. It also assures that any errors or omissions are promptly identified for remediation. The Group prescribes the reporting of its operational results, performances, and comparative performance targets on a monthly and quarterly basis, according to their relative importance and impacts. It also monitors and reports incurred losses for assessment and review of the operation process and the efficiency of applied risk management tools. The monitoring process includes reviews of minutes of meetings, loss reports, complaints, and random checks on self-assessment reports made in accordance with self-regulation and self-control concepts. The monitoring actions are made by the Legal and Compliance Group, the Risk Management Group, and the Internal Audit Office, together with investigations by external auditors. The Board of Directors also assesses the adequacy of the internal control system on an annual basis to assure that the Group has appropriate internal control systems, thus making it capable of achieving its targeted goals.

9.1.2 Summary of the Opinions of the Board of Directors on Internal Controls

The Board of Directors is of the opinion that the Bank and its subsidiaries have sufficient and appropriate internal control systems that can protect the assets of the Bank and its subsidiaries from any misappropriation or unauthorized action by directors or executives. In the past year, the Bank and its subsidiaries have had some deficiencies in their internal control systems, and management has given serious attention

to these issues in order to correct and improve the performance of the system. The Audit Committee is of the opinion that there is room for improvement in controls in many areas to adapt to various changes, including regulatory, market, technological changes, and challenging economic conditions expected in the upcoming year. The external auditors did not make any remarks that could be deemed to have any significance for the Group's internal controls. The related party transactions between the Group and persons who could present potential conflicts of interest that are necessary, undertaken in the ordinary course of business, and at market price are disclosed in the Related Transactions section and Notes to the Financial Statements.

The Group arranges to have internal control assessment surveys every year. In 2023, the Group's management was engaged in assessing the adequacy of internal controls using the SEC's checklist, which was developed under the COSO 2013 framework. The Audit Committee and the Board of Directors reviewed the assessment results to exchange views and establish a common understanding of the state of internal controls, enabling further determination of appropriate actions.

9.1.3 Internal Audit Head

During the meeting of Audit Committee No. 1/2555 dated January 11, 2012, the committee approved the appointment of Dr. Narong Preedanant to hold the position of Executive Vice President and Head of the Internal Audit Office. The committee submitted the decision to the Board of Directors for further approval. Dr. Narong Preedanant has over thirty years of experience working in internal audit for major financial institutions. He has sufficiently attended various internal audit training courses, has a good understanding of the Group's businesses and operations, and is thus suitable to perform his assigned tasks. The decisions on appointment, transfer, and dismissal, as well as the performance appraisal on the efficiency and effectiveness of the Internal Audit Head, require approval from the Audit Committee. Attachment 3 shows his qualifications.



9.1.4 Compliance Head

During the meeting of the Board of Directors No. 1/2557 dated January 31, 2014, the Board resolved the appointment of Mr. Aphichart Chongsanguanpradab to hold the position of Executive Vice President, Head of the Compliance Office, effective from February 1, 2014, and the Board of Directors' meeting No. 6/2562 dated June 27, 2019 resolved the appointment of Mr. Aphichart Chongsanguanpradab, Executive Vice President, as Head of the Legal and Compliance Group, effective from July 16, 2019, and reported to the Bank of Thailand to acknowledge such an appointment. Later, Mr. Aphichart Chongsanguanpradab was appointed as the First Executive Vice President, Head of Legal and Compliance Group, effective March 1, 2020.

Mr. Aphichart Chongsanguanpradab has more than twenty years of experience in compliance, supervisory policy for the securities business, and internal auditing of financial institutions. He attended various training courses, including Operational Supervision for Head of Compliance, for three courses organized by the Thai Bankers' Association together with the Thai Institute of Banking and Finance Association (TIBFA), the Association of Investment Management Companies (AIMC), and the Association of Thai Securities Companies (ASCO), including the Compliance Officer Program organized by the Bank of Thailand together with the Faculty of Law, Chulalongkorn University, and the Thai Bankers' Association. Attachment 3 shows his roles, responsibilities, and qualifications.

9.2 Related Party Transactions

In 2021, 2022, and 2023, the Bank performed related party transactions, which were transacted to support its normal course of business operations. The Bank also maintains the prescribed procedures governing related party transactions that are in accordance with the guidelines set forth by the SEC. These related party transactions do not lead to any conflict of interest.

9.2.1 Measures or Procedures Governing Approval of Related Party Transactions

The Bank pays attention to protections against any circumstances that threaten to give rise to any conflict of interest. When considering entering into any related party transactions with any party or person that may have any potential conflict of interest, such transaction shall be considered by the Bank on a similar basis to, and no less favorable to any other transaction undertaken with any unrelated third party. It also prescribes that its directors and executives who have special interest in any particular transaction shall not be entitled to cast their vote on its approval. The Bank discloses information transparently in accordance with corporate governance principles.



9.2.2 Significant Related Party Transactions

1. Significant related party transactions with subsidiaries

Name	Relationship	Description of the Transaction	Transaction Amount (Baht Million)			Reasons and Necessities
			2021	2022	2023	
KKP Capital Public Company Limited/ KKP CAP	99.98% is owned by the Bank	• Loans and accrued interest receivables and undue interest receivables	(2)	(2)	(2)	The Bank calculated interest at the normal rate, similar to regular clients.
		• Deposit	14	23	15	
		• Other assets	13	4	3	
		• Debt issued and borrowings	1,300	660	70	
		• Interest income	50	2	3	
		• Dividend income	1,051	1,472	946	
		• Other income	150	22	5	
		• Interest expense	1	2	3	
		• Other expenses	(1)	-	-	
Kiatnakin Phatra Securities Public Company Limited/ KKPS	Indirectly holding via KKP CAP of 99.95%	• Loans and accrued interest receivables and undue interest receivables	6,900	4,053	-	The Bank calculated interest at the normal rate, similar to regular clients.
		• Deposit	256	204	428	
		• Other assets	116	225	236	
		• Other liabilities	250	299	863	
		• Interest income	27	65	22	
		• Other income	73	168	80	
		• Interest expense	92	108	117	
		• Other expenses	324	363	350	
Kiatnakin Phatra Asset Management Company Limited/KKPAM	Indirectly holding via KKP CAP of 99.97%	• Deposit	17	19	25	The Bank calculated interest at the normal rate, similar to regular clients.
		• Other assets	6	4	4	
		• Other income	49	37	30	
KKP DIME Securities Company Limited/KKP DIME	Indirectly holding via KKP CAP of 99.97%	• Loans and accrued interest receivables and undue interest receivables	-	15	1	The Bank calculated interest at the normal rate, similar to regular clients.
		• Deposit	25	123	144	
		• Other assets	-	1	1	
		• Other income	-	4	17	
		• Interest expense	-	-	2	
		• Other expenses	-	(1)	-	
The Asia Recovery 1 Fund	99.95% is owned by the Bank	• Other assets	-	-	100	
The Asia Recovery 2 Fund	99.59% is owned by the Bank	• Other assets	-	-	727	
		• Other income	1	1	1	



Name	Relationship	Description of the Transaction	Transaction Amount (Baht Million)			Reasons and Necessities
			2021	2022	2023	
The Asia Recovery 3 Fund	99.97% is owned by the Bank	• Other income	2	2	2	
Thai Restructuring Fund	98.91% is owned by the Bank	• Other income	5	5	5	
Bangkok Capital Fund	95.72% is owned by the Bank	<ul style="list-style-type: none"> • Deposit • Other assets • Other income 	117 - 12	121 - 5	126 38 6	The Bank calculated interest at the normal rate, similar to regular clients.
Gamma Capital Fund	94.03% is owned by the Bank	<ul style="list-style-type: none"> • Deposit • Other assets • Other income 	215 - 6	286 - 27	288 150 6	The Bank calculated interest at the normal rate, similar to regular clients.
KKP Tower Company Limited	91.34% is owned by the Bank	<ul style="list-style-type: none"> • Loans and accrued interest receivables and undue interest receivables • Deposit • Other assets • Other liabilities • Interest income • Other income • Interest expense • Other expenses 	2,371 151 662 614 104 - 16 208	2,325 15 895 877 104 - 17 229	2,315 186 848 814 131 2 25 310	The Bank calculated interest at the normal rate, similar to regular clients.

2. Related transactions between the Bank and other business entities in which the directors, key executives, and related persons have significant influence

Name	Relationship	Description of the Transaction	Transaction Amount (Baht Million)			Reasons and Necessities
			2021	2022	2023	
Business entities in which the directors, key executives, and related persons have significant influence	Business entities are related to the directors and executives.	<ul style="list-style-type: none"> • Loans and accrued interest receivables • Deposit • Other liabilities • Interest expense • Other expenses 	- 741 4 13 76	- 2,964 6 11 73	1,655 4,599 15 65 13	The Bank calculated interest at the normal rate similar to regular clients.

3. Related transactions between the Bank and directors, key executives, and related persons have significant influence

Name	Relationship	Description of the Transaction	Transaction Amount (Baht Million)			Reasons and Necessities
			2021	2022	2023	
Directors/ key executives/ related persons	Directors/ key executives/ related persons	• Loan and accrued interest receivables	11	41	7	The Bank calculated interest at the normal rate similar to regular clients.
		• Deposit	1,358	1,922	997	
		• Borrowings	5	4	-	
		• Other liabilities	-	2	1	KKPS and KKPAM provide services and charge at the same commission rate as other regular clients.
		• Interest expense	10	13	16	
		• Brokerage income	12	9	10	

9.2.3 Policy and Outlook for Future Related Party Transactions

It is not the Bank's and its subsidiaries' policy to encourage the transacting of related party transactions with any party or persons that may have any potential conflict of interest, unless such transactions occur in their normal course of business operations. In that regard, such related party transactions shall maintain their pricing or terms that are no different from those transacted between the Bank and any unrelated third party. The Bank and its subsidiaries shall regularly review their related party transactions on a quarterly basis and duly report any irregularities to the Audit Committee.

9.2.4 Reasons behind the Holding of the Subsidiaries' and Associate Companies' Shares in Excess of 10% by a Person that May Have Potential Conflict, Instead of Direct Holdings

It is not the Bank's policy to have a person who may have potential conflicts hold shares in its subsidiaries on behalf of the Bank.



Part 3

Financial Statements

Independent Auditor's Report

To the shareholders and the Board of Directors of Kiatnakin Phatra Bank Public Company Limited

My opinion

In my opinion, the consolidated financial statements and the separate financial statements present fairly, in all material respects, the consolidated financial position of Kiatnakin Phatra Bank Public Company Limited ("the Bank") and its subsidiaries ("the Group") and separate financial position of the Bank as at 31 December 2023, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRS) and the Bank of Thailand Notifications in relation to the preparation and presentation of financial reporting.

What I have audited

The consolidated financial statements and the separate financial statements comprise:

- the consolidated and separate statements of financial position as at 31 December 2023;
- the consolidated and separate statements of profit or loss and other comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the consolidated and separate financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated and separate financial statements section of my report. I am independent of the Group and the Bank in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (TFAC Code) that are relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with the TFAC Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key audit matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the consolidated and separate financial statements of the current period. I determine one key audit matter: Allowance for expected credit losses of loan to customers. The matter was addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on the matter.

Key audit matter	How my audit addressed the key audit matter
<p>Allowance for expected credit losses of loan to customers</p> <p>As at 31 December 2023, total gross loans to customers balance reported in the consolidated financial statements and the separate financial statements was Baht 405,493 million and Baht 407,237 million respectively. The balance of allowance of expected credit losses of loan to customers was Baht 20,668 million and Baht 20,627 million, which represents 5.10% and 5.07% of loans to customers respectively. Relevant references in the financial statements for allowance of expected credit losses of loan to customers are as follows;</p> <ul style="list-style-type: none"> • Note 2.8: Accounting policies on financial instruments • Note 5.1: Estimates and assumptions on measurement allowance of expected credit losses • Note 14: Allowance for expected credit losses • Note 51: Expected credit losses <p>The Group and the bank calculate an expected credit loss ('ECL') impairment model with taking effect of forward-looking adjustment under TFRS 9 "Financial Instruments" by adopting complex models and assumptions.</p> <p>I focused on this area because of the following reasons;</p> <p>1) The balance of expected credit losses balance is significant to the financial statements and management also exercised significant judgement and sensitive assumptions that relate to;</p> <ul style="list-style-type: none"> • Accounting interpretations • Forward looking and macro-economic information and weighting • Expected lifetime • Staging threshold and criteria • Expected future cash flows • Management overlay <p>2) From the COVID-19 outbreak, the Bank has been assisting customers who have the impacts from COVID-19 outbreak followed the Bank of Thailand COVID-19 relief program such as loan and interest payment delay, term extensions or the sustainable debt restructuring such as principal hair cut or decrease in interest rate. As disclosed in Note 2, management has adopted the accounting treatment guidance on "the temporary relief measures for entities supporting their debtors who are effected from the situations that affected Thailand's economy". The adoption of this relief measures has the impact to accounting treatment for staging and consideration of expected credit losses.</p>	<p>Individual assessment</p> <p>I performed individual credit assessment on a sample of loans. I assessed the reasonableness of the assumptions over the cash flows forecasts prepared by management. For cash flows forecasts based on realisation of collateral, I agreed the collateral valuation to the current valuation report prepared by independent valuers. I recalculated ECL for exposures assessed on an individual basis.</p> <p>Collective assessment</p> <p>I selected samples and performed testing for the following procedures:</p> <ul style="list-style-type: none"> • Assessed the methodologies inherent within the collective assessment ECL models applied against the requirement of TFRS 9; • Evaluated and tested the design and operating effectiveness of the controls relating to: <ul style="list-style-type: none"> - Governance and model development, including model build, model approval and model validation; - Completeness and accuracy of critical external and internal data input into the ECL calculations; - Data transfer from source systems to ECL calculation model and model output to the general ledger; - IT controls both general computer controls and application controls for loan data, aging systems and collateral systems; - Accuracy and timeliness of staging based on quantitative and qualitative triggers; - Accuracy and appropriateness of accounting treatment for customers under COVID-19 relief measures programs; and - Calculation of ECL • Assessed, tested the significant model assumptions, considered reasonableness of forward-looking forecasts assumptions and the appropriateness of the weightings adopted and challenged management to provide supporting evidence of the related key assumptions. I also tested the model changes and refinement during the year. • Tested the accuracy of staging including the customers under COVID-19 relief measures programs according to the Bank of Thailand notifications; • Assessed and considered reasonableness of overlays applied by management for the consideration of economic trend, risky industries and the significant change in payment condition for customers under COVID-19 relief measures programs;



Key audit matter	How my audit addressed the key audit matter
	<ul style="list-style-type: none"> • Made specific inquiries and reviewed the outcomes from the Bank's internal experts model validation results; • Tested the calculation of ECL and agreed the results to the general ledger. • Assessed the completeness and appropriateness of disclosures in note to financial statements according to the related financial reporting standards, <p>I involved the financial risk model specialist and IT specialist in areas such as reviewing appropriateness of the ECL models, data reliability and system calculation.</p> <p>Based on the above procedures, the results for my evaluation of allowance of expected credit losses of loans to customers are appropriate following the supporting evidences and I found no material exceptions in the tests.</p>

Emphasis of matter

I draw attention to Note 2 of the financial statements, which describes the accounting policies in relation to adopting the temporary exemptions announced by the Federation of Accounting Professions to relieve the impact from COVID-19 for the reporting periods ending between 1 January 2022 and 31 December 2023. My opinion is not modified in respect to this matter.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated and separate financial statements and my auditor's report thereon. The annual report is expected to be made available to me after the date of this auditor's report.

My opinion on the consolidated and separate financial statements does not cover the other information and I will not express any form of assurance conclusion thereon.

In connection with my audit of the consolidated and separate financial statements, my 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 consolidated and separate financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to the audit committee.



Responsibilities of the directors for the consolidated and separate financial statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRS and the Bank of Thailand Notifications in relation to the preparation and presentation of financial reporting, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group's and the Bank'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 the directors either intend to liquidate the Group and the Bank or to cease operations, or has no realistic alternative but to do so.

The audit committee assists the directors in discharging their responsibilities for overseeing the Group's and the Bank's financial reporting process.

Auditor's responsibilities for the audit of the consolidated and separate financial statements

My objectives are to obtain reasonable assurance about whether the consolidated and separate 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 my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with TSAs 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 consolidated and separate financial statements.

As part of an audit in accordance with TSAs, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated and separate 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 my 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.
- Obtain 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 Group's and the Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.



- Conclude on the appropriateness of the directors' 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 Group's and the Bank's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the audit committee with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with the audit committee, I determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

PricewaterhouseCoopers ABAS Ltd.

Sinsiri Thangsombat

Certified Public Accountant (Thailand) No. 7352

Bangkok

22 February 2024

Kiatnakin Phatra Bank Public Company Limited and Subsidiaries

Statement of Financial Position

As at 31 December 2023

	Notes	Consolidated		Separate	
		2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
Assets					
Cash		1,381,596	1,000,242	1,381,440	1,000,086
Interbank and money market items, net	6	62,029,433	45,732,349	59,105,174	48,186,721
Financial assets measured at fair value					
through profit or loss	8	16,035,387	18,702,990	9,391,224	3,359,880
Derivatives assets	7	8,062,453	10,538,015	8,038,963	10,538,995
Investments, net	9	36,261,569	31,847,691	34,632,402	30,613,322
Investments in subsidiaries, net	10	-	-	9,062,944	9,706,298
Investments in properties, net	11	20,038	20,221	-	-
Loans to customers and accrued interest receivables, net	12	384,825,621	364,870,521	386,610,188	366,616,498
Properties foreclosed, net	15	7,240,407	5,787,730	8,298,691	6,893,164
Land, premises and equipment, net	16	7,436,488	7,412,008	1,323,812	1,278,141
Right-of-use assets	17	245,726	282,138	1,126,524	1,126,819
Other intangible assets, net	18.1	1,707,800	1,388,321	1,441,735	1,263,614
Goodwill	18.2	3,066,035	3,066,035	-	-
Deferred tax assets	19	1,717,031	1,431,900	1,429,545	1,215,611
Accounts receivable from clearing house and broker-dealers		1,954,980	1,275,894	-	-
Securities and derivative business receivables		5,528,970	7,976,075	-	-
Other assets, net	20	7,813,483	6,304,888	7,787,548	5,446,609
Total assets		545,327,017	507,637,018	529,630,190	487,245,758

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



Kiatnakin Phatra Bank Public Company Limited and Subsidiaries

Statement of Financial Position (Cont'd)

As at 31 December 2023

		Consolidated		Separate	
	Notes	2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
Liabilities and equity					
Liabilities					
Deposits	21	358,902,512	331,464,000	359,517,265	331,909,248
Interbank and money market items, net	22	23,035,081	20,175,120	24,131,469	19,500,810
Liabilities payable on demand		483,354	339,834	483,354	339,834
Financial liabilities measured at fair value through profit or loss	23	1,332,833	3,556,542	-	-
Derivatives liabilities	7	8,502,677	9,328,151	8,496,810	9,319,498
Debt issued and borrowings	24	68,899,979	61,354,232	66,878,061	59,719,929
Lease liabilities	17	182,008	210,623	1,077,032	1,059,019
Provisions	25	1,301,936	1,207,623	932,641	867,563
Deferred tax liabilities	19	555,218	529,924	-	-
Accounts payable to clearing house and broker-dealers		151,102	164,038	-	-
Securities and derivative business payables		6,894,432	8,179,754	-	-
Accrued interest expenses		1,063,220	505,437	1,063,220	505,437
Other accounts payable	26	7,010,932	6,778,086	6,879,934	6,529,209
Income tax payable and specific business tax payable		471,466	623,071	310,105	523,600
Other liabilities	27	5,287,417	5,109,137	4,315,989	4,030,098
Total liabilities		484,074,167	449,525,572	474,085,880	434,304,245
Equity					
Share capital					
Authorised share capital					
1,047,876,293 ordinary shares of Baht 10 each					
(31 December 2022 : 846,751,109 ordinary shares of					
Baht 10 each)					
	29	10,478,763	8,467,511	10,478,763	8,467,511
Issued and paid-up share capital					
846,751,109 ordinary shares of Baht 10 each					
		8,467,511	8,467,511	8,467,511	8,467,511
Premium on share capital		9,356,233	9,356,233	9,356,233	9,356,233
Other components of equity	33	1,981,173	2,010,004	294,723	317,447
Retained earnings					
Appropriated					
Legal reserve					
	30	1,047,876	852,337	1,047,876	852,337
Unappropriated					
		40,114,146	37,137,439	36,377,967	33,947,985
Total equity of the Bank		60,966,939	57,823,524	55,544,310	52,941,513
Non-controlling interests		285,911	287,922	-	-
Total equity		61,252,850	58,111,446	55,544,310	52,941,513
Total liabilities and equity		545,327,017	507,637,018	529,630,190	487,245,758

(Mr. Aphinant Kiewpatinond)
Chief Executive Officer

(Mr. Philip Chen Chong Tan)
President

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

Kiatnakin Phatra Bank Public Company Limited and Subsidiaries

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2023

	Notes	Consolidated		Separate	
		2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
Interest income	44	30,717,442	23,670,516	29,939,298	23,608,071
Interest expenses	45	8,423,616	4,589,167	8,488,692	4,637,955
Interest income, net		22,293,826	19,081,349	21,450,606	18,970,116
Fees and services income		6,459,728	7,183,322	2,769,175	2,984,433
Fees and services expenses		983,248	1,017,863	299,950	261,636
Fees and services income, net	46	5,476,480	6,165,459	2,469,225	2,722,797
Gain (loss) on financial instruments measured at fair value through profit or loss, net	47	440,647	830,946	(205,002)	443,324
Gain (loss) on investments, net	48	(12,080)	(3,707)	353,884	27,527
Dividend income		339,743	506,671	992,524	1,603,729
Other operating income	49	224,164	957,973	282,874	1,008,279
Total operating income		28,762,780	27,538,691	25,344,111	24,775,772
Other operating expenses					
Employee's expenses		7,101,128	6,954,170	5,005,608	4,885,984
Directors' remuneration		43,085	46,358	34,710	35,929
Premises and equipment expenses		1,323,212	1,113,326	1,192,580	978,786
Taxes and duties		626,475	509,307	569,608	494,047
Loss from revaluation of foreclosed assets (reversal)		(560,154)	38,976	(561,276)	37,284
Loss from sale of foreclosed assets		4,806,376	1,540,378	4,832,351	1,646,185
Other expenses	50	2,554,113	2,810,136	2,253,539	1,862,809
Total other operating expenses		15,894,235	13,012,651	13,327,120	9,941,024
Expected credit loss	51	6,081,910	5,036,211	6,074,270	5,005,007
Profit from operating before income tax expenses		6,786,635	9,489,829	5,942,721	9,829,741
Income tax expenses	52	1,330,686	1,873,389	998,827	1,660,333
Net profit		5,455,949	7,616,440	4,943,894	8,169,408

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



Kiatnakin Phatra Bank Public Company Limited and Subsidiaries

Statement of Profit or Loss and Other Comprehensive Income (Cont'd)

For the year ended 31 December 2023

Notes	Consolidated		Separate	
	2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
Other comprehensive income				
Items that will be reclassified subsequently to profit or loss				
Loss on debt instruments classified at fair value through other comprehensive income	(67,475)	(154,974)	(67,475)	(154,974)
Income taxes relating to items that will be subsequently reclassified to profit or loss	53 13,495	30,995	13,495	30,995
Total items that will be reclassified subsequently to profit or loss	(53,980)	(123,979)	(53,980)	(123,979)
Items that will not be reclassified subsequently to profit or loss				
Changes in revaluation surplus on assets	-	3,419,400	-	354,517
Gain on equity instruments designated at fair value through other comprehensive income	64,837	117,708	18,092	540
Remeasurements of post-employment benefit	12,955	501	8,418	-
Income taxes on items that will not be subsequently reclassified to profit or loss	53 (15,474)	(707,447)	(5,302)	(71,012)
Total items that will not be reclassified subsequently to profit or loss	62,318	2,830,162	21,208	284,045
Total items that will not be reclassified subsequently to profit or loss	8,338	2,706,183	(32,772)	160,066
Total comprehensive income	5,464,287	10,322,623	4,911,122	8,329,474
Net profit attributable to				
Equity holders of the Bank	5,443,403	7,602,096	4,943,894	8,169,408
Non-controlling interests	12,546	14,344	-	-
Total comprehensive income attributable to				
Equity holders of the Bank	5,451,740	10,120,390	4,911,122	8,329,474
Non-controlling interests	12,547	202,233	-	-
Earnings per share of Equity holders of the Bank				
Basic earnings per share (Baht)	37 6.43	8.98	5.84	9.65

(Mr. Aphinant Klewpatinond)
Chief Executive Officer

(Mr. Philip Chen Chong Tan)
President

Kiatnakin Phatra Bank Public Company Limited and Subsidiaries

Statement of Changes in Equity

For the year ended 31 December 2023

	Consolidated											Unit : Thousand Baht
	Attributable to owners of the parent											
	Other components of equity											
		Revaluation surplus (deficit) on investments in debt instruments measured at fair value through other comprehensive income	Revaluation surplus (deficit) on investments in equity instruments designated at fair value through other comprehensive income	Deferred tax relating to components of other comprehensive income (expenses) subsidiary	Appropriated retained earnings- Legal reserve	Unappropriated earnings retained to the Bank's shareholders	Total equity attributable to the Bank's controlling interests	Total equity				
Notes	Issued and paid-up share capital	Premium on share capital	Other reserve from share-based payments	Revaluation surplus on assets	Revaluation surplus on comprehensive income	Revaluation surplus on comprehensive income	Deferred tax relating to components of other comprehensive income (expenses) subsidiary	Appropriated retained earnings- Legal reserve	Unappropriated earnings retained to the Bank's shareholders	Total equity attributable to the Bank's controlling interests	Total equity	
Opening balance as at 1 January 2022	8,467,511	9,356,233	-	-	(16,381)	(139,386)	28,557 (158,337)	852,337	32,655,567 (3,342,967)	51,046,101 (3,342,967)	116,054 51,162,155 - (3,342,967)	
Dividend paid	32	-	-	-	-	-	-	-	-	-	-	
Total comprehensive income (expense)	33	-	-	3,184,565	(154,974)	117,681	(629,379)	-	7,602,497	10,120,390	202,233 10,322,623	
Transfer to retained earnings	33	-	-	-	-	(277,702)	55,360	-	222,342	-	-	
Decrease in non-controlling interests		-	-	-	-	-	-	-	-	-	(30,365) (30,365)	
Closing balances as at 31 December 2022	8,467,511	9,356,233	-	3,184,565	(171,355)	(299,407)	(545,462) (158,337)	852,337	37,137,439 (2,328,495)	57,823,524 (2,328,495)	287,922 58,111,446 - (2,328,495)	
Opening balance as at 1 January 2023	8,467,511	9,356,233	-	3,184,565	(171,355)	(299,407)	(545,462) (158,337)	852,337	37,137,439 (2,328,495)	57,823,524 (2,328,495)	287,922 58,111,446 - (2,328,495)	
Dividend paid	32	-	-	-	-	-	-	-	195,539	-	-	
Legal reserve	30	-	-	-	-	-	-	-	-	-	-	
Share-based payments	41	-	-	20,170	-	-	-	-	-	20,170	20,170	
Total comprehensive income (expense)	33	-	-	-	(67,475)	64,835	612	-	-	5,453,768	12,547 5,464,287	
Transfer to retained earnings	33	-	-	(19,084)	-	(44,027)	16,138	-	-	46,973	-	
Decrease in non-controlling interests		-	-	-	-	-	-	-	-	-	(14,558) (14,558)	
Closing balances as at 31 December 2023	8,467,511	9,356,233	20,170	3,165,481	(238,830)	(278,599)	(528,712) (158,337)	1,047,876	40,114,146 60,966,939	285,911 61,252,850		

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

Kiatnakin Phatra Bank Public Company Limited and Subsidiaries
Statement of Changes in Equity (Cont'd)
For the year ended 31 December 2023

	Notes	Separate							Unit : Thousand Baht	
		Other components of equity								
		Issued and paid-up share capital	Premium on share capital	Other reserve from share-based payments	Revaluation surplus on investments in debt instruments measured at fair value through other comprehensive income	Revaluation surplus (deficit) on investments in equity instruments designated at fair value through other comprehensive income	Deferred tax relating to components of other comprehensive income (expenses)	Appropriated retained earnings- Legal reserve		
Opening balance as at 1 January 2022		8,467,511	9,356,233	-	-	(16,381)	213,233	(39,370)	29,121,443	47,955,006
Dividend paid	32	-	-	-	-	-	-	-	(3,342,967)	(3,342,967)
Transfer to retained earnings	33	-	-	-	-	-	(126)	25	101	-
Total comprehensive income (expense)	33	-	-	-	354,517	(154,974)	540	(40,017)	8,169,408	8,329,474
Closing balances as at 31 December 2022		8,467,511	9,356,233	-	354,517	(171,355)	213,647	(79,362)	33,947,985	52,941,513
Opening balance as at 1 January 2023		8,467,511	9,356,233	-	354,517	(171,355)	213,647	(79,362)	33,947,985	52,941,513
Dividend paid	32	-	-	-	-	-	-	-	(2,328,495)	(2,328,495)
Legal reserve	30	-	-	-	-	-	-	-	(195,539)	-
Share-based payments	41	-	-	20,170	-	-	-	-	-	20,170
Total comprehensive income (expense)	33	-	-	-	(4,235)	(67,475)	18,092	9,877	4,950,628	4,906,887
Transfer to retained earnings	33	-	-	-	-	-	-	847	3,388	4,235
Closing balances as at 31 December 2023		8,467,511	9,356,233	20,170	350,282	(238,830)	231,739	(68,638)	36,377,967	55,544,310

(Mr. Aphinant Kiewpatinond)
Chief Executive Officer

(Mr. Philip Chen Chong Tan)
President

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



Kiatnakin Phatra Bank Public Company Limited and Subsidiaries

Statement of Cash Flows

For the year ended 31 December 2023

	Consolidated		Separate	
	2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
Cash flows from operating activities				
Profit from operating before income tax expenses	6,786,635	9,489,829	5,942,721	9,829,741
Adjustments to reconcile profit from operating before income tax expenses to cash received (paid) from operating activities				
Depreciation	573,194	476,542	492,781	412,323
Amortisation	249,184	211,619	198,396	175,988
Amortisation of premium on investments in securities	129,064	63,727	131,354	64,637
Expected credit loss	1,705,285	2,401,000	1,697,645	2,369,796
Share-based payment	20,170	-	11,465	-
Unrealised (gain) loss on trading and foreign exchange transactions	849,234	(2,764,681)	876,490	(1,949,474)
Loss on remeasuring financial instruments measured at fair value through profit or loss	819,569	1,383,205	297,117	346,762
(Reversal) Loss on impairment on investments in subsidiaries	-	-	2,541	(10,587)
(Gain) loss on lease modifications	15	(1,065)	13	(1,065)
(Reversal) loss on diminution in value of properties foreclosed	(560,154)	26,050	(561,277)	37,284
(Reversal) loss on impairment of other assets	(12,196)	1,944	(12,196)	1,944
(Gain) loss on disposal of investment in securities	46,875	(3,172,646)	(355,049)	-
Gain on disposal of equipment	(3,326)	(19,398)	(2,942)	(18,593)
Loss on write-off of equipment	6,408	16,091	6,348	8,892
Loss on write-off of investment properties	3	2,690	-	-
Net interest income	(22,422,890)	(19,145,076)	(21,581,960)	(19,034,753)
Dividend income	(339,743)	(506,671)	(992,524)	(1,603,729)
Proceeds from interest income	29,413,435	22,598,317	28,650,481	22,545,038
Interest paid	(7,619,478)	(4,360,909)	(7,684,554)	(4,409,696)
Dividend received	322,726	507,666	46,336	131,881
Cash paid for corporate income tax	(1,768,414)	(2,412,507)	(1,440,280)	(1,798,480)
Increase in provision expenses	100,784	111,146	67,022	81,771
Increase (decrease) in specific business tax payable	23,233	33,975	22,217	33,462
Increase (decrease) in accrued expenses	(274,386)	172	(232,403)	166,668
Profit from operating before changes in operating assets and liabilities	8,045,227	4,941,020	5,579,742	7,379,810
(Increase) decrease in operating assets				
Interbank and money market items	(25,855,146)	9,561,389	(20,489,127)	12,606,270
Financial assets measured at fair value through profit or loss	1,798,030	5,471,225	(6,378,465)	3,673,716
Loans and receivables	(29,644,268)	(75,067,885)	(29,692,863)	(74,983,294)
Properties foreclosed	8,508,141	6,189,323	8,534,116	6,282,203
Accounts receivable from clearing house and broker-dealers	2,447,105	3,020,287	-	-
Securities and derivative business receivables	(679,086)	(296,396)	-	-
Other assets	(1,477,784)	1,685,182	(1,271,930)	1,358,415

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



Kiatnakin Phatra Bank Public Company Limited and Subsidiaries

Statement of Cash Flows (Cont'd)

For the year ended 31 December 2023

	Consolidated		Separate	
	2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
Cash flows from operating activities (Cont'd)				
Increase (decrease) in operating liabilities				
Deposits	27,438,512	43,082,054	27,608,017	43,005,278
Interbank and money market items	2,859,961	3,510,791	4,630,659	2,833,042
Liabilities payable on demand	143,520	(328,697)	143,520	(328,697)
Accounts payable to clearing house and broker-dealers	(12,936)	(1,496,965)	-	-
Securities and derivative business payables	(1,285,322)	(718,339)	-	-
Other payables	812,809	169,831	944,919	98,532
Other liabilities	532	89,004	66,161	(11,065)
Net cash from operating activities	(6,900,705)	(188,176)	(10,325,251)	1,914,210
Cash flows from investing activities				
Cash paid for investments in debt instruments measured at fair value through other comprehensive income	(9,698,180)	(18,479,713)	(9,698,180)	(18,479,712)
Proceeds from investments in debt instruments measured at fair value through other comprehensive income	12,220,512	11,690,595	12,220,512	11,690,595
Cash paid for investments in equity instruments measured at fair value through other comprehensive income	(542,892)	(40,350)	-	-
Proceeds from investments in equity instruments measured at fair value through other comprehensive income	160,541	642,244	-	346
Cash paid for investments in debt instruments measured at amortised cost	(1,339,926)	(10,763,715)	(591,142)	(8,945,925)
Proceeds from investments in debt instruments measured at amortised cost	3,638,133	2,219,956	2,887,557	405,254
Cash paid for investment properties	(5)	(1,707)	-	-
Dividend received and profit share from subsidiaries	-	-	946,188	1,471,848
Cash paid for building improvement and equipment	(503,433)	(906,089)	(318,781)	(470,199)
Proceeds from sales of equipment	10,501	21,647	10,093	18,952
Purchases of intangible assets	(574,577)	(395,459)	(382,429)	(321,554)
Net cash from investing activities	3,370,674	(16,012,591)	5,073,818	(14,630,395)
Cash flows from financing activities				
Proceeds from issuance of debentures	84,253,303	55,339,570	80,792,652	50,132,174
Cash paid for redemption of debentures	(75,700,924)	(37,761,578)	(72,037,888)	(33,494,411)
Cash paid for borrowings	-	-	(590,000)	(640,000)
Cash paid for redemption of financial liabilities designated at fair value through profit or loss	(12,740,709)	(14,706,208)	-	-
Proceeds from issuance of financial liabilities designated at fair value through profit or loss	10,517,000	16,563,000	-	-
Cash paid for lease liabilities	(2,328,495)	(102,508)	(2,328,495)	(180,392)
Dividend paid	(88,461)	(3,342,967)	(203,482)	(3,342,967)
Dividend paid to minority interest	(329)	(384)	-	-
Decrease in share capital of minority shareholders in subsidiaries	-	(29,981)	-	-
Net cash from financing activities	3,911,385	15,958,944	5,632,787	12,474,404
Net increase (decrease) in cash and cash equivalents	381,354	(241,823)	381,354	(241,781)
Cash and cash equivalents as at 1 January	1,000,242	1,242,065	1,000,086	1,241,867
Cash and cash equivalents as at 31 December	1,381,596	1,000,242	1,381,440	1,000,086

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

Kiatnakin Phatra Bank Public Company Limited and Subsidiaries

Statement of Cash Flows (Cont'd)

For the year ended 31 December 2023

Supplementary information for cash flows:

Non-cash transactions

Significant non-cash transactions for the year ended 31 December 2023 and 2022 are as follows;

	Consolidated		Separate	
	2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
Increase (decrease) in account payables from land, premises and equipment purchased	31,656	25,184	31,656	25,184
Transfer of assets for loan settlement	9,400,664	8,021,161	9,377,380	7,982,398
Increase in lease liabilities	59,846	102,509	221,494	391,198
Increase in right-of-use assets	59,831	-	221,481	-
Decrease in fair value of investment in debt designated at fair value through other comprehensive income	(67,475)	(154,974)	(67,475)	(154,974)
Increase (decrease) in fair value of investment in equity designated at fair value through other comprehensive income	20,792	(160,057)	18,092	415
Pay-in-kind properties foreclosed for reduction and distribution of the capital of the subsidiaries	-	-	987	508,094
Increase in payables from trading securities	-	604,657	-	604,657
Increase in receivables from trading securities	-	629,127	-	413,245
Revaluation surplus of land, premises and equipment	-	3,419,400	-	354,517
Increase in account receivable of distribution of the capital of the subsidiaries	-	-	1,015,661	-



(Mr. Aphinant Klewpatinond)
Chief Executive Officer



(Mr. Philip Chen Chong Tan)
President



1 General

Kiatnakin Phatra Bank Public Company Limited (“the Bank”) was incorporated in Thailand. Its head office is located at 209 KKP Tower, Sukhumvit 21 (Asoke) Road, Khlong Toey Nua, Wattana, Bangkok. The Bank provides banking business through its branches network in Thailand. As at 31 December 2023 and 2022, has 11 subsidiaries and funds (“subsidiaries”).

This consolidated and separate financial statements have been approved for issued by the Board of Directors on 22 February 2024.

2 Accounting policies

The principal accounting policies applied in the preparation of these consolidated and separate financial statements are set out below.

2.1 Basis of preparation

The consolidated and separate financial statements (“the financial statements”) have been prepared in accordance with Thai Financial Reporting Standards (“TFRS”) and the financial reporting requirements issued under the Securities and Exchange Act. The primary financial statements (i.e. statements of financial position, profit or loss and other comprehensive income, changes in shareholders’ equity and cash flows) are prepared in the full format as required by the Notification of the Bank of Thailand (“BOT”), no. SorNorSor 21/2561. The preparation and Format of the Financial Statements of Commercial Bank and Holding Parent Company of Financial Group dated on 31 October 2018 and the circular letter of BOT no. TorPorTor ForNorSor 2 Wor 802/2564 directive dated on 3 September 2021, regarding to Covid-19 (Measures to enhance the existing debt restructuring facilities to be more sustainable) and Notification no. SorNorSor 4/2564 (2021) Re: Measure to promote the acceptance of the transfer of collateral property for Debt Repayment under the Emergency Decree on the Provision of Assistance and Rehabilitation of Business Operators impacted by the spread of the Covid-19 pandemic B.E. 2564.

The consolidated and separate financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with the Thai financial reporting standards requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated and separate financial statements, are disclosed in note 5 to the financial statements.

An English-language version of the financial statements has been prepared from the statutory financial statements that are in Thai-language version. In the event of a conflict or a difference in interpretation between the two languages, the Thai language financial statements shall prevail.

2.2 Basis for Preparation of the consolidated Financial Statements

The consolidated financial statements include the accounts of the head office and all branches of the Bank and its subsidiaries (collectively known as “the Group”) where the Bank has a controlling interest. Significant related party transactions and balances have been eliminated. The list of subsidiaries is as below:

	Type of business	Ownership Interest (%)	
		31 December 2023	31 December 2022
KKP Capital Public Company Limited	Holding Company	99.98	99.98
Kiatnakin Phatra Securities Public Company Limited	Securities	99.95 ⁽¹⁾	99.95 ⁽¹⁾
Kiatnakin Phatra Asset Management Co., Ltd	Fund Management	99.97 ⁽²⁾	99.97 ⁽²⁾
	Financial service		
KKP Dime Securities Co., Ltd	and Digital Asset Business	99.97 ⁽³⁾	99.97 ⁽³⁾
Asia Recovery 1 Fund	Investments	99.95	99.95
Asia Recovery 2 Fund	Investments	99.59	99.59
Asia Recovery 3 Fund	Investments	99.97	99.97
Thai Restructuring Fund	Investments	98.91	98.91
Bangkok Capital Fund	Investments	95.72	95.72
Gamma Capital Fund	Investments	94.03	94.03
KKP Tower Co., Ltd	Real estate	91.34	91.34

⁽¹⁾ Indirectly holding via KKP Capital Public Company Limited of 99.97%

⁽²⁾ Indirectly holding via KKP Capital Public Company Limited of 99.99%

⁽³⁾ Indirectly holding via KKP Capital Public Company Limited of 99.99%

2.3 New and amended financial reporting standards

Amended financial reporting standards that are effective for accounting period beginning or after 1 January 2023 and relevant to the Group

- A) Amendment to TAS 16-Property, plant and equipment clarified to prohibit entities from deducting from the cost of an item of PP&E any proceeds received from selling any items produced while the entity is preparing that asset for its intended use.
- B) Amendment to TAS 37-Provisions, contingent liabilities and contingent assets clarified that, in considering whether a contract is onerous, the direct costs of fulfilling a contract include both the incremental costs of fulfilling the contract and an allocation of other costs directly related to fulfilling the contract. Before recognising a separate provision for an onerous contract, the entity must recognise any impairment losses that have occurred on the assets used in fulfilling the contract.
- C) Amendment to TFRS 3-Business combinations clarified some minor amendments to update its references to the Conceptual Framework for Financial Reporting and added a consideration for the recognition of liabilities and contingent liabilities acquired from business combinations. The amendments also confirmed that contingent assets shouldn't be recognised at the acquisition date.



- D) Amendment to TFRS 9-Financial Instruments clarified which fees should be included in the 10% test for the derecognition of financial liabilities. It should only include fees between the borrower and lender.

The above amendment financial reporting standards and accounting guidance do not have significant impact on the Group.

Amended financial reporting standards that are effective for the accounting period beginning on or after 1 January 2024 which are relevant to the Group and the Bank.

The following amended TFRSs were not mandatory for the current reporting period and the Group has not early adopted them.

- A) Amendment to TAS 1-Presentation of financial statements revised the disclosure from 'significant accounting policies' to 'material accounting policies'. The amendment also provides guidelines on identifying when the accounting policy information is material. Consequently, immaterial accounting policy information does not need to be disclosed. If it is disclosed, it should not obscure material accounting information.

- B) Amendment to TAS 8-Accounting policies, changes in accounting estimates and errors revised to the definition of 'accounting estimates' to clarify how companies should distinguish between changes in accounting policies and changes in accounting estimates. The distinction is important because changes in accounting estimates are applied prospectively to transactions, other events and conditions from the date of that change. Whereas changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current period as if the new accounting policy had always been applied.

C) Amendments to TAS 12-Income taxes

- c.1) Companies must recognise any deferred tax related to assets and liabilities arising from a single transaction that, on initial recognition, gives rise to equal amounts of taxable and deductible temporary differences. Example transactions are leases and decommissioning obligations.

The amendment should be applied to transactions on or after the beginning of the earliest comparative period presented. In addition, entities should recognise deferred tax assets (to the extent that they can probably be utilised) and deferred tax liabilities at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with:

- right-of-use assets and lease liabilities, and
- decommissioning, restoration and similar liabilities, and the corresponding amounts recognised as part of the cost of the related assets.

The cumulative effect of recognising these adjustments is recognised at the beginning of retained earnings or any other component of equity, as appropriate.



- c.2) Companies must apply all income taxes arising from the tax law enacted or substantively enacted to implement the Pillar Two model rules published by the Organisation for Economic Co-operation and Development (OECD), an international organisation.

In December 2021, the OECD released the Pillar Two model rules to apply the Global Anti-Base Erosion Proposal, or 'GloBE') to reform international corporate taxation. Large multinational enterprises within the rules' scope must calculate the GloBE effective tax rates for each territory in which they operate and pay a top-up tax for the differences between these and the 15% minimum rate.

In December 2023, the amendments to TAS 12 provide a temporary relief from the requirement to recognise and disclose deferred taxes arising from enacted or substantively enacted tax law that implements the Pillar Two model rules, including tax law that implements qualified domestic minimum top-up taxes described in those rules. The amendments also require affected companies to disclose:

- the fact that they have applied the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes
- their current tax expense (if any) related to the Pillar Two income taxes, and
- during the period between the legislation being enacted or substantially enacted and the legislation becoming effective, known or reasonably estimable information that would help users of financial statements to understand an entity's exposure to Pillar Two income taxes arising from that legislation. If this information is not known or reasonably estimable, entities are instead required to disclose a statement to that effect and information about their progress in assessing the exposure.

Earlier application is permitted.

The above amendment financial reporting standards do not have significant impact on the Group.

2.4 Changes in accounting policy

The Group has changed the accounting policy relating to the initial recognition and derecognition of investment in debt securities and debt issued and borrowings and the impact of the first time adopted the accounting policy relating to share-based payment in this year are as follow:

2.4.1 Initial recognition and derecognition of investment in debt securities and debt issued and borrowings

Since August 2023, the Group has changed the accounting policy relating to initial recognition and derecognition of investment in debt securities and debt issued and borrowings from trade date to settlement date. This change mainly affects to the statement of financial position as at 31 December 2022 and 2021 as follow:

31 December 2022		
	Consolidated Million Baht	Separate Million Baht
Statement of financial position		
Assets		
Financial assets measured at fair value through profit or loss (decrease)	(191)	(191)
Securities and derivative business receivables (decrease)	(166)	-
Other assets, net (decrease)	(401)	(472)
	(758)	(663)
Liabilities		
Debt issued and borrowings (decrease)	(66)	(59)
Accounts payable to clearing house and broker-dealers (decrease)	(88)	-
Other accounts payable (decrease)	(604)	(604)
	(758)	(663)
31 December 2021		
	Consolidated Million Baht	Separate Million Baht
Statement of financial position		
Assets		
Financial assets measured at fair value through profit or loss (increase)	152	152
Securities and derivative business receivables (decrease)	(109)	-
Other assets, net (decrease)	(353)	(359)
	(310)	(207)
Liabilities		
Debt issued and borrowings (decrease)	(34)	-
Accounts payable to clearing house and broker-dealers (decrease)	(69)	-
Other accounts payable (decrease)	(207)	(207)
	(310)	(207)

However, the impact of this change in accounting policy is immaterial. Therefore, the Group did not restate the prior year financial statements.

2.4.2 Share-based payment

On 1 July 2023, the Group granted and allocated of warrants to purchase the newly issued ordinary shares of KKP offered to the directors, executives, and/or employees of the Bank and its subsidiaries (“KKP ESOP Warrants”) following the approval from the Annual General Meeting of the Bank’s shareholders for the year 2023 on 20 April 2023. The terms of KKP ESOP Warrants would be 4 years after the date of issuance, and the exercise ratio would be that 1 unit of warrant was entitled to purchase 1 ordinary share at Baht 72 per share. The person exercising such rights must meet the specified conditions.

The scheme equity-settled share-based payment, which the Group has no legal or constructive obligation to repurchase or settle the options in cash.



Accounting policy relating to share-based payment which the Group just adopted is described in Note 2.22.

2.5 Group Accounting-Investments in subsidiaries and associates and interests in joint ventures

A) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group until the date that control ceases.

In the separate financial statements, investments in subsidiaries are accounted for using cost method with consideration for impairment of asset (if any).

B) Transactions and non-controlling interests

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in owners' equity.

C) Intercompany transactions on consolidation

Intra-group transactions, balances and unrealised gains on transactions are eliminated. Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in the associates and joint ventures. Unrealised losses are also eliminated in the same manner unless the transaction provides evidence of an impairment of the asset transferred.

D) Separate financial statement

In the separate financial statements, investments in subsidiaries and associates are accounted for at cost less impairment. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes direct attributable costs of investment.

A list of the subsidiaries is set out in Note 2.2

2.6 Foreign currency translation

A) Functional and presentation currency

The financial statements are presented in Baht which is the Group's functional and the Group's presentation currency.



B) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

When a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. Conversely, when a gain or loss on a non-monetary item is recognised in profit and loss, any exchange component of that gain or loss is recognised in profit and loss.

C) Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyper-inflation economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows;

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position,
- Income and expenses for each statement of profit or loss and other comprehensive income are translated at average exchange rates, and
- All resulting exchange differences are recognised in other comprehensive income.

2.7 Cash

Cash includes cash on hand according to the BOT's Notification.

2.8 Financial instruments

A) Classification of financial assets

The Group classifies its financial assets as follows:

- those to be measured subsequently at fair value either through profit or loss (FVPL) or through other comprehensive income (FVOCI)
- those to be measured at amortised cost

B) Recognition and derecognition

Regular way purchases, acquires and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.



Since August 2023, the Group has changed the accounting policy relating to the recognition of debt instruments from trade date to settlement date. The detail of impact from change in accounting policy is set out in Note 2.4.

C) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether the cash flows are solely payment of principal and interest.

D) Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories:

- Amortised cost

Financial assets that are held for collection of contractual cash flows that represent solely payments of principal and interest (SPPI) are measured at amortised cost. Interest income is included in finance income using the effective interest method. Any gain or loss on derecognition is presented in other gains/(losses), together with foreign exchange gains and losses. Impairment losses are presented as separate line item.

- Fair value through other comprehensive income (FVOCI)

Financial assets that are held for collection of contractual cash flows that represent SPPI and for selling the financial assets are measured at FVOCI. Movements in the carrying amount are taken through OCI, except impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified to profit. Interest revenue is included in finance income. Impairment losses are presented as separate line item.

- Fair value through profit or loss (FVPL)

Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on subsequent measurement is presented in other gains/(losses).

The Group reclassifies debt instruments only when its business model for managing those assets changes.

The Group classifies financial asset as purchased or originated financial asset (POCI) when the financial asset that are credit-impaired on initial recognition.



E) Equity instruments

The Group measures all equity investments at fair value. Where the Group has elected to present fair value gains and losses on equity instruments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as dividend income and profit sharing when the right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in gain or loss on financial instrument measured at fair value through profit or loss in the profit or loss in the statement of profit or loss and other comprehensive income.

The Group presents its investments in infrastructure fund units which the fund established and registered in Thailand as equity investments and measures them at FVPL following the TFAC's clarification, "Interpretation of investments in property fund unit trusts, Real Estate Investment Trust units, infrastructure fund units, and infrastructure trust units established and registered in Thailand" dated 25 June 2021. The fund is required to distribute benefits of not less than 90% of its adjusted net profit.

F) Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently measured to their fair value at the end of each reporting period and presented as derivative assets or derivative liabilities in statement of financial position. The changes in the fair value is recognised to gain (loss) on financial instruments measured at fair value through profit or loss. The Group presents fair value of future contracts as the part of other assets.

G) Modification

The Group sometimes renegotiates or otherwise modifies the contractual cashflow. When this happens, the Group assesses whether the new terms are substantially different to the original terms or not. The Group does this by considering, among others, the following factors:

- If the borrower is in financial difficulty, whether the modification merely reduces the contractual cash flows to amounts the borrower is expected to be able to pay.
- Whether any substantial new terms are introduced, such as a profit share/equity-based return that substantially affects the risk profile of the loan.
- Significant extension of the loan term when the borrower is not financial difficulty.
- Significant change in the interest rate
- Change in the currency the loan is denominated in.
- Insertion of collateral, other security or credit enhancements that significantly affect the credit risk associated with the loan



If the terms are not substantially different, the renegotiation or modification does not result in derecognition, and the Group recalculates the gross carrying amount based on the revised cash flows of the financial assets and recognises a modification gain or loss in profit or loss. The new gross carrying amount is recalculated by discounting the modified cash flows at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets).

The Group will monitor debt restructuring without derecognition if the debtors can to repay in accordance with the debt restructuring contract for three consecutive months or three instalment payment periods, whichever period is longer. In which, it reflects that the status of debtors does not meet criteria for significant increase in credit risk. Eventually, the Group will consider reclassifying debtors' staging to 1 stage better. For example, the stage will be reclassified from Stage 2 to Stage 1.

However, regarding the debt restructuring for debtors in Stage 3; the monitoring repayment period will increase to be at least 9 months consecutively with no remaining principal and accrued interest due. After debtors have met the repayment criteria, it reflects the status of debtors does not meet criteria for significant increase in credit risk and can be reclassified as Stage 1 immediately.

On 22 December 2021, TFAC has announced the accounting guidance on temporary relief measures for the entities assisting debtors affected by the COVID-19 pandemic. The Bank which assists debtors affected by the COVID-19 pandemic can apply the accounting guidance announced by TFAC based on BOT circular ForNorSor 2 Wor 802/2564 to help debtors between 1 January 2022 and 31 December 2023 regarding to Covid-19 (Measures to enhance the existing debt restructuring facilities to be more sustainable) The Bank has applied as following detail:

- The Group will classify debt restructuring for debtors without non-performing loans (non-NPL) as Stage 1 immediately. If analysing the status and business of debtors and it's clear that the debtors can comply with debt restructuring agreements without waiting for the results of debt restructuring compliance conditions, it will be considered as pre-emptive debt restructuring and not troubled debt restructuring (TDR).
- The Group will classify debt restructuring for debtors with non-performing loans (NPL) as Stage 1 if the debtors can repay in accordance with the debt restructuring contract for three consecutive months or three instalment payment periods, whichever period is longer.
- In case that the debt restructuring causes the previously effective interest rate (EIR) no longer reflect the estimated cash flow received from the loan. The Bank can use new calculated EIR as an interest rate for the new debt restructuring under the guidelines of the Bank of Thailand circular.

When the accounting guidance on temporary relief measures for the entities assisting debtors affected by the covid-19 pandemic is ended, the Bank needs to recognise transactions and consider staging of new restructuring debtors following TFRS 9.

If the terms are substantially different, the Group derecognises the original financial assets and recognises a new asset at fair value and recalculates a new effective interest rate for the asset. The date of renegotiation



is consequently considered to be the date of initial recognition for impairment calculation purposes, including for the purpose of determining whether a significant increase in credit risk has occurred. However, the Group also assesses whether the new financial asset recognised is deemed to be credit-impaired at initial recognition, especially in circumstances where the renegotiation was driven by the debtor being unable to make the originally agreed payments. Difference in the carrying amount are also recognised in profit or loss as gain or loss on derecognition.

Derecognition other than on a modification

Financial assets, or a portion thereof, are derecognised when the contractual rights to receive the cash flows from the assets have expired, or when they have been transferred and either

- The Group transfers substantially all the risks and rewards of ownership, or
- The Group neither transfers nor retains substantially all the risks and rewards of ownership and the Group has not retained control.

The Group enters into transactions where it retains the contractual rights to receive cash flow from assets but assumes a contractual obligation to pay those cash flows to other entities and transfers substantially all of the risks and rewards. These transactions are accounted for as 'pass through' transfers that result in derecognition if the Group:

- Has no obligation to make payments unless it collects equivalent amounts from assets;
- Is prohibited from selling or pledging the assets; or
- Has an obligation to remit any cash it collections from the assets without material delay.

H) Impairment

The Group measures expected credit losses using the following approaches:

A. Simplified approach

The Group applies simplified approach to measure expected credit losses which uses a lifetime expected credit loss for other assets apart from loans to customers.

B. General approach

At each reporting date, the Group applies general approach to measure expected credit losses on debt instruments measured at amortised cost, debt instruments measured at fair value through other comprehensive income, loan commitments, and financial guarantee contracts except for those that are under simplified approach. The Group always accounts for expected credit losses which involves a three-stage expected credit loss impairment model. The stage dictates how the entity measures impairment losses and applies the effective interest rate method. In which, the three-stage expected credit loss impairment will be as the following stages:



- Stage 1-from initial recognition of a financial assets to the date on which the credit risk of the asset has not increased significantly relative to its initial recognition, a loss allowance is recognised equal to the credit losses expected to result from defaults occurring over the next 12 months.
- Stage 2-following a significant increase in credit risk relative to the initial recognition of the financial assets, a loss allowance is recognised equal to the credit losses expected over the remaining life of the asset.
- Stage 3-When a financial asset is considered to be credit-impaired, a loss allowance equal to full lifetime expected credit losses is to be recognised.

Under the three-stage expected credit loss impairment model except for significant exposures in loans to customer, the impairment will be assessed by using collective approach model with forward looking information adjustment. The impairment of some significant exposures in loans to customer will be assessed by using individual assessment approach.

Significant increase in credit risk

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. To make that assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and consider reasonable and supportable information, that is available increases in credit risk since initial recognition.

TFRS 9 contains a rebuttable presumption that the risk of financial assets is deemed to have increased significantly when more than 30 days past due. The Group uses this 30-day backstop for all its products. In addition, the Group considers a range of qualitative and quantitative events to assess whether a significant increase in credit risk since initial recognition has occurred. These events include for example, changes in credit risk ratings, payment delinquency, past payment patterns, behavioral scores, and watch-lists. Exposures with significant increase in credit risk are transferred from Stage 1 to Stage 2. Exposures will move back to Stage 1 once they no longer meet the criteria.

Write-off

The Group directly reduces the gross carrying amount of a financial asset when the Group has no reasonable expectations of recovering financial assets in their entirety or portion thereof. A write-off constitutes a derecognition event. Write-offs are recognised in the statement of profit or loss and other comprehensive income.

Definition of default and credit-impaired financial assets

The Group defines a financial instrument as default or credit-impaired which is considered to have occurred when there is evidence that the customer is experiencing financial difficulty which is likely to significantly affect the ability to repay. Exposures are credit-impaired if they are past due for 90 days or more or possesses signs indicating weaknesses which are likely to impact ability to meet future financial



obligations. The default definition is consistent with that used for risk management purposes. Exposures that are credit-impaired are classified as Stage 3 and could be upgraded to Stage 2 if the customer no longer meet credit impaired definition, and exposures are classified as Stage 1 if significant increase in credit risk since initial recognition is no longer significant.

Surplus reserve

The Group measures the surplus reserve on the date of adoption for new financial reporting standards related to financial instruments by comparing the difference between allowance for expected credit losses according to requirement under new financial reporting standards related to financial instruments and total reserves that the Group had on 31 December 2019. In which, the Group will amortised the surplus reverse using straight-line method by 5 years consecutively in accordance with notification to utilise surplus reserve from Bank of Thailand dated on 6 November 2019. However, the Bank informed the Bank of Thailand of the reduction of the remaining surplus reserve completely by the end of 2023.

For purchased or originated credit-impaired financial asset, the Group recognised the financial assets by discounted expected cash flows by considering all contractual terms of the financial asset, expected credit loss, all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts with presumption that the cash flows and the expected life of a group of similar financial instruments can be estimated reliably using credit-adjusted effective interest rate determined at initial recognition.

I) Classification and measurement of financial liabilities and equity

Financial instruments issued by the Group must be classified as financial liabilities or equity securities by considering contractual obligations.

- Where the Group has an unconditional contractual obligation to deliver cash or another financial asset to another entity, it is considered a financial liability unless there is a predetermined or possible settlement for a fixed amount of cash in exchange of a fixed number of the Group's own equity instruments.
- Where the Group has no contractual obligation or has an unconditional right to avoid delivering cash or another financial asset in settlement of the obligation, it is considered an equity instrument.

At initial recognition, the Group measures financial liabilities at fair value. The Group reclassifies all financial liabilities as subsequently measured at amortised cost, except for:

- Financial guarantee contracts and loan commitments
- Financial liabilities at fair value through profit or loss

This classification is applied to derivatives, financial liabilities held for trading and other financial liabilities designated as such at initial recognition. Financial liabilities designated at fair value through profit or loss when and only the Group demonstrates that it falls within one (or more) of following three criteria;



- a) When such designation eliminates or significantly reduces a measurement or recognition inconsistency (“accounting mismatch”) that would otherwise arise,
- b) When a group of financial liabilities or both is managed and its performance is evaluated on fair value basis, in accordance with a documented risk management or investment strategy, and
- c) When an instrument contains an embedded derivative that meets particular conditions.

Gain or losses on financial liabilities designated at fair value through profit or loss are presented gain or losses on financial instruments measured at fair value through profit or loss.

Since August 2023, the Group has changed the accounting policy relating to the recognition of debt issued and borrowings from trade date to settlement date. The detail of impact from change in accounting policy is set out in Note 2.4.

Derecognition of financial liabilities

Financial liabilities are derecognised when they are extinguished or when the obligation specified in the contract is discharged, cancelled, or expired.

The exchange between the Group and its original lenders of debt instruments with substantially different terms, as well as substantial modifications of terms of existing financial liabilities, are accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The terms are substantially different if the discounted present value of the cash flows under the new term including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10% different from the discounted present value of the remaining cash flows of the original financial liability.

If an exchange of debt instruments or modification of terms is accounted for as an extinguishment, any cost or fees incurred are recognised as part of gain or loss on the extinguishment. If the exchange or modification is not accounted for as an extinguishment, any costs or fees incurred adjusted the carrying amount of the liability and are amortised over remaining term of modified liability.

J) Financial guarantee contract and loan commitment

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of a) the amount of expected credit loss determined; and b) the amount initially recognised less the cumulative amount of income recognised.

Loan commitments provided by the Group are measured at the amount of loss allowance. The Group has not provided any commitment to provide loan at a below-market interest rate, or that can be settled net in cash or by delivering or issuing another financial instrument.

For the loan commitments and financial guarantee contract, the loss allowance is recognised as a provision. However, for contracts that include both a loan and an undrawn commitment and the Group cannot separately identify the expected credit losses on the undrawn commitment component from those on the loan component, the expected credit losses on the undrawn commitment are recognised together with the loss allowance



for the loan. To extent that the combined expected credit losses exceed the gross carrying amount of the loan, the expected credit loss are recognised as a provision.

The Group applies expected credit losses provisioning for unused credit lines of debtors, who are affected by the situation impacting the Thai economy, from BOT circular ForNorSor 2 Wor 802/2564 regarding to Covid-19 (Measures to enhance the existing debt restructuring facilities to be more sustainable) with effective date from 1 January 2022 until 31 December 2023 by provisioning the expected credit losses only from outstanding loans which have been drawn down.

When the accounting guidance on temporary relief measures for the entities assisting debtors affected by the COVID-19 pandemic is ended, the Bank needs to recognise expected credit losses provisioning for unused credit lines of debtors following TFRS 9.

K) Interest income and interest expense recognition

Interest income is calculated by applying the effective interest rate to the gross carrying is applied to the amortised cost of the financial asset, except for:

- Purchased or originated credit-impaired financial asset (POCI), for which the original credit-adjusted effective interest rate is applied to the amortised cost of financial asset.
- Financial assets that are not (POCI) but have subsequently becomes credit-impaired (a stage 3), for which interest revenue is calculated by applying the effective interest rate to their amortised cost (net of the expected credit loss provision).

L) Offset

Financial assets and liabilities are offset, and the net amount reported in the statement of financial position when there is a legally enforceable right of set-off and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously. Cash collateral on exchange traded derivative transactions is presented gross unless the collateral cash flows are always settled net with the derivative cash flows. In certain situations, even though master netting agreements exist, the lack of management intention to settle on a net basis results in the financial assets and liabilities being reported gross on the statement of financial position.

2.9 Valuation of investments in property

Investment property is measured initially at its cost, including related transaction costs and borrowing costs. After initial recognition, investment is carried at cost less any accumulated depreciation and any accumulated impairment losses.

Land is not depreciated. Depreciation on other investment properties is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives which are around 40 - 60 years.



The Group recognises the difference between the net disposal proceeds and carrying amount as income or expenses to profit or loss when there is disposal of an investment property.

2.10 Loans

Overdrafts are stated at the principal amounts including interest. Other loans are stated at the principal amount. Unearned discounts received in advance are presented as deduction from the loans.

Hire-purchase and finance lease receivables are stated at the contract value of the hire-purchase and finance lease receivables net of unearned income.

2.11 Properties foreclosed

Properties foreclosed include land and/or construction, leasehold, condominium and repossessed vehicles.

The Group states land and/or construction, leasehold and condominium at the lower of the outstanding loan principal including accrued interest or fair value.

Repossessed vehicles are stated at the lower of cost or fair value at the transferred date. Fair value is calculated by using market value (Red book).

Gains (losses) on disposal of properties foreclosed are recorded as income or expenses in profit or loss when the disposal is made. Impairment loss (if any) is recognised as expense in profit or loss.

2.12 Land, premises and equipment

land and buildings comprise mainly office buildings and are shown at fair value based on every 3 - 5 years valuations by external independent valuers, less subsequent depreciation for buildings. All other equipment is stated at cost less accumulated depreciation.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Increases in the carrying amount arising on revaluation of land and building are credited to comprehensive income and shown as gain on asset revaluation in shareholders' equity. Decreases that offset previous increases of the same asset are charged in other comprehensive income and debited against gain on asset revaluation directly in equity; all other decreases are charged to profit or loss. Each period, the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset's original cost is transferred from 'gain on asset revaluation' to retained earnings.

Land is not depreciated. Depreciation on other assets is calculated using the straight line method to allocate their cost (and the revalued amount) to their residual values over their estimated useful lives, as follows:

Premises and building improvement	5 - 60 years
Equipment	3 - 5 years
Furniture and fixtures	3 - 5 years
Vehicles	5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

The asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'Other (losses)/gains-net' in profit or loss.

When revalued assets are sold, the amounts included in gain on asset revaluation are transferred to retained earnings.

2.13 Goodwill in a business combination

Goodwill represents the excess of the consideration transferred over the fair value of the Group's share of the net identifiable assets, liabilities and contingent liability of the acquired subsidiary and the fair value of the non-controlling interest in the acquired subsidiary undertaking at the date of acquisition. Goodwill on acquisitions of subsidiaries is separately reported in the consolidated statement of financial position.

Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose, identified according to operating segment.

For excess of net fair value of the identifiable net assets over purchase cost as at the date of acquisition, the Group recognises that excess as revenue recorded in profit or loss.

2.14 Intangible assets

2.14.1 Computer software

Costs associated with maintaining computer software are recognised as an expense as incurred. Development costs, when directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets when the following criteria are met:



- the expenditure attributable to its development can be measured reliably;
- the Group can demonstrate that it is technically, financially, commercially, and resourcefully feasible; and
- the Group intends to and has the ability to complete the development for the purpose of using or selling.

Directly attributable costs that are capitalised as part of the software product include employee costs of the software development team and an appropriate portion of relevant overheads.

Other development expenditures that do not meet these criteria are recognised as expenses as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Computer software development costs recognised as assets are amortised when the asset is ready to use by applying a straight-line method over the period of its expected benefit, not exceeding 5 years.

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire that software and bring it to use. These costs are amortised over their estimated useful lives of not exceeding 10 years.

2.14.2 Deferred license fee

The subsidiaries amortise deferred license fee on a systematic basis over the useful economic useful life of 5 years.

2.15 Impairment of assets

Assets that have an indefinite useful life, are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows. Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

An impairment loss is recognised in the profit or loss.

2.16 Receivables from Clearing House and Broker-dealers

Receivables from Clearing House and Broker-dealers comprise of net receivable of the followings;

- (1) Net receivables from Thailand Clearing House (TCH) for settlement of equity securities trading made through the Stock Exchange of Thailand, included cash collateral pledged with TCH for equity trading,
- (2) Net receivables from TCH from derivatives trading made through TCH, included cash collateral pledged with TCH for derivatives trading,



- (3) Net receivables from foreign equity securities or derivatives trading settled overseas through foreign securities companies, included cash collateral pledged with foreign securities companies for equity or derivatives trading, and
- (4) Net receivables from local equity securities or derivatives trading settled domestically through local securities companies, included cash collateral pledged with local securities companies for equity or derivatives trading.

2.17 Securities and derivatives business receivables

Securities and derivatives business receivables comprise the net securities business receivables and derivatives business receivables, after deducting allowance for expected credit losses and adding related accrued interest receivables.

In addition, securities business receivables comprise the net receivable balances of cash accounts, securities borrowing receivables and other receivables such as overdue cash customers' accounts and receivables which are subject to legal proceedings, are undergoing restructuring or are settling in installments.

Derivatives business receivables include other receivables which are derivatives business receivable subjected to legal proceeding, are undergoing restructuring or are being settled in installments.

2.18 Payables to Clearing House and Broker-dealers

Payables to Clearing House and Broker-dealers comprise net payables of the followings;

- (1) Net payables to Thailand Clearing House (TCH) for settlement of equity securities trading made through the Stock Exchange of Thailand,
- (2) Net payables to TCH from derivatives trading made through TCH,
- (3) Net payables from foreign equity securities or derivatives trading settled overseas through foreign securities companies, and
- (4) Net payables from local equity securities or derivatives trading settled domestically through local securities companies.

2.19 Securities and derivatives business payables

Securities and derivatives business payables are the obligation of the Group in respect to securities and derivatives business with outside parties, such as the net payables of cash accounts, obligation to deliver securities as a result of short sales or securities borrowing and obligation to return assets held by the Group as customers' collateral for securities lending, etc.

2.20 Structured notes

The Group's structured notes are offered to customers or business associates of the Group, which are institutional investors or high net worth investors, through private placements. The notes are issued under conditions approved by the Office of the Securities and Exchange Commission, and the underlying assets are securities listed on the Stock Exchange of Thailand.

Structured notes comprise of 2 parts which are a note and a put or a call option. If the economic characteristics and risks of an embedded derivative are not closely related to the economic characteristic and risk of host contract, the Group will separately account the embedded derivative from the host contract and measure the embedded derivative under “derivatives assets/liabilities” in the statement of financial position. The host contract will be accounted for under the related accounting standards. On the other hand, if the economic characteristics and risks of an embedded derivative are closely related to the economic characteristics and risks of the host contract, the Group will not separately account the embedded derivative from the host contract and classify the host contract under the related accounting standards. The Group is able to designate the structured notes to measure at fair value through profit or loss if those structured notes are met the criteria as disclosed in Note 2.8.

The initial recognition of structured notes comprises of notes and options. The cost of notes is recorded at amortised cost. The discount is amortised by the effective interest rate method. For an option-based note, it is calculated from selling prices of structured notes less the cost of notes. The balances of structured notes are subsequently measured at fair value. Changes in fair value are reflected in profit or loss. The value of the option part is calculated from the general accepted valuation model or technique such as Black-Scholes model and Monte Carlo Simulation. The input variables used in this model are derived from observable market variables and conditions that include market prices of the underlying asset, volatility of the underlying asset, time to maturity of option, risk free rate, strike price, dividends and correlations between the underlying assets.

2.21 Employment benefit

Provident fund

The Group operates a provident fund that is a defined contribution plan, the assets of which are held separately from the Group and managed by an external authorised fund manager in accordance with the provident fund Act. B.E. 2530. The provident fund is funded by payments from employees and by the Group. The Group has no further payment obligations once the contributions have been paid. Contributions to the provident fund are recognised as employee benefit expense when they are due.

The Group is required to make contributions at the same rates as follows;

Service periods	Contribution rate (%)
Less than 5 years	5
Over 5 years	8 - 10

Post-employment benefit obligation

Legal severance payment plan

All employees will receive severance payment upon retirement in accordance with the Labor Protection Act.

The obligation of this plan is considered as an unfunded defined benefit obligation under TAS 19 Employee benefits and is separately measured by an actuary using the projected unit credit method to determine the present value of employee benefit cash flows to be paid in the future. Under this method, the obligation is



based on an actuarial calculation including the employee's expected salary, employees' turnover rate, salary increase rate, mortality rate, discount rate, years of service and other factors.

Remeasurements of post-employment benefit obligations arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise and are included in retained earnings in the statements of changes in equity.

Past-service costs are recognised immediately in profit or loss.

The Group recognises the post-employment benefit obligation as a provision in the statement of financial position and personnel expenses.

Benefit from carried forward leave

The Group recognises the benefit from employees' cumulative carried forward leave as a provision in the statement of financial position and personnel expenses.

2.22 Share-based payment

The Group receives services from employees as consideration for equity instruments (options) of the Group companies. The fair value of the options is recognised as an expense over the vesting period, with a corresponding increase in equity. The fair value of the options is determined by:

- including any market performance conditions (e.g. the entity's share price);
- including the impact of any non-vesting conditions (for example, the requirement for employees to save or holdings shares for a specific period of time); and
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period).

Non-market performance and service conditions are included in assumptions about the number of options that are expected to vest.

At the end of each reporting period, the Group reviews the number of options that are expected to vest. It recognises the impact of the revision, if any, in profit or loss with a corresponding adjustment to equity.

When the options are exercised, the Group issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital and share premium.

The option granted by the Bank to the employees of subsidiary(ies) is treated as a capital contribution.

2.23 Provisions

Provisions for legal claims are recognised when: The Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.



Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2.24 Current and deferred income taxes

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

Current tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of reporting period in the countries where the company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax

Deferred income tax is recognised on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax is not recognised for temporary differences arise from:

- initial recognition of an asset or liability in a transaction other than a business combination that affects neither accounting nor taxable profit or loss is not recognised
- investments in subsidiaries, associates and joint arrangements where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax is measured using tax rates of the period in which temporary difference is expected to be reversed, based on tax rates and laws that have been enacted or substantially enacted by the end of the reporting period.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.



2.25 Recognition and amortisation customers' deposits

Cash collateral received from customers for trading in securities of cash balance accounts and placed as margin for derivatives trading is recorded as assets and liabilities of the subsidiary for internal control purposes. As at the end of reporting period, the subsidiary excludes these amounts from both the assets and liabilities.

2.26 Securities borrowing and lending

The Group is engaged in securities borrowing and lending, whereby the Group acts as a principal of the borrowers and lenders of securities.

The Group records its obligations to return borrowed securities which it has been sold as short selling or lent as "Securities borrowing and lending payables" recognised as Securities and derivatives business payables, net in the statements of financial position, and securities lent to customers as "Securities borrowing and lending receivables" recognised as Securities and derivatives business receivables in the statement of financial position. The balance of securities borrowing and lending receivables and payables are subsequently measured at fair value. The fair value is based on last offer price quoted on the Stock Exchange of Thailand of the last business day on the statement of financial position date. Unrealised gains or losses resulting from securities borrowing and lending receivables and payables are included in gain (loss) on financial instruments measured at fair value through profit or loss, net. Moreover, the Group records cash paid as collateral for securities borrowing as "Collateral receivables" and cash received as collateral for securities lending as "Collateral payables". Fees from borrowing are charged to expenses, and fees from lending are recognised as revenue. They are recognised on an accrual basis over the term of the borrowing and lending.

2.27 Accounting for lease

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate
- amounts expected to be payable by the lessee under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

Lease payment to be made under reasonably certain extension options are also included in the measurement of the liabilities.



The lease payments are discounted using the lessee's incremental borrowing rate, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise office equipment.

2.28 Fees and services income

The Group recognises fees and services income when diverse range of services have been rendered to its customers.

Fee and commission income is generally recognised on the completion of a transaction. Such fees include brokerage fees, insurance commission fee, underwriting fee, financial advisory fees, unit trust trading fee, and other fees related to the completion of corporate finance transactions.

For a service that is provided over a period of time, fee and commission income is recognised over the period during which the related service is provided or credit risk is undertaken. Such fees include the income from issuance of acceptance, avals and guarantees, tailing fees, securities lending fee, fund management and registrar fee, investment advisory fees, and bancassurance service fees from insurance company.

2.29 Recognition of expenses

The Group recognises expenses on an accrual basis.

2.30 Earnings per share

The Group computes basic earnings per share by dividing the net profit for the year by the weighted-average number of issued and paid-up ordinary shares during the year. The diluted earnings per share are computed by dividing the net profit for the year adjusted by expense (after tax effect) saved from the conversion of dilutive potential ordinary shares, by the weighted-average number of ordinary shares (included potentially dilutive shares).

2.31 Dividend distribution

Dividend distribution to the Group's shareholders is recognised as a liability in the Group's interim financial statements in the period in which the dividends are approved by the Group's shareholders.



2.32 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions.

3 Capital risk management

The Group's objectives when managing capital are to safeguard the ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt obligations.

Moreover, the Bank is required to manage its capital funds in accordance with the Act on Undertaking of Banking Business B.E. 2551. The Bank's capital fund is presented in Note 31 to the financial statements.

4 Risk management

The risk management policy of the Group is emphasised on managing overall risks as a Group wide in order to ensure the appropriateness and effectiveness of the enterprise wide risk management. While each related business and department unit is required to sufficiently understand and effectively manage its risks incurred under the centralised framework and risk management policy of the Group, risk management department also plays important roles to control and review each business line and unit to ensure the sufficient risk management and control system.

Risks relating to significant financial instruments held by the Group are summarised below:

4.1 Credit risk

Credit risk refers to risk arising from the failure of either debtors to repay principal and interest as agreed, or of counterparties to comply with conditions or contracts. Credit risk covers all types of financial products: transactions on-financial reporting such as loans, overdrafts, bills of exchange, and other types of debts; and those off-financial reporting such as letters of guarantee.

The Group has constantly improved its process of credit risk management to appropriately reflect its managed credit risk. Details of such improvement measures are as follows;



4.1.1 Credit Policy Adjustment

The Bank focuses on adjusting its main credit policy, business loan policy, personal loan policy, and Watch List mechanism as an integral part of Debt Restructuring, Asset Classification, Provision and Write-off Policy to provide adequate level of conservativeness and suitability to current environment. Counterparty credit policy and country credit policy have also been added to accommodate the Bank's extended reach to financial institution and corporation counterparties. In addition, credit policy has been established taking into account the environmental dimension also including climate change, society and governance, according to guidelines for responsible lending and covers everything from customer selection guidelines, credit analysis, setting necessary conditions and credit management.

4.1.2 Development of Credit Approval Aid

The Bank aims to consistently develop and improve its tools for assisting the credit approval process. Set up Product Program for Retail Banking, which covers 2 dimensions, customer profile and collateral class. In addition, Behavior-Score usage, which applied for acquired existing customer with different credit granted from risk level. For new customer, the Bank started implementing internal score by using the NCB data which will ensure to a better risk assessment and select a customer group in accordance with the Bank's goals and strategy. In addition to that, Bank introduced the alternative score base for Thin customer profile who just newly to credit to help Bank to precise underwriting process for business target expansion which is the major segment for Hire Purchase business.

4.1.3 Loan portfolio Management

The Bank focuses on giving credit to businesses which the Bank has expertise. The Bank will manage its loan portfolio to maximise profit with an acceptable level or Risk Appetite of each portfolio as well as early warning indicator for monitoring of loan portfolio position with a systematic information reporting, in-depth analysis for the identification of risks and solution planning. A concentration risk limit is also utilised to lessen the volatility in the Group's performance. Examples of concentration limits include the Single Lending Limit and the Large Borrower Concentration Limit.

The Bank has introduced Risk Mitigation function which will be responsible for Retail Collection Strategies. The customer will be graded as High, Medium and Low upon each Individual payment behavior and collection treatment will be differentiated according to their grade. In addition, the Bank implemented has done in-depth cost-benefit analysis for each collection activity, especially when comparing to debt outstanding balance to ensure each collection activities must be cost-effectiveness. During the Covid-19 situation, Bank has introduced the risk segmentation for phone collection dunning (Before NPL) by Chi-square Automatic Interaction Detector (CHAID) for forbearance and normal account. This is to give the right offer help program to customer during crisis. In addition, Bank performed portfolio scrub or credit review to manage the risk of existing customer and to offer the right re-structuring program if we found significant shift in behavior of customer performance.

In the case of recognised financial assets, the carrying amount of the assets recorded in the statement of financial position, net of a portion of allowance for expected credit losses, represents the maximum exposure to credit risk.

The Group considers that there is no significant concentration of credit risk due to a large number of customers and counterparties in different industries.

Credit risk also arises from the possibility that the counterparty to off-statement of financial position financial instruments will not adhere to the terms of the contract when settlement becomes due.

The Group is exposed to credit risk in case where the counterparty fails to comply with terms in accordance with off-statement of financial position financial instruments such as commitments to extend credit, standby letters of credit, and financial guarantees. Risk of aforementioned instruments equals the contractual notional amount of applicable instruments. The Group use the same credit policy in making commitments and conditional obligations as they do for on-statement of financial position financial instruments. For interest rate swap and forward foreign exchange contracts, the contract or notional amount does not represent the Group exposure to potential credit loss. The Group controls credit risk on financial instruments through prudent credit approvals, limits, and strict monitoring procedures.

The Group has policies in place to ensure that loans are made to customers with an appropriate credit history. Derivative counterparties and cash transactions are limited to high credit quality financial institutions. The Group has policies that limit the credit line of loan transaction to any client or financial institution.

As at 31 December 2023 and 2022, concentrations of credit risk relative to the loans and receivables summarised by type of industry are as follows;

	Consolidated		Separate	
	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht
Agriculture and mining	2,621,486	468,496	2,621,486	468,496
Manufacturing and commerce	29,927,004	36,399,430	29,927,004	36,399,430
Real estate and constructions	33,798,146	34,095,015	36,110,969	36,418,600
Public utilities and services	31,213,637	30,870,960	31,213,637	30,870,960
Housing loans	52,410,792	46,259,290	52,410,792	46,259,290
Hire-purchase loans	189,571,760	188,719,237	189,571,760	188,719,237
Finance lease loans	603,721	422,867	603,721	422,867
Others	57,852,137	40,212,041	57,499,244	39,793,172
Total loans and receivables	397,998,683	377,447,336	399,958,613	379,352,052

4.1.4 Expected credit loss measurement

Further explanation is also provided of how the Group determines appropriate grouping when expected credit loss is measured on a collective basis.

The expected credit loss (ECL) is measured on either a 12-month (12M) or lifetime basis depending on whether a significant increase in credit risk has occurred since initial recognition or whether an asset is considered to be credit-impaired. Expected credit loss is the discounted product of the probability of default (PD), exposure at default (EAD), and loss given default (LGD), defined as follows:



- Probability of default (PD) represents the likelihood of a borrower defaulting on its financial obligation (as per definition of default and credit-impaired), either over the next 12 months (12-month PD) or over the remaining lifetime (lifetime PD) of the obligation.
- Exposure at default (EAD) is based on the amounts that the Group expects to be owed at the time of default, over the next 12 months (12-month EAD) or over the remaining lifetime (lifetime EAD)
- Loss given default (LGD) represents the Group's expectation of the extent of the loss on a defaulted exposure. LGD varies by type of counterparty, type and seniority of claim and availability of collateral or other credit support. LGD is expressed as a percentage loss per unit of exposure at the time of default (EAD). LGD is calculated on a 12-month or lifetime basis, where 12-month LGD is the percentage of loss expected to be made if the default occurs over the remaining expected lifetime of the loan.

The expected credit loss is determined by projecting the PD, LGD, and EAD for each future month and for each individual exposure or collective segment. These three components are multiplied together. This effectively calculates an ECL for each future month, which is then discounted back to the reporting date and summed. The discount rate used in the ECL calculation is the original effective interest rate or an approximation thereof. The 12-month and lifetime EADs are determined based on the expected payment profile, which varies by product type.

- For amortising products and bullet repayment loans, this is based on the contractual repayments owed by the borrower over a 12-month or lifetime basis.
- For revolving products, the exposure at default is predicted by taking current drawn balance and adding a credit conversion factor which allows for the expected drawdown of the remaining limit by the time of default. These assumptions vary by the product type and current limit utilization band, based on analysis of the Group's recent default data.

Forward-looking economic information is also included in determining the 12-month and lifetime.

Forward-looking information incorporated in the ECL models

The Group has performed historical analysis and identified the key economic variables impacting credit risk and expected credit losses for each portfolio.

Economic variable assumptions

The percentage change of most significant period-end assumptions used for the ECL estimate as at 31 December 2023 are set out below. The scenarios "base", "upside" and "downside" were used for all portfolios.



		2023	2024	2025
GDP at current market prices (%YoY)	Base	6.9%	5.1%	4.7%
	Upside	6.9%	5.5%	5.0%
	Downside	5.5%	5.5%	4.4%
Unemployment Rate	Base	1.5%	1.4%	1.3%
	Upside	1.4%	1.3%	1.2%
	Downside	2.0%	1.7%	1.4%
Inflation	Base	2.8%	1.4%	1.4%
	Upside	3.0%	1.7%	1.5%
	Downside	1.5%	1.0%	1.0%
Automotive sales (%YoY)	Base	3.1%	1.3%	-1.0%
	Upside	3.7%	2.3%	0.4%
	Downside	-9.6%	12.4%	-1.9%

The weightings assigned to each economic scenario at 31 December 2023 were as follows:

	Base	Upside	Downside
Retail	50%	20%	30%
Non-retail	50%	20%	30%

Other forward-looking considerations not otherwise incorporated within the above scenarios, such as the impact of any regulatory, legislative or political changes, have also been considered, but are not deemed to have a material impact and therefore no adjustment has been made to the ECL for such factors. This is reviewed and monitored for appropriateness on an annual basis.

For the year ended 31 December 2023, the management considered to provision the additional expected credit losses as management overlay due to the Bank cautionary measure after assessing the various conditions and economic uncertainties arising from the COVID-19 situation which could result in asset quality deterioration in the coming periods.

Grouping of instruments for losses measured on a collective basis

For expected credit loss provisions modelled on a collective basis, a grouping of exposures is performed on the basis of shared risk characteristics, such that risk exposures within a group are homogeneous.

In performing this grouping, there must be sufficient information for the group to be statistically credible. Where sufficient information is not available internally, the Group has considered benchmarking internal/external supplementary data to use for modelling purposes.

4.1.5 Credit risk exposure

4.1.5.1 Maximum exposure to credit risk

The maximum credit risk exposure of the Group in the event of other parties failing to perform their obligation is detailed below. No account taken of any collateral held and the maximum exposure to loss is considered to be the statement of financial position carrying amount or, for non-derivative off-statement of financial position transaction and financial guarantee, their contractual nominal amounts. The exposure to credit risk of the Group equals their carrying amount in the statement of financial position as at reporting date, except for the followings:

	Consolidated	
	31 December 2023	31 December 2022
	Maximum exposure Thousand Baht	Maximum exposure Thousand Baht
Credit risk exposures of		
on-statement of financial position assets:		
Financial assets measured at fair value		
through profit or loss	9,273,836	1,139,836
Investments, net	35,017,335	30,914,504
	44,291,171	32,054,340
Credit risk exposure of		
off-statement of financial position items:		
Financial guarantees	1,830,127	2,411,547
Loan commitments	55,312,684	49,562,545
	57,142,811	51,974,092
	Separate	
	31 December 2023	31 December 2022
	Maximum exposure Thousand Baht	Maximum exposure Thousand Baht
Credit risk exposures of		
on-statement of financial position assets:		
Financial assets measured at fair value		
through profit or loss	9,273,836	1,139,836
Investments, net	34,788,308	30,686,000
	44,062,144	31,825,836
Credit risk exposure of		
off-statement of financial position items:		
Financial guarantees	1,830,127	2,411,547
Loan commitments	56,201,093	50,436,574
	58,031,220	52,848,121

4.1.5.2 Collateral

The Group employs a range of policies and practices to mitigate credit risk. The most common of these is accepting collateral for funds advanced. The Group has internal policies on the acceptability of specific classes of collateral or credit risk mitigation.

The Group prepares a valuation of the collateral obtained as part of the loan origination process. This assessment is reviewed periodically. The main collateral type accepted and given value by the Group are:

- Mortgage over residential;
- Charges over commercial real estate or movable assets financed
- Charges over business assets such as properties, equipment, fixed deposit, debentures, personal guarantees and corporate guarantees; and
- Charges over financial instruments such as marketable securities
- Others

Term loan financing and lending to corporate entities are generally secured; revolving individual credit facilities are generally unsecured.

The Group's policies regarding obtaining collateral have not significantly changed during the reporting period and there has been no significant change in the overall quality of the collateral held by the Group since the prior period.

The Group closely monitors collateral held for financial assets considered to be credit-impaired, as it becomes more likely that the Group will take possession of collateral to mitigate potential credit losses. Financial assets that are credit-impaired and related collateral held in order to mitigate potential losses are shown below:



Consolidated				
31 December 2023				
	Gross carrying amount Thousand Baht	Expected credit losses Thousand Baht	Net carrying amount Thousand Baht	Fair value of collateral held Thousand Baht
Retail lending				
Auto hire purchase loan	5,770,190	3,121,889	2,648,301	-
Personal loan	101,442	77,818	23,624	110
Micro SME loan	1,909,599	1,272,448	637,151	1,620,222
Housing loan	906,835	315,861	590,974	821,753
Commercial lending				
Real estate development loan	2,497,690	1,053,504	1,444,186	2,747,180
SME loan	2,272,733	592,097	1,680,636	2,391,001
Corporate lending	706,293	317,832	388,461	-
Special Asset Management Loan	1,429,661	366,487	1,063,174	2,366,688
Total credit-impaired assets	15,594,443	7,117,936	8,476,507	9,946,954

Consolidated				
31 December 2022				
	Gross carrying amount Thousand Baht	Expected credit losses Thousand Baht	Net carrying amount Thousand Baht	Fair value of collateral held Thousand Baht
Retail lending				
Auto hire purchase loan	5,243,205	2,587,446	2,655,759	-
Personal loan	85,828	65,569	20,259	200
Micro SME loan	1,607,754	1,031,615	576,139	1,330,375
Housing loan	613,829	213,890	399,939	546,515
Commercial lending				
Real estate development loan	3,320,129	1,156,822	2,163,307	4,563,567
SME loan	2,419,929	606,803	1,813,126	2,293,872
Corporate lending	132,579	59,660	72,919	5,565
Special Asset Management Loan	1,442,229	292,486	1,149,743	2,741,504
Total credit-impaired assets	14,865,482	6,014,291	8,851,191	11,481,598



	Separate			
	31 December 2023			
	Gross carrying amount Thousand Baht	Expected credit losses Thousand Baht	Net carrying amount Thousand Baht	Fair value of collateral held Thousand Baht
Retail lending				
Auto hire purchase loan	5,770,190	3,121,889	2,648,301	-
Personal loan	101,442	77,818	23,624	110
Micro SME loan	1,909,599	1,272,448	637,151	1,620,222
Housing loan	906,835	315,861	590,974	821,753
Commercial lending				
Real estate development loan	2,497,690	1,053,504	1,444,186	2,747,180
SME loan	2,272,733	592,097	1,680,636	2,391,001
Corporate lending	706,293	317,832	388,461	-
Special Asset Management Loan	860,863	324,129	536,734	890,771
Total credit-impaired assets	15,025,645	7,075,578	7,950,067	8,471,037

	Separate			
	31 December 2022			
	Gross carrying amount Thousand Baht	Expected credit losses Thousand Baht	Net carrying amount Thousand Baht	Fair value of collateral held Thousand Baht
Retail lending				
Auto hire purchase loan	5,243,205	2,587,446	2,655,759	-
Personal loan	85,828	65,569	20,259	200
Micro SME loan	1,607,754	1,031,615	576,139	1,330,375
Housing loan	613,829	213,890	399,939	546,515
Commercial lending				
Real estate development loan	3,320,129	1,156,822	2,163,307	4,563,567
SME loan	2,419,929	606,803	1,813,126	2,293,872
Corporate lending	132,579	59,660	72,919	5,565
Special Asset Management Loan	831,621	256,868	574,753	910,753
Total credit-impaired assets	14,254,874	5,978,673	8,276,201	9,650,847

Collateral for financial assets at fair value through profit or loss

	Consolidated		Separate	
	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht
Derivatives	1,957,390	3,081,143	1,957,390	3,081,143

The Group mitigates the credit risk of derivatives by entering into master netting agreements and holding collateral in the form of cash.

Credit related commitments

Commitment to extend credit represents unutilised portion of approved credit in the form of loans financing, guarantees or letters of credit. In terms of credit risk, the Group is potentially exposed to loss in an amount equal to the total unutilised commitments. However, the potential amount of loss is less than the total unutilised commitments, as most commitments to extend credit are contingent upon customers maintaining specific minimum credit standards. The Group monitors the term to maturity of credit commitments because longer-term commitments generally have a greater degree of credit risk than short-term commitments.

Total loans to customers-credit quality

All loans to customers are categorised into 'neither past due nor impaired', 'past due but not impaired' and 'impaired'.

Past due loans financing refers to loans, advances and financing that are overdue by one day or more. Loans to customers are classified impaired when they fulfil any of the following criteria:

- i) the principal or interest both is past due more than 90 days or 3 months from the first day of default;
- ii) where the account is in arrears for less than 90 days or 3 months, there is evidence of impairment to indicate that the borrower customer is 'unlikely to repay' its credit obligations; or
- iii) the loans to customers are classified as rescheduled and restructured



Distribution of loans, advances and financing by credit quality

	Consolidated				
	31 December 2023				
	12-month ECL Thousand Baht	Lifetime ECL credit-impaired Thousand Baht	Lifetime ECL not credit-impaired Thousand Baht	Purchased or originated credit-impaired financial assets Thousand Baht	Total Thousand Baht
Neither past due nor impaired	340,797,674	6,236,967	-	-	347,034,641
Past due but not impaired	19,556,804	23,307,452	-	-	42,864,256
Impaired	-	-	14,710,273	884,170	15,594,443
Gross carrying amount	360,354,478	29,544,419	14,710,273	884,170	405,493,340
<u>Less:</u> Expected credit losses	(7,641,682)	(5,908,101)	(7,046,510)	(71,426)	(20,667,719)
Net carrying amount	352,712,796	23,636,318	7,663,763	812,744	384,825,621

	Consolidated				
	31 December 2022				
	12-month ECL Thousand Baht	Lifetime ECL credit-impaired Thousand Baht	Lifetime ECL not credit-impaired Thousand Baht	Purchased or originated credit-impaired financial assets Thousand Baht	Total Thousand Baht
Neither past due nor impaired	325,487,973	3,087,294	-	-	328,575,267
Past due but not impaired	20,728,719	19,669,980	-	-	40,398,699
Impaired	-	-	13,946,532	918,950	14,865,482
Gross carrying amount	346,216,692	22,757,274	13,946,532	918,950	383,839,448
<u>Less:</u> Expected credit losses	(8,392,256)	(3,807,580)	(5,958,190)	(56,101)	(18,214,127)
Net carrying amount	337,824,436	18,949,694	7,988,342	862,849	365,625,321

	Separate				
	31 December 2023				
	12-month ECL Thousand Baht	Lifetime ECL not credit-impaired Thousand Baht	Lifetime ECL credit-impaired Thousand Baht	Purchased or originated credit-impaired financial assets Thousand Baht	Total Thousand Baht
Neither past due nor impaired	343,109,941	6,236,967	-	-	349,346,908
Past due but not impaired	19,556,804	23,307,452	-	-	42,864,256
Impaired	-	-	14,710,273	315,372	15,025,645
Gross carrying amount	362,666,745	29,544,419	14,710,273	315,372	407,236,809
<u>Less:</u> Expected credit losses	(7,642,942)	(5,908,101)	(7,046,510)	(29,068)	(20,626,621)
Net carrying amount	355,023,803	23,636,318	7,663,763	286,304	386,610,188

	Separate				
	31 December 2022				
	12-month ECL Thousand Baht	Lifetime ECL not credit-impaired Thousand Baht	Lifetime ECL credit-impaired Thousand Baht	Purchased or originated credit-impaired financial assets Thousand Baht	Total Thousand Baht
Neither past due nor impaired	327,810,098	3,087,294	-	-	330,897,392
Past due but not impaired	20,728,719	19,669,980	-	-	40,398,699
Impaired	-	-	13,946,532	308,342	14,254,874
Gross carrying amount	348,538,817	22,757,274	13,946,532	308,342	385,550,965
<u>Less:</u> Expected credit losses	(8,393,414)	(3,807,580)	(5,958,190)	(20,483)	(18,179,667)
Net carrying amount	340,145,403	18,949,694	7,988,342	287,859	367,371,298



The table below presents credit quality of Interbank asset items, financial assets measured at fair value through profit or loss, investments, and derivatives that neither past due nor impaired, past due but not impaired and impaired, analysed by rating:

	Consolidated			
	31 December 2023			
	12-month ECL Thousand Baht	Lifetime ECL not credit-impaired Thousand Baht	Lifetime ECL credit-impaired Thousand Baht	Total Thousand Baht
Interbank asset items				
Sovereigns	4,725,740	-	-	4,725,740
AAA	25,903,663	-	-	25,903,663
AA- to AA+	25,363,765	-	-	25,363,765
A- to A+	1,055,006	-	-	1,055,006
Lower than A-	4,489,679	-	-	4,489,679
Unrated	500,000	-	-	500,000
<u>Less: Expected credit losses</u>	(8,420)	-	-	(8,420)
	62,029,433	-	-	62,029,433
Financial assets measured at fair value through profit or loss				
Sovereigns	8,848,279	-	-	8,848,279
AAA	55,112	-	-	55,112
AA- to AA+	4,948	-	-	4,948
A- to A+	337,170	-	-	337,170
Lower than A-	598	-	-	598
Unrated	1,219,499	-	-	1,219,499
	10,465,606	-	-	10,465,606
Investment				
Sovereigns	32,734,225	-	-	32,734,225
AAA	1,568,037	-	-	1,568,037
AA- to AA+	-	-	-	-
A- to A+	47,729	-	-	47,729
Lower than A-	248,010	-	-	248,010
Unrated	-	-	-	-
	34,598,001	-	-	34,598,001
Derivative assets				
Sovereigns	634,435	-	-	634,435
AAA	3,896,490	-	-	3,896,490
AA- to AA+	1,878,774	-	-	1,878,774
A- to A+	1,028,173	-	-	1,028,173
Lower than A-	-	-	-	-
Unrated	590,179	-	-	590,179
	8,028,051	-	-	8,028,051



Consolidated				
31 December 2022				
	12-month ECL Thousand Baht	Lifetime ECL not credit-impaired Thousand Baht	Lifetime ECL credit-impaired Thousand Baht	Total Thousand Baht
Interbank asset items				
Sovereigns	14,056,193	-	-	14,056,193
AAA	11,226,091	-	-	11,226,091
AA- to AA+	2,181,689	-	-	2,181,689
A- to A+	1,125,194	-	-	1,125,194
Lower than A-	16,636,844	-	-	16,636,844
Unrated	515,173	-	-	515,173
<u>Less: Expected credit losses</u>	<u>(8,835)</u>	-	-	<u>(8,835)</u>
	45,732,349	-	-	45,732,349
Financial assets measured at fair value through profit or loss				
Sovereigns	993,585	-	-	993,585
AAA	22,446	-	-	22,446
AA- to AA+	1,642	-	-	1,642
A- to A+	77,121	-	-	77,121
Lower than A-	20,006	-	-	20,006
Unrated	1,200,540	-	-	1,200,540
	2,315,340	-	-	2,315,340
Investment				
Sovereigns	28,585,949	-	-	28,585,949
AAA	1,568,174	-	-	1,568,174
AA- to AA+	-	-	-	-
A- to A+	144,931	-	-	144,931
Lower than A-	297,462	-	-	297,462
Unrated	-	-	-	-
	30,596,516	-	-	30,596,516
Derivative assets				
Sovereigns	1,245,450	-	-	1,245,450
AAA	2,917,430	-	-	2,917,430
AA- to AA+	3,071,601	-	-	3,071,601
A- to A+	1,343,950	-	-	1,343,950
Lower than A-	1,640,810	-	-	1,640,810
Unrated	301,507	-	-	301,507
	10,520,748	-	-	10,520,748



	Separate			
	31 December 2023			
	12-month ECL Thousand Baht	Lifetime ECL not credit-impaired Thousand Baht	Lifetime ECL credit-impaired Thousand Baht	Total Thousand Baht
Interbank asset items				
Sovereigns	4,725,740	-	-	4,725,740
AAA	25,403,663	-	-	25,403,663
AA- to AA+	25,333,956	-	-	25,333,956
A- to A+	1,017,692	-	-	1,017,692
Lower than A-	2,131,752	-	-	2,131,752
Unrated	500,791	-	-	500,791
<u>Less: Expected credit losses</u>	(8,420)	-	-	(8,420)
	59,105,174	-	-	59,105,174
Financial assets measured at fair value through profit or loss				
Sovereigns	8,848,279	-	-	8,848,279
AAA	55,112	-	-	55,112
AA- to AA+	4,948	-	-	4,948
A- to A+	337,170	-	-	337,170
Lower than A-	598	-	-	598
Unrated	-	-	-	-
	9,246,107	-	-	9,246,107
Investment				
Sovereigns	32,505,165	-	-	32,505,165
AAA	1,568,037	-	-	1,568,037
AA- to AA+	-	-	-	-
A- to A+	47,729	-	-	47,729
Lower than A-	248,010	-	-	248,010
Unrated	-	-	-	-
	34,368,941	-	-	34,368,941
Derivative assets				
Sovereigns	634,435	-	-	634,435
AAA	3,896,490	-	-	3,896,490
AA- to AA+	1,878,774	-	-	1,878,774
A- to A+	1,039,085	-	-	1,039,085
Lower than A-	-	-	-	-
Unrated	590,179	-	-	590,179
	8,038,963	-	-	8,038,963

	Separate			
	31 December 2022			
	12-month ECL Thousand Baht	Lifetime ECL not credit-impaired Thousand Baht	Lifetime ECL credit-impaired Thousand Baht	Total Thousand Baht
Interbank asset items				
Sovereigns	14,056,193	-	-	14,056,193
AAA	11,212,524	-	-	11,212,524
AA- to AA+	2,159,931	-	-	2,159,931
A- to A+	5,173,488	-	-	5,173,488
Lower than A-	15,079,444	-	-	15,079,444
Unrated	515,173	-	-	515,173
<u>Less: Expected credit losses</u>	<u>(10,032)</u>	<u>-</u>	<u>-</u>	<u>(10,032)</u>
	48,186,721	-	-	48,186,721
Financial assets measured at fair value through profit or loss				
Sovereigns	993,585	-	-	993,585
AAA	22,446	-	-	22,446
AA- to AA+	1,642	-	-	1,642
A- to A+	77,121	-	-	77,121
Lower than A-	20,006	-	-	20,006
Unrated	-	-	-	-
	1,114,800	-	-	1,114,800
Investment				
Sovereigns	28,357,386	-	-	28,357,386
AAA	1,568,174	-	-	1,568,174
AA- to AA+	-	-	-	-
A- to A+	144,931	-	-	144,931
Lower than A-	297,462	-	-	297,462
Unrated	-	-	-	-
	30,367,953	-	-	30,367,953
Derivative assets				
Sovereigns	1,245,450	-	-	1,245,450
AAA	2,917,430	-	-	2,917,430
AA- to AA+	3,071,601	-	-	3,071,601
A- to A+	1,362,197	-	-	1,362,197
Lower than A-	1,640,810	-	-	1,640,810
Unrated	301,507	-	-	301,507
	10,538,995	-	-	10,538,995



Other financial assets - credit quality

Other financial assets of the Group are neither past due nor impaired, past due but not impaired and impaired are summarised as below:

Consolidated				
31 December 2023				
	12-month ECL Thousand Baht	Lifetime ECL not credit-impaired Thousand Baht	Lifetime ECL credit-impaired Thousand Baht	Total Thousand Baht
Accounts receivable from clearing house and broker - dealers	1,954,980	-	-	1,954,980
Securities and derivative business receivables	5,528,970	-	708,525	6,237,495
Other assets	629,142	65,874	101,880	796,896
<u>Less: Expected credit losses</u>	(2,252)	(9,896)	(794,178)	(806,326)
	8,110,840	55,978	16,227	8,183,045

Consolidated				
31 December 2022				
	12-month ECL Thousand Baht	Lifetime ECL not credit-impaired Thousand Baht	Lifetime ECL credit-impaired Thousand Baht	Total Thousand Baht
Accounts receivable from clearing house and broker - dealers	1,275,894	-	-	1,275,894
Securities and derivative business receivables	7,976,075	-	708,525	8,684,600
Other assets	1,763,667	61,106	69,204	1,893,977
<u>Less: Expected credit losses</u>	(1,641)	(8,274)	(762,456)	(772,371)
	11,013,995	52,832	15,273	11,082,100

Separate				
31 December 2023				
	12-month ECL Thousand Baht	Lifetime ECL not credit-impaired Thousand Baht	Lifetime ECL credit-impaired Thousand Baht	Total Thousand Baht
Other assets	725,583	65,874	101,880	893,337
<u>Less: Expected credit losses</u>	(2,252)	(9,896)	(85,653)	(97,801)
	723,331	55,978	16,227	795,536

Separate				
31 December 2022				
	12-month ECL Thousand Baht	Lifetime ECL not credit-impaired Thousand Baht	Lifetime ECL credit-impaired Thousand Baht	Total Thousand Baht
Other assets	1,976,740	61,106	69,204	2,107,050
<u>Less: Expected credit losses</u>	(1,641)	(8,274)	(53,931)	(63,846)
	1,975,099	52,832	15,273	2,043,204

Loan commitments and financial guarantees below represent the ECL being recognised.

	Consolidated			
	31 December 2023			
	12-month ECL Thousand Baht	Lifetime ECL not credit-impaired Thousand Baht	Lifetime ECL credit-impaired Thousand Baht	Total Thousand Baht
Loans financing commitments and financial guarantees	117,952	1,228	-	119,180

	Consolidated			
	31 December 2022			
	12-month ECL Thousand Baht	Lifetime ECL not credit-impaired Thousand Baht	Lifetime ECL credit-impaired Thousand Baht	Total Thousand Baht
Loans financing commitments and financial guarantees	111,984	709	-	112,693

	Separate			
	31 December 2023			
	12-month ECL Thousand Baht	Lifetime ECL not credit-impaired Thousand Baht	Lifetime ECL credit-impaired Thousand Baht	Total Thousand Baht
Loans financing commitments and financial guarantees	118,449	1,228	-	119,677

	Separate			
	31 December 2022			
	12-month ECL Thousand Baht	Lifetime ECL not credit-impaired Thousand Baht	Lifetime ECL credit-impaired Thousand Baht	Total Thousand Baht
Loans financing commitments and financial guarantees	112,494	709	-	113,203

4.2 Market risk

Presently, the Bank performs many transactions in financial market products for both trading and banking books. Five major transaction types are 1) fixed income trading and fixed income derivatives, 2) foreign exchange trading and foreign exchange derivatives, 3) interest rate derivatives, 4) common equity, property fund, infrastructure fund, and Real Estate Investment Trust (REIT) which registered in the Stock Exchange of Thailand (SET) and equity derivatives, and 5) option contract which refers equity price, ETF price or mutual fund performance as underlying asset. Furthermore, the capital market business invests in common equity traded in the SET and foreign stock markets as well as futures contract in Thailand Futures Exchange (TFEX) and equity derivatives.



The trading book market risk management focuses on transactions with interest rate risk and foreign exchange risk. In highly volatile market, these risks arise from internal and external uncontrollable factors and adversely affect trading book. Therefore, the Bank determines acceptable risk limit on interest rate risk and foreign exchange risk for trading book transactions and allows equity transaction to expose zero market risk in equity price.

The banking book market risk management emphasizes on transactions with interest rate risk. The Bank determines acceptable interest rate risk limit and fully hedges foreign exchange risk or hedge to insignificant level. However, the Bank may invest in common equity, property fund, infrastructure fund, and REIT which registered in the SET. This will be a long-term investment which required the related committee approval, on a case-by-case basis.

The Bank has consistently developed comprehensive and systematic market risk management procedures, ranging from identifying, measuring, monitoring and controlling risks resulted from trading and banking book transactions. These processes cover related and significant market risk factors. Meanwhile, the financial market group and treasury department are major units to manage market risk in trading and banking books respectively. The Market Risk Management together with the Liquidity Risk Management and ALM departments identify risk indicator and propose risk limit for an approval from Risk Oversight Committee to assess and monitor market risk. The internationally accepted risk indicator tools such as Value at Risk (VaR), Present Value of a Basis Point (PV01), Net Open Position in Foreign Currency (NOP), and Economic Value of Equity (EVE) are utilized to cover changes in the market. In case of any irregularity or beyond acceptable market risk limit, the Market Risk Management and Liquidity Risk Management and ALM departments will report to relevant units.

The capital market risk management department focuses on the investment in common equity, in the SET and foreign stock markets, private equity, futures contract in TFEX, and equity derivatives. The key market risk factors consist of equity prices, liquidity, foreign exchange rate and equity volatility. The capital market business short-term investment strategy gives rise to minimal risks resulted from risk hedging. On the other hand, the long-term investment in common equity in the country or in the foreign countries by the Direct Investment Department of KKPS is not hedged and directional, hence highly volatile market risk still exists. In the event that the price of invested securities drops, or the exchange rate changes, such events will adversely impact the Group's performance and profitability. Nevertheless, the Group is aware of the risks arising from these investment strategies. The Group has limited investment risk under acceptable level. The Risk Management department of the Capital Market Business is responsible for setting risk limits, for example, maximum loss at a determined confident level and maximum position held which determined by daily volume. In case of any irregularity or beyond acceptable trading book risk limit, the Risk Management department of the Capital Market Business will report to relevant units.



4.2.1 Interest rate risk

The Bank manages interest rate risk in trading book by limiting portfolio's sensitivity to interest rate change, including relevant foreign interest rates, to be in line with the risk appetite.

Interest rate risk management in banking book is to reduce negative impact arising from interest rate volatility. The Bank manages risk of the gap between asset and liability structures, which sensitive to interest rate change, both on statement of financial position, and off-statement of financial position. The Bank specifies to regularly evaluate the impacts on net interest income (Earning perspective), and economic value of equity (Economic value perspective), under supervision of the Assets and Liabilities Management Committee (ALCO). The treasury department is mainly responsible for managing the structure of assets and liabilities to be at an appropriate level, while the risk management group monitors and controls the risk, and reports to the Risk Oversight Committee and the Bank's Board of Directors on a regular basis.

As at 31 December 2023 and 31 December 2022, the loan information classified by fixed and floating rates is summarised as follows;

	Consolidated		Separate	
	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht
Loans and receivables with fixed interest rate	280,591,722	287,699,384	280,591,722	287,699,384
Loans and receivables with floating interest rate	117,406,961	89,747,952	119,366,891	91,652,668
Total loans and receivables	397,998,683	377,447,336	399,958,613	379,352,052

The Group has summarised financial assets and liabilities classified on maturity of interest re-pricing years as at 31 December 2023 and 31 December 2022 as follows;

	Consolidated						
	31 December 2023						
	0 - 3 months Thousand Baht	Over 3 - 12 months Thousand Baht	Over 1 - 5 years Thousand Baht	Over 5 years Thousand Baht	Non- performing loans Thousand Baht	Non- interest bearing Thousand Baht	Total Thousand Baht
Financial assets							
Interbank and money market items	51,655,807	1,481,270	-	-	-	8,815,542	61,952,619
Financial assets measured							
at fair value through profit or loss	4,678,323	218,906	3,979,508	369,370	-	6,789,280	16,035,387
Derivatives assets	1,375,726	437,810	-	-	-	6,248,917	8,062,453
Investments in securities, net	9,364,915	6,663,387	5,755,222	12,814,477	-	1,663,568	36,261,569
Loans	210,093,325	43,495,157	111,717,610	13,774,468	12,903,320	6,014,803	397,998,683
Account receivables from clearing							
house and broker - dealers	-	-	-	-	-	1,954,980	1,954,980
Securities and derivative business							
receivables	-	-	-	-	-	5,528,970	5,528,970
Financial liabilities							
Deposits	181,481,480	142,278,613	34,386,426	-	-	755,993	358,902,512
Interbank and money market items	17,812,285	1,028,625	2,645,422	-	-	1,548,749	23,035,081
Liabilities payables on demand	-	-	-	-	-	483,354	483,354
Financial liabilities designated							
at fair value through profit or loss	-	1,332,833	-	-	-	-	1,332,833
Derivatives liabilities	1,267,565	263,189	-	-	-	6,971,923	8,502,677
Debt issued and borrowings	20,179,933	36,905,384	2,712,662	9,102,000	-	-	68,899,979
Lease liabilities	50	34,221	75,165	72,572	-	-	182,008
Payable to clearing house							
house and broker - dealers	-	-	-	-	-	151,102	151,102
Securities and derivative business							
payables	-	-	-	-	-	6,894,432	6,894,432



Consolidated						
31 December 2022						
0 - 3 months Thousand Baht	Over 3 - 12 months Thousand Baht	Over 1 - 5 years Thousand Baht	Over 5 years Thousand Baht	Non- performing loans Thousand Baht	Non- interest bearing Thousand Baht	Total Thousand Baht
30,334,287	7,116,924	-	-	-	8,225,985	45,677,196
-	1,644	87,820	1,025,335	-	17,588,191	18,702,990
801,015	774,306	-	-	-	8,962,694	10,538,015
8,889,383	2,786,579	6,919,143	12,001,411	-	1,251,175	31,847,691
178,304,270	42,475,706	126,776,996	15,137,598	12,631,921	2,120,845	377,447,336
-	-	-	-	-	1,275,894	1,275,894
-	-	-	-	-	7,976,075	7,976,075
229,929,597	67,905,308	32,668,500	-	-	960,595	331,464,000
13,083,928	2,126,710	4,266,220	-	-	698,262	20,175,120
-	-	-	-	-	339,834	339,834
-	3,556,542	-	-	-	-	3,556,542
1,173,887	432,256	-	-	-	7,722,008	9,328,151
22,955,774	22,880,241	7,126,217	8,392,000	-	-	61,354,232
-	8,644	127,613	74,366	-	-	210,623
-	-	-	-	-	164,038	164,038
-	-	-	-	-	8,179,754	8,179,754



	Separate						
	31 December 2023						
	0 - 3 months Thousand Baht	Over 3 - 12 months Thousand Baht	Over 1 - 5 years Thousand Baht	Over 5 years Thousand Baht	Non- performing loans Thousand Baht	Non- interest bearing Thousand Baht	Total Thousand Baht
Financial assets							
Interbank and money market items	49,669,723	1,481,270	-	-	-	7,893,116	59,044,109
Financial assets measured							
at fair value through profit or loss	4,678,323	218,906	3,979,508	369,370	-	145,117	9,391,224
Derivatives assets	1,375,726	437,810	-	-	-	6,225,427	8,038,963
Investments in securities, net	9,294,980	6,504,262	5,755,222	12,814,477	-	263,461	34,632,402
Loans	210,093,325	45,805,897	111,717,610	13,774,468	12,552,510	6,014,803	399,958,613
Financial liabilities							
Deposits	182,096,233	142,278,613	34,386,426	-	-	755,993	359,517,265
Interbank and money market items	18,908,673	1,028,625	2,645,422	-	-	1,548,749	24,131,469
Liabilities payables on demand	-	-	-	-	-	483,354	483,354
Derivatives liabilities	1,267,565	263,189	-	-	-	6,966,056	8,496,810
Debt issued and borrowings	20,249,933	34,813,466	2,712,662	9,102,000	-	-	66,878,061
Lease liabilities	50	34,221	75,165	967,596	-	-	1,077,032

	Separate						
	31 December 2022						
	0 - 3 months Thousand Baht	Over 3 - 12 months Thousand Baht	Over 1 - 5 years Thousand Baht	Over 5 years Thousand Baht	Non- performing loans Thousand Baht	Non- interest bearing Thousand Baht	Total Thousand Baht
Financial assets							
Interbank and money market items	33,682,653	7,116,924	-	-	-	7,335,127	48,134,704
Financial assets measured							
at fair value through profit or loss	-	1,644	87,820	1,025,335	-	2,245,081	3,359,880
Derivatives assets	801,015	774,306	-	-	-	8,963,674	10,538,995
Investments in securities, net	8,799,416	2,647,983	6,919,143	12,001,411	-	245,369	30,613,322
Loans	178,304,270	44,797,209	126,776,996	15,137,598	12,215,134	2,120,845	379,352,052
Financial liabilities							
Deposits	230,374,845	67,905,308	32,668,500	-	-	960,595	331,909,248
Interbank and money market items	13,409,618	1,126,710	4,266,220	-	-	698,262	19,500,810
Liabilities payables on demand	-	-	-	-	-	339,834	339,834
Derivatives liabilities	1,173,887	432,256	-	-	-	7,713,355	9,319,498
Debt issued and borrowings	23,615,774	20,585,938	7,126,217	8,392,000	-	-	59,719,929
Lease liabilities	-	8,559	127,613	922,847	-	-	1,059,019

The average balances of significant performing financial assets and financial liabilities, including the average interest are summarised as follows;

Consolidated			
For the year ended 31 December 2023			
	Average outstanding balances Thousand Baht	Interest Thousand Baht	Average rate %
Significant performing financial assets			
Interbank and money market items, net	57,155,553	1,280,867	2.24
Investments in securities	45,967,864	937,259	2.04
Loans	390,221,670	28,405,438	7.28
	493,345,087	30,623,564	6.21
Significant financial liabilities			
Deposits	346,752,697	5,003,826	1.44
Interbank and money market items, net	21,430,357	439,516	2.05
Debt issued and borrowings	67,867,552	1,104,210	1.63
	436,050,606	6,547,552	1.50

Consolidated			
For the year ended 31 December 2022			
	Average outstanding balances Thousand Baht	Interest Thousand Baht	Average rate %
Significant performing financial assets			
Interbank and money market items, net	55,108,803	603,776	1.10
Investments in securities	51,581,612	456,184	0.88
Loans	342,612,511	22,572,384	6.59
	449,302,926	23,632,344	5.26
Significant financial liabilities			
Deposits	318,530,681	2,878,280	0.90
Interbank and money market items, net	19,437,692	190,212	0.98
Debt issued and borrowings	54,897,804	616,095	1.12
	392,866,177	3,684,587	0.94



	Separate		
	For the year ended 31 December 2023		
	Average outstanding balances Thousand Baht	Interest Thousand Baht	Average rate %
Significant performing financial assets			
Interbank and money market items, net	55,576,054	1,167,035	2.10
Investments in securities	34,474,598	833,655	2.42
Loans	392,138,614	27,858,558	7.10
	482,189,266	29,859,248	6.19
Significant financial liabilities			
Deposits	347,312,125	5,004,181	1.44
Interbank and money market items, net	21,774,456	435,169	2.00
Debt issued and borrowings	65,121,782	1,065,714	1.64
	434,208,363	6,505,064	1.50

	Separate		
	For the year ended 31 December 2022		
	Average outstanding balances Thousand Baht	Interest Thousand Baht	Average rate %
Significant performing financial assets			
Interbank and money market items, net	56,565,763	638,842	1.13
Investments in securities	33,155,787	411,818	1.24
Loans	344,776,235	22,524,506	6.53
	434,497,785	23,575,166	5.43
Significant financial liabilities			
Deposits	319,063,122	2,878,539	0.90
Interbank and money market items, net	19,246,588	183,505	0.95
Debt issued and borrowings	49,324,580	569,385	1.15
	387,634,290	3,631,429	0.94

Interest/profit rate sensitivity

The table below shows the interest/profit sensitivity for the financial assets and financial liabilities held as at reporting date.

	Consolidated			
	31 December 2023		31 December 2022	
	+ 1 basis point Thousand Baht	- 1 basis point Thousand Baht	+ 1 basis point Thousand Baht	- 1 basis point Thousand Baht
Impact on profit after taxation	28,900	(28,900)	27,502	(27,502)
Impact on equity	22,319	(22,319)	22,853	(22,853)

	Separate			
	31 December 2023		31 December 2022	
	+ 1 basis point Thousand Baht	- 1 basis point Thousand Baht	+ 1 basis point Thousand Baht	- 1 basis point Thousand Baht
Impact on profit after taxation	28,900	(28,900)	27,502	(27,502)
Impact on equity	22,319	(22,319)	22,853	(22,853)

4.2.2 Foreign exchange rate risk

Foreign exchange rate risk refers to the loss affecting income and/or equity from exchange rate fluctuations that affect foreign currency transactions and foreign currency assets and liabilities.

The Bank sets and controls the risk of trading intent transactions that exposed to foreign exchange rate risk to be within an acceptable level. The transactions include foreign currency bonds, FX spot, FX derivatives, and cross currency swap. For other assets and liabilities, the Bank regularly hedges against the foreign exchange rate risk by using forward and swap contracts. Therefore, the Bank's overall foreign exchange rate risk is relatively low.

The subsidiaries have strategies, which invest abroad and do not intent to expose to foreign exchange rate risk. As such, the subsidiaries also use forward and swap contracts to hedge the risk. However, the foreign exchange rate risk may remain for some investment strategies, since the amount of these investment strategies is considered as very small or the investments are exposed to foreign exchange rate risk in low liquidity currencies. In some cases, the subsidiaries will hedge the risk by taking an opposite position in another currency which is positively correlated with the target currency (i.e., cross hedging).



The balances of financial assets and liabilities denominated in foreign currencies other than the functional currency as at 31 December 2023 and 31 December 2022 are summarised as follows;

	Consolidated						
	31 December 2023						
	US Dollar Thousand Baht	Singapore Dollar Thousand Baht	Australian Dollar Thousand Baht	Euro Thousand Baht	Yen Thousand Baht	Others Thousand Baht	Total Thousand Baht
Financial assets							
Interbank and money market items, net	4,111,579	31,277	16,940	22,525	167,263	282,215	4,631,799
Financial assets measured							
at fair value through profit or loss	2,544	-	-	-	-	-	2,544
Investments in securities, net	-	865,597	-	-	-	101,258	966,855
Loans to customers and accrued							
interest receivables	11,284,620	-	116,572	177,744	-	-	11,578,936
Account receivables from							
clearing house and broker - dealers	512,832	158	-	1,681	-	80,877	595,548
Securities and derivative business							
Receivables	126,215	-	-	782	-	2,855	129,852
Total financial assets	16,037,790	897,032	133,512	202,732	167,263	467,205	17,905,534
Financial liabilities							
Deposits	8,970,419	26,174	12,196	11,053	170,348	71,882	9,262,072
Interbank and money market							
items, net	6,962,268	-	-	189	-	239	6,962,696
Debt issued and borrowings	-	-	-	2,091,504	23,206,987	-	25,298,491
Account payable to clearing house							
and broker - dealers	51,147	-	-	250	-	2,428	53,825
Securities and derivative business							
payables	437,246	-	-	1,299	-	1,419	439,964
Total financial liabilities	16,421,080	26,174	12,196	2,104,295	23,377,335	75,968	42,017,048
Foreign currency position of							
items recognised on the							
statements of financial position, net	(383,290)	870,858	121,316	(1,901,563)	(23,210,072)	391,237	(24,111,514)
Foreign currency position of							
items in the statements of							
financial position, net							
(Forward exchange contracts							
and cross currency swaps)	285,576	(51,396)	(99,319)	2,324,681	23,213,305	2,370	25,675,217



Consolidated							
31 December 2022							
	US Dollar Thousand Baht	Singapore Dollar Thousand Baht	Australian Dollar Thousand Baht	Euro Thousand Baht	Yen Thousand Baht	Others Thousand Baht	Total Thousand Baht
Financial assets							
Interbank and money market items, net	6,189,844	6,787	5,626	47,740	83,751	174,694	6,508,442
Investments in securities, net	-	274,523	-	-	-	72,212	346,735
Loans to customers and accrued interest receivables	8,224,068	-	351,791	-	-	-	8,575,859
Account receivables from clearing house and broker - dealers	222,068	17	-	-	-	9,691	231,776
Securities and derivative business Receivables	132,509	-	-	-	-	881	133,390
Total financial assets	14,768,489	281,327	357,417	47,740	83,751	257,478	15,796,202
Financial liabilities							
Deposits	1,363,057	28	-	17,118	34,847	156,242	1,571,292
Interbank and money market items, net	3,801,898	-	-	-	-	-	3,801,898
Debt issued and borrowings	-	-	-	7,095,326	7,384,885	-	14,480,211
Account payable to clearing house and broker - dealers	128,596	-	-	-	-	68	128,664
Securities and derivative business payables	100,816	-	-	-	-	1,102	101,918
Total financial liabilities	5,394,367	28	-	7,112,444	7,419,732	157,412	20,083,983
Foreign currency position of items recognised on the statements of financial position, net	9,374,122	281,299	357,417	(7,064,704)	(7,335,981)	100,066	(4,287,781)
Foreign currency position of items in the statements of financial position, net (Forward exchange contracts and cross currency swaps)	(8,457,863)	(158)	(348,620)	6,994,576	7,342,788	(13,296)	5,517,427



	Separate						
	31 December 2023						
	US Dollar Thousand Baht	Singapore Dollar Thousand Baht	Australian Dollar Thousand Baht	Euro Thousand Baht	Yen Thousand Baht	Others Thousand Baht	Total Thousand Baht
Financial assets							
Interbank and money market items, net	4,078,751	31,267	16,940	20,455	167,263	278,560	4,593,236
Loans to customers and accrued interest receivables	11,284,620	-	116,572	177,744	-	-	11,578,936
Total financial assets	15,363,371	31,267	133,512	198,199	167,263	278,560	16,172,172
Financial liabilities							
Deposits	8,970,419	26,174	12,196	11,053	170,348	71,882	9,262,072
Interbank and money market items, net	6,962,268	-	-	189	-	239	6,962,696
Debt issued and borrowings	-	-	-	2,091,504	23,206,987	-	25,298,491
Total financial liabilities	15,932,687	26,174	12,196	2,102,746	23,377,335	72,121	41,523,259
Foreign currency position of items recognised on the statements of financial position, net	(569,316)	5,093	121,316	(1,904,547)	(23,210,072)	206,439	(25,351,087)
Foreign currency position of items in the statements of financial position, net (Forward exchange contracts and cross currency swaps)	285,576	(51,396)	(99,319)	2,324,681	23,213,305	2,370	25,675,217



	Separate						
	31 December 2022						
	US Dollar Thousand Baht	Singapore Dollar Thousand Baht	Australian Dollar Thousand Baht	Euro Thousand Baht	Yen Thousand Baht	Others Thousand Baht	Total Thousand Baht
Financial assets							
Interbank and money market items, net	6,169,868	6,781	5,626	46,019	83,751	174,558	6,486,603
Loans to customers and accrued							
interest receivables	8,224,068	-	351,791	-	-	-	8,575,859
Total financial assets	14,393,936	6,781	357,417	46,019	83,751	174,558	15,062,462
Financial liabilities							
Deposits	1,363,057	28	-	17,118	34,847	156,242	1,571,292
Interbank and money market items, net	3,801,898	-	-	-	-	-	3,801,898
Debt issued and borrowings	-	-	-	7,095,326	7,384,885	-	14,480,211
Total financial liabilities	5,164,955	28	-	7,112,444	7,419,732	156,242	19,853,401
Foreign currency position of							
items recognised on the statements							
of financial position, net	9,228,981	6,753	357,417	(7,066,425)	(7,335,981)	18,316	(4,790,939)
Foreign currency position of items in							
the statements of financial position, net							
(Forward exchange contracts							
and cross currency swaps)	(8,457,863)	(158)	(348,620)	6,994,576	7,342,788	(13,296)	5,517,427

Foreign exchange risk sensitivity analysis

The following table sets out the analysis of the exposure to assess the impact of a 1% change in exchange rate to the profit after taxation and share's holder equity.

	Consolidated	
	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht
+ 1%		
US Dollar	40,084	(735)
Singapore Dollar	8,183	2,743
Australian Dollar	(824)	32
Euro	2,026	69,976
Yen	2,128	73,359
Others	3,374	685
	<u>54,971</u>	<u>146,060</u>
- 1%		
US Dollar	(40,084)	735
Singapore Dollar	(8,183)	(2,743)
Australian Dollar	824	(32)
Euro	(2,026)	(69,976)
Yen	(2,128)	(73,359)
Others	(3,374)	(685)
	<u>(54,971)</u>	<u>(146,060)</u>
	Separate	
	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht
+ 1%		
US Dollar	38,224	(2,186)
Singapore Dollar	(474)	(2)
Australian Dollar	(824)	32
Euro	1,996	69,959
Yen	2,128	73,359
Others	1,526	(133)
	<u>42,576</u>	<u>141,029</u>
- 1%		
US Dollar	(38,224)	2,186
Singapore Dollar	474	2
Australian Dollar	824	(32)
Euro	(1,996)	(69,959)
Yen	(2,128)	(73,359)
Others	(1,526)	133
	<u>(42,576)</u>	<u>(141,029)</u>

4.2.3 Equity price risk

Equity price risk refers to the loss affecting income and/or equity from a movement in equity price.

The Bank assesses the potential of securities issuer companies and has a policy to buy/sell equity securities mainly for medium-term and long-term investments. For trading book, the bank can invest in equity securities and/or equity derivative. In managing equity position risk, which is held, according to initial intention, as long-term, the Bank monitors and regularly reports the equity price risk.

The majority of Bank's equity position is in the subsidiaries, and unit trusts, which manage the Bank's assets. The remaining portion consists of equities listed in The Stock Exchange of Thailand, and those obtained from debt restructuring.

The equity position in the banking book of the capital market business is managed by the direct investment department of KKPS, which focuses on a long-term investment based on the business intrinsic value by employing value-based investment approach. In a search for investment opportunities, the direct investment department performs in-depth analysis, and covers essential aspects related to sustainable growth of the business opportunity, such as, attractiveness, industry's trend, business model, sustainable competitiveness, talent and transparency of executives, including the structure that encourages good governance. However, every transaction of the direct investment department must be approved from the Investment Committee (IC) before investing and be controlled and monitored transactions under the framework which approved by the risk management department.

Equity price risk sensitivity analysis

The table below summarizes the impact of increases/decreases of these equity indices on the group's equity and post-tax profit for the period. The analysis is based on the assumption that the equity prices had increased by 1% respectively or decreased by 1% with all other variables held constant.

	Consolidated			
	31 December 2023		31 December 2022	
	equity prices increase by 1% Thousand Baht	equity prices decreased by 1% Thousand Baht	equity prices increase by 1% Thousand Baht	equity prices decreased by 1% Thousand Baht
Impact on profit after taxation	10,781	(8,753)	10,256	(8,648)
Impact on equity	29,689	(27,661)	25,486	(23,878)



4.3 Liquidity risk

Liquidity risk is the risk of the Bank not being able to fulfill its obligation of repayment as it is unable to promptly convert its assets into cash, unable to raise sufficient funds in time or able to at a high cost which may affect the Bank's income and capital.

The Bank has established the Money Desk Sub-Committee to analyse and track cash inflows and outflows as well as closely monitor the Bank's liquidity to comply with the Bank's risk limits. The committee will regularly convene at least once every two weeks under the supervision of the Asset and Liability Management Committee (ALCO). The treasury department plays a key role in the implementation of the Bank's liquidity management to maintain an appropriate level of liquidity. Additionally, the risk management department monitors and controls the position of liquidity risk and regularly reports to the Risk Oversight Committee (ROC) and the Board of Directors.

The Bank also sets liquidity risk management policy and procedure in accordance with the Bank's strategy and the BOT's financial institution liquidity management framework. The main policies are as follows;

- Maintenance of liquidity ratio under both Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR) regulated by BOT and at an appropriate level
- Control of liabilities and assets maturity mismatch at an acceptable level
- Diversification of liability types
- Expansion of deposit base while considering customer concentration in each type of deposit and maturity
- Provision of contingent liquidity reserves

Significant assets and liabilities of the Group analysed by relevant maturity groupings are as follows;

	Consolidated					
	31 December 2023					
	On demand Thousand Baht	Within 1 year Thousand Baht	Over 1 - 5 years Thousand Baht	Over 5 years Thousand Baht	No maturity Thousand Baht	Total Thousand Baht
Financial assets						
Cash	-	-	-	-	1,381,596	1,381,596
Interbank and money market items	11,411,539	48,587,935	842,280	1,200,439	5,834	62,048,027
Financial assets measured at fair value through profit or loss	-	16,035,387	-	-	-	16,035,387
Derivatives assets	-	6,761,455	1,018,302	282,696	-	8,062,453
Investments in securities, net	-	7,335,124	14,450,269	12,812,608	1,663,569	36,261,570
Hire-purchase receivables	33,581	2,381,097	95,367,703	91,789,379	-	189,571,760
Finance lease receivables	52,262	12,759	538,700	-	-	603,721
Loans and receivables	2,554,817	32,194,534	74,267,194	98,806,657	-	207,823,202
Account receivable from clearing house and broker - dealers	-	1,954,980	-	-	-	1,954,980
Securities and derivative business receivables	-	5,528,970	-	-	-	5,528,970
Total financial assets	14,052,199	120,792,241	186,484,448	204,891,779	3,050,999	529,271,666
Financial liabilities						
Deposits	128,301,605	195,970,758	34,630,149	-	-	358,902,512
Interbank and money market items	5,158,595	14,204,365	3,672,121	-	-	23,035,081
Liabilities payable on demand	483,354	-	-	-	-	483,354
Financial liabilities designated at fair value through profit or loss	-	1,332,833	-	-	-	1,332,833
Derivatives liabilities	-	7,297,660	977,888	227,129	-	8,502,677
Debt issued and borrowings	-	56,889,965	2,908,014	9,102,000	-	68,899,979
Lease liabilities	-	34,272	75,164	72,572	-	182,008
Account payable to clearing house and broker - dealers	-	151,102	-	-	-	151,102
Securities and derivative business payables	-	6,894,432	-	-	-	6,894,432
Total financial liabilities	133,943,554	282,775,387	42,263,336	9,401,701	-	468,383,978



	Consolidated					
	31 December 2022					
	On demand Thousand Baht	Within 1 year Thousand Baht	Over 1 - 5 years Thousand Baht	Over 5 years Thousand Baht	No maturity Thousand Baht	Total Thousand Baht
Financial assets						
Cash	-	-	-	-	1,000,242	1,000,242
Interbank and money market items	8,493,740	24,064,366	10,880,934	2,311,600	5,834	45,756,474
Financial assets measured at fair						
value through profit or loss	-	18,702,990	-	-	-	18,702,990
Derivatives assets	-	9,227,181	1,013,984	296,850	-	10,538,015
Investments in securities, net	-	11,675,962	6,919,143	12,001,411	1,251,175	31,847,691
Hire-purchase receivables	26,567	2,364,632	90,238,758	96,089,280	-	188,719,237
Finance lease receivables	62,658	10,625	349,584	-	-	422,867
Loans and receivables	11,866,363	28,774,040	62,053,378	85,611,451	-	188,305,232
Account receivable from clearing house						
and broker - dealers	-	1,275,894	-	-	-	1,275,894
Securities and derivative business receivables	-	7,976,075	-	-	-	7,976,075
Total financial assets	20,449,328	104,071,765	171,455,781	196,310,592	2,257,251	494,544,717
Financial liabilities						
Deposits	196,056,124	102,386,337	33,021,539	-	-	331,464,000
Interbank and money market items	1,793,533	12,813,259	3,790,255	1,778,073	-	20,175,120
Liabilities payable on demand	339,834	-	-	-	-	339,834
Financial liabilities designated at fair value						
through profit or loss	-	3,556,542	-	-	-	3,556,542
Derivatives liabilities	-	8,009,199	1,024,168	294,784	-	9,328,151
Debt issued and borrowings	-	45,841,186	7,121,046	8,392,000	-	61,354,232
Lease liabilities	-	8,644	127,613	74,366	-	210,623
Account payable to clearing house						
and broker - dealers	-	164,038	-	-	-	164,038
Securities and derivative business payables	-	8,179,754	-	-	-	8,179,754
Total financial liabilities	198,189,491	180,958,959	45,084,621	10,539,223	-	434,772,294



	Separate					
	31 December 2023					
	On demand Thousand Baht	Within 1 year Thousand Baht	Over 1 - 5 years Thousand Baht	Over 5 years Thousand Baht	No maturity Thousand Baht	Total Thousand Baht
Financial assets						
Cash	-	-	-	-	1,381,440	1,381,440
Interbank and money market items	8,493,115	48,587,935	842,280	1,200,439	-	59,123,769
Financial assets measured at fair value through profit or loss	-	9,391,224	-	-	-	9,391,224
Derivatives assets	-	6,737,965	1,018,302	282,696	-	8,038,963
Investments in securities, net	-	7,106,064	14,450,269	12,812,608	263,461	34,632,402
Hire-purchase receivables	33,581	2,381,097	95,367,703	91,789,379	-	189,571,760
Finance lease receivables	52,262	12,759	538,700	-	-	603,721
Loans and receivables	2,554,817	34,505,274	74,267,194	98,455,847	-	209,783,132
Total financial assets	11,133,775	108,722,318	186,484,448	204,540,969	1,644,901	512,526,411
Financial liabilities						
Deposits	128,916,358	195,970,758	34,630,149	-	-	359,517,265
Interbank and money market items	6,069,558	14,389,790	3,672,121	-	-	24,131,469
Liabilities payable on demand	483,354	-	-	-	-	483,354
Derivatives liabilities	-	7,291,793	977,888	227,129	-	8,496,810
Debt issued and borrowings	-	54,868,047	2,908,014	9,102,000	-	66,878,061
Lease liabilities	-	34,272	75,164	967,596	-	1,077,032
Total financial liabilities	135,469,270	272,554,660	42,263,336	10,296,725	-	460,583,991



	Separate					
	31 December 2022					
	On demand Thousand Baht	Within 1 year Thousand Baht	Over 1 - 5 years Thousand Baht	Over 5 years Thousand Baht	No maturity Thousand Baht	Total Thousand Baht
Financial assets						
Cash	-	-	-	-	1,000,086	1,000,086
Interbank and money market items	10,955,142	24,064,366	10,880,934	2,311,600	-	48,212,042
Financial assets measured at fair value through profit or loss	-	3,359,880	-	-	-	3,359,880
Derivatives assets	-	9,228,161	1,013,984	296,850	-	10,538,995
Investments in securities, net	-	11,447,399	6,919,143	12,001,411	245,369	30,613,322
Hire-purchase receivables	26,567	2,364,632	90,238,758	96,089,280	-	188,719,237
Finance lease receivables	62,658	10,625	349,584	-	-	422,867
Loans and receivables	11,866,363	31,095,543	62,053,378	85,194,664	-	190,209,948
Total financial assets	22,910,730	81,570,606	171,455,781	195,893,805	1,245,455	473,076,377
Financial liabilities						
Deposits	196,501,372	102,386,337	33,021,539	-	-	331,909,248
Interbank and money market items	2,057,359	11,875,123	3,790,255	1,778,073	-	19,500,810
Liabilities payable on demand	339,834	-	-	-	-	339,834
Derivatives liabilities	-	8,000,546	1,024,168	294,784	-	9,319,498
Debt issued and borrowings	-	44,206,883	7,121,046	8,392,000	-	59,719,929
Lease liabilities	-	8,559	127,613	922,847	-	1,059,019
Total financial liabilities	198,898,565	166,477,448	45,084,621	11,387,704	-	421,848,338



4.4 Fair value

The methodology of fair value measurement is depended on the characteristics of the financial instrument. For those financial instruments which are regarded as being traded in an active market, fair value is determined by reference to the market price of the financial instrument. If, however the appropriate quoted market price cannot be determined, the fair value is determined by using an appropriate valuation technique and complied with related authorities' regulations.

The Group holds derivatives for trading intent, and servicing customers, including for a purpose of managing the Bank and subsidiaries' assets and liabilities. This includes interest rate swaps, cross currency swaps, FX derivatives, and equity derivatives.

Additionally, the Group does not control only the market risk of the derivatives to be within an acceptable level, but also the counterparty credit risks by setting-up and controlling transaction limits based on the normal lending procedures.

5 Estimates and assumptions

Preparation of the financial statements in conformity with the Thai Financial Reporting Standards requires management to make estimates and assumptions in certain circumstances, affecting reported amounts of revenue, expenses, assets and liabilities, the disclosure of contingent assets and liabilities. Actual results could differ from these estimates. The significant areas requiring management to make judgments and estimates that affect reported amounts and disclosures are as follows;

5.1 Measurement allowance of expected credit loss

Expected credit losses are a probability-weighted estimate of credit losses over the expected life of the financial instrument. A cash shortfall is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive discounted at the original effective interest rate for the financial assets that are not purchased or originated credit-impaired financial assets or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets. The Group estimates cash flows by considering all contractual terms of the financial assets through the expected life of that financial assets.

The cash flows that are considered shall include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms. There is a presumption that the expected life of a financial assets can be estimated reliably. However, in those rare cases when it is not possible to reliably estimate the expected life of a financial assets, the Group uses the remaining contractual term of the financial assets. For loan commitments, a credit loss is the present value of the difference between the contractual cash flows that are due to the entity if the holder of the loan commitment draws down the loan and the cash flows that the



entity expects to receive if the loan is drawn down. The Group's estimate of expected credit losses on loan commitments shall be consistent with its expectations of drawdowns on that loan commitment and the expected portion of the loan commitment that will be drawn down over the expected life of the loan commitment when estimating lifetime expected credit losses.

For a financial guarantee contract, the entity is required to make payments only in the event of a default by the debtor in accordance with the terms of the instrument that is guaranteed. Accordingly, cash shortfalls are the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the entity expects to receive from the holder, the debtor or any other party. If the asset is fully guaranteed, the estimation of cash shortfalls for a financial guarantee contract would be consistent with the estimations of cash shortfalls for the asset subject to the guarantee.

The Group measures expected credit losses of a financial instrument in a way that reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

5.2 Goodwill

Goodwill is tested for impairment using a fair value method of present value of dividend discount model on an annual basis.

5.3 Premises and equipment and depreciation

In determining depreciation of premises and equipment, the management is required to make estimates of the useful lives and residual values of premises and equipment and to review estimate useful lives and residual values when circumstance changes.

The Group measures land and buildings at revalued amounts. Fair value from revaluation is determined by independent appraisers using market approach for land and depreciated replacement cost approach, market approach, and income approach for buildings. The valuation involves certain assumptions and estimates as described in Note 16 to the financial statements.

In addition, the management is required to consider premises and equipment for impairment at the end of reporting period and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

6 Interbank and money market items, net (assets)

	Consolidated		Separate	
	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht
Domestic				
The Bank of Thailand and FIDF	4,725,740	14,028,124	4,725,740	14,028,124
Commercial Banks	35,426,876	16,867,591	32,535,424	15,292,494
Special purpose financial institutions	17,501,253	9,501,254	17,501,253	9,501,254
Other financial institutions	600,000	585,170	600,791	4,635,171
Total	58,253,869	40,982,139	55,363,208	43,457,043
<u>Add</u> Accrued interest receivables and undue interest receivable	33,250	34,335	32,353	32,396
<u>Less</u> Expected credit losses	(6,423)	(666)	(6,423)	(1,863)
Total domestic items	58,280,696	41,015,808	55,389,138	43,487,576
Foreign				
US Dollar	3,189,188	4,377,504	3,175,355	4,361,825
Euro	22,114	47,727	20,455	46,019
Other currencies	487,448	269,826	485,090	269,817
Total	3,698,750	4,695,057	3,680,900	4,677,661
<u>Add</u> Accrued interest receivables and undue interest receivable	51,984	29,653	37,133	29,653
<u>Less</u> Expected credit losses	(1,997)	(8,169)	(1,997)	(8,169)
Total foreign items	3,748,737	4,716,541	3,716,036	4,699,145
Total	62,029,433	45,732,349	59,105,174	48,186,721

7 Derivatives

7.1 Derivatives for trading

Derivatives for trading as at 31 December 2023 and 2022 are as follows;

Type of risk	Consolidated					
	31 December 2023			31 December 2022		
	Fair value		Notional amount	Fair value		Notional amount
	Assets Thousand Baht	Liabilities Thousand Baht		Assets Thousand Baht	Liabilities Thousand Baht	
Exchange rate	6,649,780	7,381,612	540,843,313	9,499,415	8,234,996	494,015,757
Interest rate	1,370,947	1,098,463	358,942,798	1,013,565	706,859	206,125,057
Equity price	41,726	22,602	1,819,276	25,035	386,296	3,062,586
Debt securities	-	-	-	-	-	451,952
Total	8,062,453	8,502,677	901,605,387	10,538,015	9,328,151	703,655,352



Type of risk	Separate					
	31 December 2023			31 December 2022		
	Fair value		Notional amount	Fair value		Notional amount
	Assets Thousand Baht	Liabilities Thousand Baht		Assets Thousand Baht	Liabilities Thousand Baht	
Exchange rate	6,649,924	7,382,619	541,170,466	9,499,544	8,234,996	494,061,360
Interest rate	1,370,947	1,098,463	358,942,798	1,013,565	706,859	206,125,057
Equity price	18,092	15,728	619,727	25,886	377,643	2,591,326
Debt securities	-	-	-	-	-	451,952
Total	8,038,963	8,496,810	900,732,991	10,538,995	9,319,498	703,229,695

As at 31 December 2023 and 2022, the proportion, determined based on the notional amount, of derivatives for trading transactions divided by type of counterparty are as follows;

	Consolidated	
	31 December 2023 %	31 December 2022 %
Financial institutions	81.36	81.90
Third parties	18.64	18.10
Total	100.00	100.00

	Separate	
	31 December 2023 %	31 December 2022 %
Financial institutions	81.42	81.91
Third parties	18.52	18.06
Subsidiaries	0.06	0.03
Total	100.00	100.00

8 Financial assets measured at fair value through profit or loss

	Consolidated	
	Fair value	Fair value
	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht
Government and state enterprise securities	8,848,279	993,585
Private sector's debt securities	1,617,327	1,321,755
Domestic marketable equity securities	5,567,237	16,387,650
Foreign marketable equity securities	2,544	-
Total	16,035,387	18,702,990

Government and state enterprise securities
Private sector's debt securities
Domestic marketable equity securities
Total

Separate	
Fair value	Fair value
31 December 2023 Thousand Baht	31 December 2022 Thousand Baht
8,848,279	993,585
397,828	121,215
145,117	2,245,080
9,391,224	3,359,880

9 Investments, net

9.1 Classification of investments

Investments in debt instruments measured at amortised cost

Government and state enterprise securities
Total
Less Allowance for expected credit losses
Total

Consolidated	
Amortised cost	Amortised cost
31 December 2023 Thousand Baht	31 December 2022 Thousand Baht
16,036,002	8,761,806
16,036,002	8,761,806
-	-
16,036,002	8,761,806

Investments in debt instruments measured
at fair value through other comprehensive income

Government and state enterprise securities
Private sector's debt securities
Total
Allowance for expected credit losses

Consolidated	
Fair value	Fair value
31 December 2023 Thousand Baht	31 December 2022 Thousand Baht
18,266,260	21,392,318
295,739	442,392
18,561,999	21,834,710
(1,221)	(1,811)



Investments in equity instruments designated
at fair value through other comprehensive income

	Consolidated			
	31 December 2023		31 December 2022	
	Fair value Thousand Baht	Dividend Income Thousand Baht	Fair value Thousand Baht	Dividend Income Thousand Baht
Domestic marketable equity securities	46,287	4,407	200,016	10,098
Foreign marketable equity securities	101,257	3,123	72,212	11,582
Domestic non-marketable equity security	650,427	-	704,424	-
Foreign non-marketable equity security	865,597	-	274,523	-
Total	1,663,568	7,530	1,251,175	21,680
Total investment, net	36,261,569	7,530	31,847,691	21,680

Investments in debt instruments measured at amortised cost

	Separate	
	Amortised cost	Amortised cost
	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht
Government and state enterprise securities	15,806,942	8,533,243
Total	15,806,942	8,533,243
<u>Less</u> Allowance for expected credit losses	-	-
Total	15,806,942	8,533,243

Investments in debt instruments measured
at fair value through other comprehensive income

	Separate	
	Fair value	Fair value
	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht
Government and state enterprise securities	18,266,260	21,392,318
Private sector's debt securities	295,739	442,392
Total	18,561,999	21,834,710
Allowance for expected credit losses	(1,221)	(1,811)

Investments in equity instruments designated
at fair value through other comprehensive income

	Separate			
	31 December 2023		31 December 2022	
	Fair value Thousand Baht	Dividend Income Thousand Baht	Fair value Thousand Baht	Dividend Income Thousand Baht
Domestic marketable equity securities	7,850	-	10,188	-
Domestic non-marketable equity security	255,611	-	235,181	-
Total	263,461	-	245,369	-
Total investment, net	34,632,402	-	30,613,322	-

During the year ended 31 December 2023 and 2022, the Group has derecognised investments in equity instruments designated at fair value through other comprehensive income as following detail:

Consolidated			
31 December 2023			
Fair value at the date of the derecognition Thousand Baht	Dividends received Thousand Baht	Retained earnings or losses due to the derecognition Thousand Baht	Explanation for the derecognition
Investment that are derecognised			Sell according to the Investment policy of the Investment committee
Domestic marketable equity securities	194,914	7,451	78,839
Total	194,914	7,451	78,839

Consolidated			
31 December 2022			
Fair value at the date of the derecognition Thousand Baht	Dividends received Thousand Baht	Retained earnings or losses due to the derecognition Thousand Baht	Explanation for the derecognition
Investment that are derecognised			Sell according to the Investment policy of the investment committee
Domestic marketable equity securities	171,253	97	91,605
Foreign marketable equity securities	439,122	9,371	195,032
Domestic non-marketable equity security	26	-	5
Total	610,401	9,468	286,642

Separate			
31 December 2023			
Fair value at the date of the derecognition Thousand Baht	Dividends received Thousand Baht	Retained earnings or losses due to the derecognition Thousand Baht	Explanation for the derecognition
Investment that are derecognised			Sell according to the Investment policy of the Investment committee
Domestic marketable equity securities	-	-	-
Total	-	-	-



Separate				
31 December 2022				
	Fair value at the date of the derecognition Thousand Baht	Dividends received Thousand Baht	Retained earnings or losses due to the derecognition Thousand Baht	Explanation for the derecognition
Investment that are derecognised				
Domestic marketable equity securities	325	-	120	Sell according to the Investment policy of the Investment committee
Domestic non-marketable equity security	26	-	5	Sell according to the Investment policy of the Investment committee
Total	351	-	125	

9.2 Investments in securities with holdings of 10% upwards

Investments in securities in which the Group hold 10% upwards of the paid-up capital in each entity, classified by industry are as follows:

Business type	Consolidated			
	31 December 2023		31 December 2022	
	Investment amount at fair value Baht	Holding %	Investment amount at fair value Baht	Holding %
Holding Business	971,522,178	36.13	457,642,033	18.48
Leasing	63,622,845	10.00	63,814,054	10.00

Business type	Separate			
	31 December 2023		31 December 2022	
	Investment amount at fair value Baht	Holding %	Investment amount at fair value Baht	Holding %
Leasing	63,622,845	10.00	63,814,054	10.00

9.3 Recognition of transaction in profit or loss and other comprehensive income for debt instruments measured at fair value through other comprehensive income

Recognition of transaction in profit or loss and other comprehensive income for debt instruments measured at fair value through other comprehensive income for the year ended 31 December 2023 and 31 December 2022 are as follow:

	Consolidated		Separate	
	2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
Gain (loss) from changes in value of investments				
in debt instruments measured at FVOCI	(79,555)	(158,681)	(79,555)	(158,681)
Loss (gain) realised from sale of investments				
in debt instruments measured at FVOCI	12,080	3,707	12,080	3,707
	(67,475)	(154,974)	(67,475)	(154,974)

10 Investments in subsidiaries, net

As at 31 December 2023 and 2022, the Bank has investments in subsidiaries as follows;

			Separate				
			31 December 2023				
			Cost method			Holding %	Dividend received Thousand Baht
			Cost Thousand Baht	Impairment Thousand Baht	Net balance Thousand Baht		
Business type	Securities investment type		Cost Thousand Baht	Impairment Thousand Baht	Net balance Thousand Baht	Holding %	Dividend received Thousand Baht
KKP Capital Public Company Limited	Holding Company	Ordinary shareholder	7,179,319	-	7,179,319	99.98	946,188
Asia Recovery 1 Fund	Investments*	Unit trust	92,088	-	92,088	99.95	-
Asia Recovery 2 Fund	Investments*	Unit trust	-	-	-	99.59	-
Asia Recovery 3 Fund	Investments*	Unit trust	553,503	-	553,503	99.97	-
Thai Restructuring Fund	Investments*	Unit trust	165,528	-	165,528	98.91	-
Bangkok Capital Fund	Investments*	Unit trust	1,340,428	(571,866)	768,562	95.72	-
Gamma Capital Fund	Investments*	Unit trust	97,540	-	97,540	94.03	-
KKP Tower Co., Ltd.	Real estate	Ordinary shareholder	206,404	-	206,404	91.34	-
			9,634,810	(571,866)	9,062,944		946,188

* Investments in commercial loans auctioned from Financial Restructuring Authority (FRA).

During the year ended 31 December 2023, the Bank recognised a share-based payment plan which receives services from employees of subsidiaries as investment in subsidiaries in the amount of Baht 9 million.

			Separate				
			31 December 2022				
			Cost method				
Business type	Securities investment type		Cost Thousand Baht	Impairment Thousand Baht	Net balance Thousand Baht	Holding %	Dividend received Thousand Baht
KKP Capital Public Company Limited	Holding Company	Ordinary shareholder	7,170,621	-	7,170,621	99.98	1,471,848
Asia Recovery 1 Fund	Investments*	Unit trust	192,037	-	192,037	99.95	-
Asia Recovery 2 Fund	Investments*	Unit trust	359,849	-	359,849	99.59	-
Asia Recovery 3 Fund	Investments*	Unit trust	553,503	-	553,503	99.97	-
Thai Restructuring Fund	Investments*	Unit trust	165,528	-	165,528	98.91	-
Bangkok Capital Fund	Investments*	Unit trust	1,379,702	(569,325)	810,377	95.72	-
Gamma Capital Fund	Investments*	Unit trust	247,985	-	247,985	94.03	-
KKP Tower Co., Ltd.	Real estate	Ordinary shareholder	206,398	-	206,398	91.34	-
			<u>10,275,623</u>	<u>(569,325)</u>	<u>9,706,298</u>		<u>1,471,848</u>

* Investments in commercial loans auctioned from Financial Restructuring Authority (FRA).

The liquidation of the capital of the mutual funds

According to the Notifications of the Capital Market Supervisory Board No. Thor Nor. 21/2552 Thor Nor. 22/2552, and Thor Nor. 23/2552: Rules, Conditions and Procedures for Establishment and Management of Mutual Funds for Solving Financial Institutions Problems, it specified that the maturity date of the scheme to be no later than 31 August 2015. Therefore, Asia Recovery Fund 1, Asia Recovery Fund 2, Asia Recovery Fund 3, Thai Restructuring Fund, Bangkok Capital Fund and Gamma Capital Fund are required to be liquidated in accordance with these notifications. The remaining funds are in the process of liquidation.

During the year ended 31 December 2023, the Bank has received capital distribution for liquidation from Asia Recovery 1 Fund, Asia Recovery 2 Fund, Bangkok Capital Fund and Gamma Capital Fund in the amount of Baht 1,017 million (2022: Baht 508 million from Asia Recovery Fund 3, Gamma Capital Fund and Bangkok Capital Fund).



11 Investment property, net

	Consolidated	
	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht
Cost	21,894	21,894
<u>Less</u> Accumulated depreciation	(1,856)	(1,673)
Net book amount	20,038	20,221
Opening net book amount	20,221	21,502
Additions	5	1,707
Transferred - in (out)	(3)	(2,690)
Depreciation	(185)	(298)
Closing net book amount	20,038	20,221
Fair value	74,810	74,810

The Group's investment properties were revalued in August 2022 by external appraiser. The fair value of investment properties is based on Income Approach. The fair values are within level 3 of the fair value hierarchy.

Amount recognised in profit or loss that are related to investment property are as follows;

	Consolidated	
	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht
Rental income	2,755	-
Direct operating expense arise from investment property that generated rental income	344	472



12 Loans to customers and accrued interest receivables, net

12.1 Classified by product

	Consolidated		Separate	
	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht
<u>Loans</u>				
Overdrafts	2,026,485	1,800,718	2,026,485	1,800,718
Loans	205,747,007	186,454,861	207,706,937	188,359,577
Bills	49,710	49,653	49,710	49,653
Hire-purchase receivables	189,571,760	188,719,237	189,571,760	188,719,237
Finance lease receivables	603,721	422,867	603,721	422,867
Total loans net of deferred revenue	397,998,683	377,447,336	399,958,613	379,352,052
<u>Add</u> Accrued interest receivables and undue interest receivable	7,494,657	6,392,112	7,278,196	6,198,913
Total loans and accrued interest receivables net of deferred revenue	405,493,340	383,839,448	407,236,809	385,550,965
<u>Less</u> Allowance for expected credit losses	(20,667,719)	(18,968,927)	(20,626,621)	(18,934,467)
Net loans to customers and accrued interest receivables	384,825,621	364,870,521	386,610,188	366,616,498

12.2 Classified by currency and residence of customers

	Consolidated		Separate	
	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht
Domestic				
Baht	384,608,266	367,206,905	386,568,196	369,111,621
US Dollar	5,006,425	3,006,929	5,006,425	3,006,929
Others	177,591	-	177,591	-
Foreign				
Baht	1,964,005	1,729,894	1,964,005	1,729,894
US Dollar	6,126,254	5,152,922	6,126,254	5,152,922
Others	116,142	350,686	116,142	350,686
Total loans	397,998,683	377,447,336	399,958,613	379,352,052

12.3 Classification by loans classification

Loans classification	Consolidated	
	31 December 2023	31 December 2022
	Loans outstanding and interest receivables Thousand Baht	Loans outstanding and interest receivables Thousand Baht
Financial assets with an insignificant increase in credit risk (Performing financial assets)	360,354,478	346,216,692
Financial assets with a significant increase in credit risk (Under-performing financial assets)	29,544,419	22,757,274
Credit-impaired financial assets (Non-performing financial assets)	14,710,273	13,946,532
Purchased or originated credit-impaired financial assets	884,170	918,950
Total loans and accrued interest receivables	405,493,340	383,839,448

Loans classification	Separate	
	31 December 2023	31 December 2022
	Loans outstanding and interest receivables Thousand Baht	Loans outstanding and interest receivables Thousand Baht
Financial assets with an insignificant increase in credit risk (Performing financial assets)	362,666,745	348,538,817
Financial assets with a significant increase in credit risk (Under-performing financial assets)	29,544,419	22,757,274
Credit-impaired financial assets (Non-performing financial assets)	14,710,273	13,946,532
Purchased or originated credit-impaired financial assets	315,372	308,342
Total loans and accrued interest receivables	407,236,809	385,550,965

12.4 Non-performing loans

The Group has non-performing loans, defined according to the BOT's Notification as loan classified as credit-impaired or purchased or originated credit-impaired financial assets, including interbank and money market items, but excluding accrued interest receivables, as follows;

	Consolidated		Separate	
	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht
Non-performing loans (excluding accrued interest receivables)	13,219,575	13,031,022	12,868,766	12,614,235
Percentage of non-performing loans to total loans (including loans to financial institutions)	2.95	3.16	2.86	3.01



12.5 Movement in the gross carrying amount of loans that contributed to changes in the ECL

	Consolidated				
	31 December 2023				
	Financial assets with an insignificant increase in credit risk Thousand Baht	Financial assets with a significant increase in credit risk Thousand Baht	Credit-impaired financial assets Thousand Baht	Purchased or originated credit-impaired financial assets Thousand Baht	Total Thousand Baht
As of 1 January 2023	346,216,691	22,757,274	13,946,532	918,951	383,839,448
Change due to reclassification	(31,404,836)	11,488,982	19,915,854	-	-
Change due to collection and modification	(39,948,928)	(3,265,318)	(7,714,757)	(34,781)	(50,963,784)
Newly acquired or purchased financial assets	128,764,756	3,939	1,612	-	128,770,307
Derecognised financial assets	(43,189,037)	(1,376,309)	(5,195,015)	-	(49,760,361)
Write-off	(84,168)	(64,149)	(6,243,953)	-	(6,392,270)
As of 31 December 2023	360,354,478	29,544,419	14,710,273	884,170	405,493,340

	Consolidated				
	31 December 2022				
	Financial assets with an insignificant increase in credit risk Thousand Baht	Financial assets with a significant increase in credit risk Thousand Baht	Credit-impaired financial assets Thousand Baht	Purchased or originated credit-impaired financial assets Thousand Baht	Total Thousand Baht
As of 1 January 2022	287,141,020	17,018,788	10,637,842	855,256	315,652,906
Change due to reclassification	(26,537,914)	10,819,855	15,718,059	-	-
Change due to collection and modification	(20,624,515)	(2,707,295)	(5,678,031)	63,695	(28,946,146)
Newly acquired or purchased financial assets	139,688,517	25,116	15,146	-	139,728,779
Derecognised financial assets	(33,412,877)	(2,313,771)	(2,595,513)	-	(38,322,161)
Write-off	(37,540)	(85,419)	(4,150,971)	-	(4,273,930)
As of 31 December 2022	346,216,691	22,757,274	13,946,532	918,951	383,839,448

	Separate				
	31 December 2023				
	Financial assets with an insignificant increase in credit risk Thousand Baht	Financial assets with a significant increase in credit risk Thousand Baht	Credit-impaired financial assets Thousand Baht	Purchased or originated credit-impaired financial assets Thousand Baht	Total Thousand Baht
As of 1 January 2023	348,538,816	22,757,274	13,946,533	308,342	385,550,965
Change due to reclassification	(31,404,836)	11,488,982	19,915,854	-	-
Change due to collection and modification	(39,958,786)	(3,265,318)	(7,714,758)	7,030	(50,931,832)
Newly acquired or purchased financial assets	128,764,756	3,939	1,612	-	128,770,307
Derecognised financial assets	(43,189,037)	(1,376,309)	(5,195,015)	-	(49,760,361)
Write-off	(84,168)	(64,149)	(6,243,953)	-	(6,392,270)
As of 31 December 2023	362,666,745	29,544,419	14,710,273	315,372	407,236,809

	Separate				
	31 December 2022				
	Financial assets with an insignificant increase in credit risk Thousand Baht	Financial assets with a significant increase in credit risk Thousand Baht	Credit-impaired financial assets Thousand Baht	Purchased or originated credit-impaired financial assets Thousand Baht	Total Thousand Baht
As of 1 January 2022	289,509,004	17,018,788	10,637,842	302,423	317,468,057
Change due to reclassification	(26,537,914)	10,819,855	15,718,059	-	-
Change due to collection and modification	(20,670,375)	(2,707,295)	(5,678,030)	5,919	(29,049,781)
Newly acquired or purchased financial assets	139,688,518	25,116	15,146	-	139,728,780
Derecognised financial assets	(33,412,877)	(2,313,771)	(2,595,513)	-	(38,322,161)
Write-off	(37,540)	(85,419)	(4,150,971)	-	(4,273,930)
As of 31 December 2022	348,538,816	22,757,274	13,946,533	308,342	385,550,965



13 Hire-purchase and finance lease receivables

Receivables of the Group under hire-purchase and finance lease agreements and mostly comprise hire-purchase agreements for cars, machine and equipment for business operation. The terms of the agreements are generally between 1 to 7 years and under most agreements, interest is charged at a fixed rate as specified in agreements.

	Consolidated and Separate			
	31 December 2023			
	Amount due under lease agreements			
	Less than 1 year Thousand Baht	Within 1 - 5 years Thousand Baht	Over 5 years Thousand Baht	Total Thousand Baht
Gross investment in the agreements	2,560,791	109,531,533	120,383,235	232,475,559
<u>Less</u> Unearned income				(42,300,078)
Present value of minimum lease payment per agreement				190,175,481
<u>Less</u> Allowance for expected credit losses				(12,277,594)
Hire-purchase and finance lease receivables, net				<u>177,897,887</u>

	Consolidated and Separate			
	31 December 2022			
	Amount due under lease agreements			
	Less than 1 year Thousand Baht	Within 1 - 5 years Thousand Baht	Over 5 years Thousand Baht	Total Thousand Baht
Gross investment in the agreements	2,473,247	104,494,370	123,363,908	230,331,525
<u>Less</u> Unearned income				(41,189,421)
Present value of minimum lease payment per agreement				189,142,104
<u>Less</u> Allowance for expected credit losses				(10,711,046)
Hire-purchase and finance lease receivables, net				<u>178,431,058</u>

14 Allowance for expected credit losses

Consolidated						
31 December 2023						
	Financial assets with an insignificant increase in credit risk Thousand Baht	Financial assets with a significant increase in credit risk Thousand Baht	Credit-impaired financial assets Thousand Baht	Purchased or originated credit-impaired financial assets Thousand Baht	Surplus reserve Thousand Baht	Total Thousand Baht
Interbank and money market items						
As at 1 January 2023	8,835	-	-	-	-	8,835
Change due to new estimation of credit loss	(1,256)	-	-	-	-	(1,256)
Newly acquired or purchased financial assets	19,800	-	-	-	-	19,800
Derecognised financial assets	(18,959)	-	-	-	-	(18,959)
As at 31 December 2023	8,420	-	-	-	-	8,420
Loans						
As at 1 January 2023	8,392,256	3,807,580	5,958,190	56,101	754,800	18,968,927
Change due to reclassification	373,757	(3,389,273)	3,015,516	-	-	-
Change due to new estimation of credit loss	(4,627,447)	5,693,094	5,892,513	15,325	-	6,973,485
Newly acquired or purchased financial assets	4,257,022	854	855	-	-	4,258,731
Derecognised financial assets	(749,640)	(189,781)	(4,726,619)	-	-	(5,666,040)
Write-off	(4,266)	(14,373)	(3,093,945)	-	-	(3,112,584)
Amortisation of surplus reserve	-	-	-	-	(754,800)	(754,800)
As at 31 December 2023	7,641,682	5,908,101	7,046,510	71,426	-	20,667,719



Separate						
31 December 2023						
	Financial assets with an insignificant increase in credit risk Thousand Baht	Financial assets with a significant increase in credit risk Thousand Baht	Credit- impaired financial assets Thousand Baht	Purchased or originated credit- impaired financial assets Thousand Baht	Surplus reserve Thousand Baht	Total Thousand Baht
Interbank and money market items						
As at 1 January 2023	10,032	-	-	-	-	10,032
Change due to new estimation of credit loss	(2,452)	-	-	-	-	(2,452)
Newly acquired or purchased financial assets	19,800	-	-	-	-	19,800
Derecognised financial assets	(18,959)	-	-	-	-	(18,959)
As at 31 December 2023	8,421	-	-	-	-	8,421
Loans						
As at 1 January 2023	8,393,414	3,807,580	5,958,190	20,483	754,800	18,934,467
Change due to reclassification	373,757	(3,389,273)	3,015,516	-	-	-
Change due to new estimation of credit loss	(4,627,345)	5,693,094	5,892,513	8,585	-	6,966,847
Newly acquired or purchased financial assets	4,257,022	854	855	-	-	4,258,731
Derecognised financial assets	(749,640)	(189,781)	(4,726,619)	-	-	(5,666,040)
Write-off	(4,266)	(14,373)	(3,093,945)	-	-	(3,112,584)
Amortisation of surplus reserve	-	-	-	-	(754,800)	(754,800)
As at 31 December 2023	7,642,942	5,908,101	7,046,510	29,068	-	20,626,621

Securities and derivative business
 receivables

Consolidated						
31 December 2023						
Financial assets with an insignificant increase in credit risk Thousand Baht	Financial assets with a significant increase in credit risk Thousand Baht	Credit-impaired financial assets Thousand Baht	Purchased or originated credit-impaired financial assets Thousand Baht	Surplus reserve Thousand Baht	Total Thousand Baht	
As at 1 January 2023	-	-	708,525	-	-	708,525
Change due to reclassification	-	-	-	-	-	-
Change due to new estimation of credit loss	-	-	-	-	-	-
Newly acquired or purchased financial assets	-	-	-	-	-	-
Derecognised financial assets	-	-	-	-	-	-
As at 31 December 2023	-	-	708,525	-	-	708,525

Other assets

Consolidated and Separate						
31 December 2023						
Financial assets with an insignificant increase in credit risk Thousand Baht	Financial assets with a significant increase in credit risk Thousand Baht	Credit-impaired financial assets Thousand Baht	Purchased or originated credit-impaired financial assets Thousand Baht	Surplus reserve Thousand Baht	Total Thousand Baht	
As at 1 January 2023	1,641	8,274	53,931	-	-	63,846
Change due to reclassification	4,519	(7,654)	3,135	-	-	-
Change due to new estimation of credit loss	(6,713)	20,474	13,929	-	-	27,690
Newly acquired or purchased financial assets	6,262	2,378	88,311	-	-	96,951
Derecognised financial assets	(3,457)	(13,576)	(73,653)	-	-	(90,686)
As at 31 December 2023	2,252	9,896	85,653	-	-	97,801



Consolidated						
31 December 2022						
	Financial assets with an increase in credit risk Thousand Baht	Financial assets with a significant increase in credit risk Thousand Baht	Credit- impaired financial assets Thousand Baht	Purchased or originated credit- impaired financial assets Thousand Baht	Surplus reserve Thousand Baht	Total Thousand Baht
Interbank and money market items						
As at 1 January 2022	12,391	-	-	-	-	12,391
Change due to new estimation of credit loss	(1,768)	-	-	-	-	(1,768)
Newly acquired or purchased financial assets	21,748	-	-	-	-	21,748
Derecognised financial assets	(23,536)	-	-	-	-	(23,536)
As at 31 December 2022	8,835	-	-	-	-	8,835
Loans						
As at 1 January 2022	8,153,465	2,857,114	4,336,418	26,143	1,132,200	16,505,340
Change due to reclassification	1,266,322	(3,581,100)	2,314,778	-	-	-
Change due to new estimation of credit loss	(5,376,840)	4,952,716	3,729,052	29,959	-	3,334,887
Newly acquired or purchased financial assets	4,993,775	2,836	3,709	-	-	5,000,320
Derecognised financial assets	(641,521)	(406,761)	(2,277,420)	(1)	-	(3,325,703)
Write-off	(2,945)	(17,225)	(2,148,347)	-	-	(2,168,517)
Amortisation of surplus reserve	-	-	-	-	(377,400)	(377,400)
As at 31 December 2022	8,392,256	3,807,580	5,958,190	56,101	754,800	18,968,927

Separate						
31 December 2022						
	Financial assets with an insignificant increase in credit risk Thousand Baht	Financial assets with a significant increase in credit risk Thousand Baht	Credit- impaired financial assets Thousand Baht	Purchased or originated credit- impaired financial assets Thousand Baht	Surplus reserve Thousand Baht	Total Thousand Baht
Interbank and money market items						
As at 1 January 2022	15,223	-	-	-	-	15,223
Change due to new estimation of credit loss	(3,404)	-	-	-	-	(3,404)
Newly acquired or purchased financial assets	21,749	-	-	-	-	21,749
Derecognised financial assets	(23,536)	-	-	-	-	(23,536)
As at 31 December 2022	10,032	-	-	-	-	10,032
Loans						
As at 1 January 2022	8,155,882	2,857,114	4,336,418	19,851	1,132,200	16,501,465
Change due to reclassification	1,266,322	(3,581,100)	2,314,778	-	-	-
Change due to new estimation of credit loss	(5,378,099)	4,952,716	3,729,052	633	-	3,304,302
Newly acquired or purchased financial assets	4,993,775	2,836	3,709	-	-	5,000,320
Derecognised financial assets	(641,521)	(406,761)	(2,277,420)	(1)	-	(3,325,703)
Write-off	(2,945)	(17,225)	(2,148,347)	-	-	(2,168,517)
Amortisation of surplus reserve	-	-	-	-	(377,400)	(377,400)
As at 31 December 2022	8,393,414	3,807,580	5,958,190	20,483	754,800	18,934,467



	Consolidated					
	31 December 2022					
	Financial assets with an insignificant increase in credit risk Thousand Baht	Financial assets with a significant increase in credit risk Thousand Baht	Credit-impaired financial assets Thousand Baht	Purchased or originated credit-impaired financial assets Thousand Baht	Surplus reserve Thousand Baht	Total Thousand Baht
Securities and derivative business receivables						
As at 1 January 2022	-	-	-	-	-	-
Change due to reclassification	-	-	-	-	-	-
Change due to new estimation of credit loss	-	-	708,525	-	-	708,525
Newly acquired or purchased financial assets	-	-	-	-	-	-
Derecognised financial assets	-	-	-	-	-	-
As at 31 December 2022	-	-	708,525	-	-	708,525

	Consolidated and Separate					
	31 December 2022					
	Financial assets with an insignificant increase in credit risk Thousand Baht	Financial assets with a significant increase in credit risk Thousand Baht	Credit-impaired financial assets Thousand Baht	Purchased or originated credit-impaired financial assets Thousand Baht	Surplus reserve Thousand Baht	Total Thousand Baht
Other assets						
As at 1 January 2022	1,554	5,390	44,131	-	-	51,075
Change due to reclassification	3,823	(6,386)	2,563	-	-	-
Change due to new estimation of credit loss	(5,937)	16,311	11,230	-	-	21,604
Newly acquired or purchased financial assets	4,660	1,498	42,865	-	-	49,023
Derecognised financial assets	(2,459)	(8,539)	(46,858)	-	-	(57,856)
As at 31 December 2022	1,641	8,274	53,931	-	-	63,846

15 Properties foreclosed, net

	Consolidated		Separate	
	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht
Properties foreclosed	9,745,097	8,852,574	10,802,258	9,958,008
<u>Less</u> Provision for diminution in value	(2,504,690)	(3,064,844)	(2,503,567)	(3,064,844)
Net properties foreclosed	7,240,407	5,787,730	8,298,691	6,893,164

The Group acquired properties foreclosed by transferring assets, auction and repossession for the debt settlement.

	Consolidated		
	31 December 2023		
	Immovable assets Thousand Baht	Movable assets Thousand Baht	Total Thousand Baht
At beginning of year	7,557,035	1,295,539	8,852,574
Additions	1,401,723	7,998,523	9,400,246
Disposals	(208,859)	(8,298,864)	(8,507,723)
At end of year	8,749,899	995,198	9,745,097
<u>Less</u> Provision for diminution in value	(2,474,774)	(29,916)	(2,504,690)
Net properties foreclosed	6,275,125	965,282	7,240,407

	Consolidated		
	31 December 2022		
	Immovable assets Thousand Baht	Movable assets Thousand Baht	Total Thousand Baht
At beginning of year	6,542,145	478,590	7,020,735
Additions	1,551,036	6,457,199	8,008,235
Disposals	(536,146)	(5,640,250)	(6,176,396)
At end of year	7,557,035	1,295,539	8,852,574
<u>Less</u> Provision for diminution in value	(3,015,874)	(48,970)	(3,064,844)
Net properties foreclosed	4,541,161	1,246,569	5,787,730



	Separate		
	31 December 2023		
	Immovable assets Thousand Baht	Movable assets Thousand Baht	Total Thousand Baht
At beginning of year	8,662,469	1,295,539	9,958,008
Additions	1,379,843	7,998,523	9,378,366
Disposals	(235,252)	(8,298,864)	(8,534,116)
At end of year	9,807,060	995,198	10,802,258
<u>Less</u> Provision for diminution in value	(2,473,651)	(29,916)	(2,503,567)
Net properties foreclosed	7,333,409	965,282	8,298,691

	Separate		
	31 December 2022		
	Immovable assets Thousand Baht	Movable assets Thousand Baht	Total Thousand Baht
At beginning of year	7,271,128	478,590	7,749,718
Additions	2,033,294	6,457,199	8,490,493
Disposals	(641,953)	(5,640,250)	(6,282,203)
At end of year	8,662,469	1,295,539	9,958,008
<u>Less</u> Provision for diminution in value	(3,015,874)	(48,970)	(3,064,844)
Net properties foreclosed	5,646,595	1,246,569	6,893,164

Immovable properties foreclosed classified by external and internal appraisers as at 31 December 2023 and 31 December 2022 are as follows;

	Consolidated		Separate	
	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht
Immovable properties foreclosed				
Appraised by external appraisers	8,673,656	7,505,123	9,732,886	8,610,557
Appraised by internal appraisers	76,243	51,912	74,174	51,912
Total	8,749,899	7,557,035	9,807,060	8,662,469

As of 31 December 2023, the Bank had repossessed cars which were still under the redemption option by guarantor in amount of Baht 234 million (2022: Baht 379 million) and immovable assets with buy-back option from properties' owner under measure to promote the acceptance of the transfer of collateral property for debt repayment under the emergency decree on the provision of assistance and rehabilitation of business operators impacted by the spread of the Covid-19 pandemic B.E. 2564 in amount of Baht 2,457million (2022: Baht 2,211 million).



16 Land, premises and equipment, net

Consolidated									
31 December 2023									
Cost/appraisal value				Accumulated depreciation				Land, Premises and Equipment, net	
Beginning Balance Thousand Baht	Additions Thousand Baht	Disposals/ Transfers Thousand Baht	Ending Balance Thousand Baht	Beginning Balance Thousand Baht	Additions Thousand Baht	Disposals/ Transfers Thousand Baht	Ending Balance Thousand Baht	Equipment, net Thousand Baht	
Land									
Cost	557,370	-	-	557,370	-	-	-	-	557,370
Revaluation surplus									
(year 2022)	2,988,753	-	-	2,988,753	-	-	-	-	2,988,753
Premises									
Cost	2,301,139	123,489	-	2,424,628	-	(94,445)	-	(94,445)	2,330,183
Revaluation surplus									
(year 2022)	430,647	-	-	430,647	-	(19,090)	-	(19,090)	411,557
Equipment	1,600,414	246,213	(193,703)	1,652,924	(1,216,819)	(156,242)	193,518	(1,179,543)	473,381
Furniture and fixtures									
	1,083,697	330,904	(43,006)	1,371,595	(648,952)	(167,490)	42,563	(773,879)	597,716
Vehicles	309,732	16,206	(19,249)	306,689	(202,927)	(39,498)	12,208	(230,217)	76,472
Work in progress	208,954	193,287	(401,185)	1,056	-	-	-	-	1,056
Total	9,480,706	910,099	(657,143)	9,733,662	(2,068,698)	(476,765)	248,289	(2,297,174)	7,436,488



Consolidated											
31 December 2022											
Cost/appraisal value					Accumulated depreciation						Land, Premises and Equipment, net
Beginning Balance Thousand Baht	Additions Thousand Baht	Disposals/ Transfers Thousand Baht	Adjustment For change in accounting policy Thousand Baht	Ending Balance Thousand Baht	Beginning Balance Thousand Baht	Additions Thousand Baht	Disposals/ Transfers Thousand Baht	Adjustment For change in accounting policy Thousand Baht	Ending Balance Thousand Baht	Equipment, net Thousand Baht	
Land											
Cost	557,370	-	-	-	557,370	-	-	-	-	-	557,370
Revaluation surplus (year 2022)	- 2,988,753	-	-	- 2,988,753	-	-	-	-	-	-	2,988,753
Premises											
Cost	2,575,138	907,100	(5,242)	(1,175,857)	2,301,139	(1,095,224)	(85,875)	5,242	1,175,857	-	2,301,139
Revaluation surplus (year 2022)	- 430,647	-	-	- 430,647	-	-	-	-	-	-	430,647
Equipment	1,471,060	224,076	(94,722)	-	1,600,414	(1,158,681)	(144,641)	86,503	-	(1,216,819)	383,595
Furniture and fixtures	811,733	338,516	(66,552)	-	1,083,697	(624,398)	(88,350)	63,796	-	(648,952)	434,745
Vehicles	298,173	51,550	(39,991)	-	309,732	(198,342)	(44,304)	39,719	-	(202,927)	106,805
Work in progress	864,058	677,741	(1,332,845)	-	208,954	-	-	-	-	-	208,954
Total	6,577,532	5,618,383	(1,539,352)	(1,175,857)	9,480,706	(3,076,645)	(363,170)	195,260	1,175,857	(2,068,698)	7,412,008

	Separate								Land, Premises and Equipment, net Thousand Baht
	31 December 2023								
	Cost/appraisal value				Accumulated depreciation				
	Beginning Balance Thousand Baht	Additions Thousand Baht	Disposals/ Transfers Thousand Baht	Ending Balance Thousand Baht	Beginning Balance Thousand Baht	Additions Thousand Baht	Disposals/ Transfers Thousand Baht	Ending Balance Thousand Baht	
Land									
Cost	94,968	-	-	94,968	-	-	-	-	94,968
Revaluation surplus									
(in 2022)	279,595	-	-	279,595	-	-	-	-	279,595
Premises									
Cost	9,924	-	-	9,924	-	(505)	-	(505)	9,419
Revaluation surplus									
(in 2022)	74,922	-	-	74,922	-	(4,235)	-	(4,235)	70,687
Equipment	1,238,444	142,084	(148,627)	1,231,901	(952,509)	(99,555)	148,497	(903,567)	328,334
Furniture and									
fixtures	874,670	281,551	(38,801)	1,117,420	(564,089)	(127,567)	38,387	(653,269)	464,151
Vehicles	285,036	16,206	(18,057)	283,185	(178,688)	(39,143)	11,015	(206,816)	76,369
Work in progress	115,868	88,071	(203,650)	289	-	-	-	-	289
Total	2,973,427	527,912	(409,135)	3,092,204	(1,695,286)	(271,005)	197,899	(1,768,392)	1,323,812



Separate											
31 December 2022											
Cost/appraisal value					Accumulated depreciation						Land, Premises and Equipment, net
Beginning Balance	Additions	Disposals/ Transfers	Adjustment For change in accounting policy	Ending Balance	Beginning Balance	Additions	Disposals/ Transfers	Adjustment For change in accounting policy	Ending Balance		
Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Land											
Cost	94,968	-	-	-	94,968	-	-	-	-	-	94,968
Revaluation surplus											
(in 2022)	-	279,595	-	-	279,595	-	-	-	-	-	279,595
Premises											
Cost	47,582	8,587	-	(46,245)	9,924	(45,423)	(822)	-	46,245	-	9,924
Revaluation surplus											
(in 2022)	-	74,922	-	-	74,922	-	-	-	-	-	74,922
Equipment	1,115,937	173,540	(51,033)	-	1,238,444	(907,799)	(95,363)	50,653	-	(952,509)	285,935
Furniture and fixtures											
	710,526	209,052	(44,908)	-	874,670	(532,488)	(75,002)	43,401	-	(564,089)	310,581
Vehicles	273,478	51,550	(39,992)	-	285,036	(175,190)	(43,217)	39,719	-	(178,688)	106,348
Work in progress											
	128,349	184,736	(197,217)	-	115,868	-	-	-	-	-	115,868
Total	2,370,840	981,982	(333,150)	(46,245)	2,973,427	(1,660,900)	(214,404)	133,773	46,245	(1,695,286)	1,278,141

Differences arising from revaluation on assets are recognised in accordance with the accounting policy as described in Note 2.12 to the financial statements.

During the year 2022, the Bank arranged for independent professional valuers to appraise the value of land and buildings on an asset-by-asset basis. The fair value of lands and buildings are categorized as Level 3. The basis of the revaluation was as follows:

The depreciated replacement cost approach is used for assets specifically used for the Bank's operation. The market comparison approach is used for general assets whereby the buying and selling prices for assets with similar characteristics are obtained. The income approach is used for assets that generate income.

Key assumptions in the valuation, which are unobservable inputs generally, are summarized below:

Result to fair value where as an increase in assumption value	
Land price per square wah	Increase in fair value (Market comparison approach)
Building construction cost per square meter	Increase in fair value (Depreciated replacement cost approach)
Yield rate	Decrease in fair value (Income approach)

17 Right-of-use assets, net and Lease liabilities, net

The statement of financial position included following transactions relating to leases.

	Consolidated	
	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht
Right-of-use assets, net		
Building and building improvements, net	245,726	282,138
Vehicles	-	-
Total right-of-use assets, net	245,726	282,138
Lease liabilities, net		
Current portion of lease liabilities	140,002	125,783
Non-current portion of lease liabilities	42,006	84,840
Total lease liabilities, net	182,008	210,623
	Separate	
	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht
Right-of-use assets, net		
Building and building improvements, net	1,126,524	1,126,819
Vehicles	-	-
Total right-of-use assets, net	1,126,524	1,126,819
Lease liabilities, net		
Current portion of lease liabilities	194,317	182,521
Non-current portion of lease liabilities	882,715	876,498
Total lease liabilities, net	1,077,032	1,059,019

For the year ended 31 December 2023, additions to the right-of-use assets of the Group and the Bank were Baht 60 million and Baht 229 million, respectively. (During the year ended 31 December 2022, additions to the right-of-use assets of the Group and the Bank were 74 million and Baht 392 million, respectively.)

The statement of profit or loss and other comprehensive income for the year ended included following transactions related to leases.

	Consolidated	
	2023 Thousand Baht	2022 Thousand Baht
Depreciation charge of right-of-use assets		
Building and building improvements	96,244	112,865
Vehicles	-	209
Total right-of-use assets	96,244	113,074
Finance cost relating to leases	7,194	4,618
Expenses relating to short-term leases (included in premises and equipment expenses)	6,998	5,082
Expenses relating to leases of low value assets that are not shown above as short-term leases (included in premises and equipment expenses)	761	573
	Separate	
	2023 Thousand Baht	2022 Thousand Baht
Depreciation charge of right-of-use assets		
Building and building improvements	221,776	197,919
Vehicles	-	-
Total right-of-use assets	221,776	197,919
Finance cost relating to leases	33,857	21,348
Expenses relating to short-term leases (included in premises and equipment expenses)	6,516	4,604
Expenses relating to leases of low value assets that are not shown above as short-term leases (included in premises and equipment expenses)	146	245

The total cash outflow for leases of the Group and the Bank For the year ended 31 December 2023 were Baht 101 million and Baht 242 million, respectively. (The total cash outflow for leases of the Group and the Bank in 2022 were Baht 113 million and Baht 207 million, respectively.)

18 Other intangible assets, net and goodwill

18.1 Other intangible assets, net

Consolidated									
31 December 2023									
Cost				Accumulated amortisation				Other Intangible Assets, net	
Beginning Balance Thousand Baht	Additions Thousand Baht	Disposals/ Transfers Thousand Baht	Ending Balance Thousand Baht	Beginning Balance Thousand Baht	Additions Thousand Baht	Disposals/ Transfers Thousand Baht	Ending Balance Thousand Baht		
Software	2,855,862	543,719	(13,441)	3,386,140	(1,711,334)	(249,084)	7,527	(1,952,891)	1,433,249
License fee	500	-	-	500	(249)	(100)	-	(349)	151
Work in progress	243,542	642,816	(611,958)	274,400	-	-	-	-	274,400
Total	3,099,904	1,186,535	(625,399)	3,661,040	(1,711,583)	(249,184)	7,527	(1,953,240)	1,707,800

Consolidated									
31 December 2022									
Cost				Accumulated amortisation				Other Intangible Assets, net	
Beginning Balance Thousand Baht	Additions Thousand Baht	Disposals/ Transfers Thousand Baht	Ending Balance Thousand Baht	Beginning Balance Thousand Baht	Additions Thousand Baht	Disposals/ Transfers Thousand Baht	Ending Balance Thousand Baht		
Software	2,557,152	322,869	(24,159)	2,855,862	(1,516,881)	(211,519)	17,066	(1,711,334)	1,144,528
License fee	500	-	-	500	(149)	(100)	-	(249)	251
Work in progress	170,952	488,341	(415,751)	243,542	-	-	-	-	243,542
Total	2,728,604	811,210	(439,910)	3,099,904	(1,517,030)	(211,619)	17,066	(1,711,583)	1,388,321

Separate									
31 December 2023									
Cost				Accumulated amortisation				Other Intangible Assets, net	
Beginning Balance Thousand Baht	Additions Thousand Baht	Disposals/ Transfers Thousand Baht	Ending Balance Thousand Baht	Beginning Balance Thousand Baht	Additions Thousand Baht	Disposals/ Transfers Thousand Baht	Ending Balance Thousand Baht		
Software	2,424,620	387,996	(13,440)	2,799,176	(1,380,451)	(198,396)	7,527	(1,571,320)	1,227,856
Work in progress	219,445	459,317	(464,883)	213,879	-	-	-	-	213,879
Total	2,644,065	847,313	(478,323)	3,013,055	(1,380,451)	(198,396)	7,527	(1,571,320)	1,441,735

Separate									
31 December 2022									
Cost				Accumulated amortisation				Other Intangible Assets, net	
Beginning Balance Thousand Baht	Additions Thousand Baht	Disposals/ Transfers Thousand Baht	Ending Balance Thousand Baht	Beginning Balance Thousand Baht	Additions Thousand Baht	Disposals/ Transfers Thousand Baht	Ending Balance Thousand Baht		
Software	2,179,353	258,429	(13,162)	2,424,620	(1,210,534)	(175,988)	6,071	(1,380,451)	1,044,169
Work in progress	156,320	442,667	(379,542)	219,445	-	-	-	-	219,445
Total	2,335,673	701,096	(392,704)	2,644,065	(1,210,534)	(175,988)	6,071	(1,380,451)	1,263,614



18.2 Goodwill

	Consolidated			
	31 December 2023			
	Cost			
	Beginning balance Thousand Baht	Additions Thousand Baht	Disposals/ transfers Thousand Baht	Ending balance Thousand Baht
Goodwill	3,066,035	-	-	3,066,035
Total	3,066,035	-	-	3,066,035

	Consolidated			
	31 December 2022			
	Cost			
	Beginning balance Thousand Baht	Additions Thousand Baht	Disposals/ transfers Thousand Baht	Ending balance Thousand Baht
Goodwill	3,066,035	-	-	3,066,035
Total	3,066,035	-	-	3,066,035

Goodwill arised from the Capital Market segment which was identified as the cash-generating unit (CGUs).

The recoverable amount of this CGU is determined by the Dividend Discount Model. This calculation used the dividend received projection based on financial budgets covering a ten-year period which are referred from the past operating results together with the estimated growth rates of market and the subsidiaries which management believes that ten years period can reflect their business plan. Dividend beyond the ten-year extrapolation uses the estimated dividend growth rate of 4% (31 December 2022: 4%) and the discount rate of 12% per annum (31 December 2022: 12%).

As at 31 December 2023, the recoverable amount using this Dividend Discount Model is greater than the book value amount of Baht 4,280 million (31 December 2022: Baht 5,452 million).

The recoverable amount of such investment is changed from continuing growth in the Capital Market Segment and positive trend in business model of the Capital Market Segment in the future.

19 Deferred income tax, net

Deferred tax assets and deferred tax liabilities as at 31 December 2023 and 31 December 2022 are as follows;

	Consolidated		Separate	
	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht
Deferred tax assets	1,717,031	1,431,900	1,429,545	1,215,611
Deferred tax liabilities	(555,218)	(529,924)	-	-
Deferred income tax, net	1,161,813	901,976	1,429,545	1,215,611



Movements in deferred tax assets and deferred tax liabilities during the year were as follows;

	Consolidated			
	Balance as at 1 January 2023 Thousand Baht	Items as recognised into profit or loss Thousand Baht	Items as recognised into other comprehensive Income Thousand Baht	Balance as at 31 December 2023 Thousand Baht
Deferred tax assets				
Allowance for doubtful accounts	305,600	(144,267)	-	161,333
Allowance for impairment of investments	115,331	390	118	115,839
Allowance for expected credit losses	22,712	1,306	-	24,018
Allowance for impairment of properties foreclosed	613,397	(112,459)	-	500,938
Provisions	208,502	19,978	(2,591)	225,889
Income received in advance	189,406	8,417	-	197,823
Loss from mutual fund liquidation	251,161	-	-	251,161
Non-accrued interest income	43,644	10,168	-	53,812
Depreciation of assets	9,574	(565)	-	9,009
Loss on remeasuring securities measured at FVOCI	100,613	-	3,950	104,563
Unrealised loss on remeasuring FVPL securities	1,248	45,853	-	47,101
Unrealised loss on remeasuring securities borrowing and lending	3,405	(794)	-	2,611
Unused tax losses	73,987	(10,592)	-	63,395
Unrealised loss on remeasuring derivatives	-	127,753	-	127,753
Unrealised loss on revaluation of forward	1,488	(671)	-	817
Others	21,402	7,148	-	28,550
Total	1,961,470	(48,335)	1,477	1,914,612
Deferred tax liabilities				
Premise appraisal surplus	6,664	(303)	-	6,361
Prepaid hire-purchase commission	50,584	(24,268)	-	26,316
Gain on remeasuring securities measured at FVOCI	12,078	-	(12,078)	-
Unrealised gain on remeasuring FVPL securities	86,805	(79,458)	-	7,347
Unrealised gain on remeasuring securities borrowing and lending	-	-	-	-
Unrealised gain on remeasuring derivatives	210,951	(187,569)	-	23,382
Unrealised gain on revaluation of assets	683,880	(2,283)	-	681,597
Others	8,532	(736)	-	7,796
Total	1,059,494	(294,617)	(12,078)	752,799
Deferred income tax, net	901,976	246,282	13,555	1,161,813



	Consolidated			
	Balance as at 1 January 2022 Thousand Baht	Items as recognised into profit or loss Thousand Baht	Items as recognised into other comprehensive Income Thousand Baht	Balance as at 31 December 2022 Thousand Baht
Deferred tax assets				
Allowance for doubtful accounts	236,793	68,807	-	305,600
Allowance for impairment of investments	117,449	(1,993)	(125)	115,331
Allowance for expected credit losses	23,086	(374)	-	22,712
Allowance for impairment of properties foreclosed	606,144	7,253	-	613,397
Provisions	186,216	22,386	(100)	208,502
Income received in advance	181,711	7,695	-	189,406
Loss from mutual fund liquidation	251,161	-	-	251,161
Non-accrued interest income	50,449	(6,805)	-	43,644
Depreciation of assets	10,957	(1,383)	-	9,574
Loss on remeasuring securities measured at FVOCI	66,440	-	34,173	100,613
Unrealised loss on remeasuring FVPL securities	17,179	(15,931)	-	1,248
Unrealised loss on remeasuring securities borrowing and lending	4,274	(869)	-	3,405
Unused tax losses	51,909	22,078	-	73,987
Unrealised loss on remeasuring derivatives	367,158	(367,158)	-	-
Unrealised loss on revaluation of forward	-	1,488	-	1,488
Others	16,616	4,786	-	21,402
Total	2,187,542	(260,020)	33,948	1,961,470
Deferred tax liabilities				
Premise appraisal surplus	10,110	(3,446)	-	6,664
Prepaid hire-purchase commission	96,407	(45,823)	-	50,584
Gain on remeasuring securities measured at FVOCI	42,705	-	(30,627)	12,078
Unrealised gain on remeasuring FVPL securities	291,216	(204,411)	-	86,805
Unrealised gain on remeasuring derivatives	-	210,951	-	210,951
Unrealised gain on revaluation of assets	-	-	683,880	683,880
Others	13,249	(4,717)	-	8,532
Total	453,687	(47,446)	653,253	1,059,494
Deferred income tax, net	1,733,855	(212,574)	(619,305)	901,976

Deferred tax assets

	Separate			
	Balance as at 1 January 2023 Thousand Baht	Items as recognised into profit or loss Thousand Baht	Items as recognised into other comprehensive Income Thousand Baht	Balance as at 31 December 2023 Thousand Baht
Allowance for doubtful accounts	163,895	(144,267)	-	19,628
Allowance for impairment of investments	113,864	390	118	114,372
Allowance for expected credit losses	22,712	1,306	-	24,018
Allowance for impairment of properties foreclosed	612,969	(112,255)	-	500,714
Provisions	150,226	13,232	(1,684)	161,774
Depreciation of assets	9,574	(565)	-	9,009
Income received in advance	187,362	8,556	-	195,918
Loss from mutual fund liquidation	251,161	-	-	251,161
Non-accrued interest income	43,644	10,168	-	53,812
Loss on remeasuring securities measured at FVOCI	-	-	1,663	1,663
Unrealised loss on remeasuring FVPL securities	-	47,102	-	47,102
Unrealised loss on remeasuring derivatives	-	127,753	-	127,753
Others	20,359	6,101	-	26,460
Total	1,575,766	(42,479)	97	1,533,384

Deferred tax liabilities

Prepaid hire-purchase commission	50,583	(24,268)	-	26,315
Gain on remeasuring securities measured at FVOCI	8,096	-	(8,096)	-
Unrealised gain on remeasuring FVPL securities	12,322	(12,322)	-	-
Unrealised gain on remeasuring derivatives	210,206	(210,206)	-	-
Unrealised gain (loss) on revaluation of assets	70,904	(742)	-	70,162
Others	8,044	(682)	-	7,362
Total	360,155	(248,220)	(8,096)	103,839
Deferred income tax, net	1,215,611	205,741	8,193	1,429,545



	Separate			
	Balance as at 1 January 2022 Thousand Baht	Items as recognised into profit or loss Thousand Baht	Items as recognised into other comprehensive Income Thousand Baht	Balance as at 31 December 2022 Thousand Baht
Deferred tax assets				
Allowance for doubtful accounts	236,793	(72,898)	-	163,895
Allowance for impairment of investments	115,982	(1,993)	(125)	113,864
Allowance for expected credit losses	23,086	(374)	-	22,712
Allowance for impairment of properties foreclosed	605,512	7,457	-	612,969
Provisions	133,679	16,547	-	150,226
Depreciation of assets	9,823	(249)	-	9,574
Income received in advance	179,527	7,835	-	187,362
Loss from mutual fund liquidation	251,161	-	-	251,161
Non-accrued interest income	50,449	(6,805)	-	43,644
Unrealised loss on remeasuring derivatives	200,247	(200,247)	-	-
Others	15,381	4,978	-	20,359
Total	1,821,640	(245,749)	(125)	1,575,766
Deferred tax liabilities				
Prepaid hire-purchase commission	96,406	(45,823)	-	50,583
Gain on remeasuring securities measured at FVOCI	39,133	-	(31,037)	8,096
Unrealised gain on remeasuring FVPL securities	81,674	(69,352)	-	12,322
Unrealised gain on remeasuring derivatives	-	210,206	-	210,206
Unrealised gain (loss) on revaluation of assets	-	-	70,904	70,904
Others	12,708	(4,664)	-	8,044
Total	229,921	90,367	39,867	360,155
Deferred income tax, net	1,591,719	(336,116)	(39,992)	1,215,611

Accordingly, the Group used a tax rate of 20% for calculation of deferred income tax for the year ended 31 December 2023 and for the year ended 31 December 2022.

20 Other assets, net

	Consolidated		Separate	
	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht
Interest and dividend income receivables	159,905	104,684	127,865	89,662
Other income receivables	577,185	482,416	125,543	187,974
Prepaid expenses and deferred expenses	170,342	135,997	85,165	78,392
Prepaid output tax for hire-purchase receivables*	98,439	92,448	98,439	92,448
Other receivables, net*	5,933,749	3,723,979	6,888,682	3,585,379
Receivables from trading securities	4,984	629,127	4,984	699,680
Refundable deposit	77,443	88,017	125,740	130,839
Withholding income tax	36,240	35,167	-	-
Input VAT - pending tax invoice	186,213	439,182	142,716	386,394
Others*	568,983	573,871	188,414	195,841
Total other assets	7,813,483	6,304,888	7,787,548	5,446,609

* As at 31 December 2023 these transactions are shown net of total doubtful accounts of Baht 97.80 million in the interim consolidated and the separate financial statements (31 December 2022: Baht 63.85 million).

21 Deposits

21.1 Classified by type of deposit

	Consolidated		Separate	
	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht
Current accounts	1,124,152	1,928,539	1,552,688	2,358,289
Savings accounts	127,177,453	194,127,586	127,363,670	194,143,084
Term deposits	230,523,115	135,303,583	230,523,115	135,303,583
NCD	77,792	104,292	77,792	104,292
Total	358,902,512	331,464,000	359,517,265	331,909,248

21.2 Classified by currency and residence of depositors

	Consolidated					
	31 December 2023			31 December 2022		
	Domestic Thousand Baht	Foreign Thousand Baht	Total Thousand Baht	Domestic Thousand Baht	Foreign Thousand Baht	Total Thousand Baht
Thai Baht	347,927,409	1,713,031	349,640,440	327,744,454	2,148,254	329,892,708
USD	8,958,637	11,782	8,970,419	1,362,045	1,012	1,363,057
Other	291,653	-	291,653	208,235	-	208,235
Total	357,177,699	1,724,813	358,902,512	329,314,734	2,149,266	331,464,000



	Separate					
	31 December 2023			31 December 2022		
	Domestic Thousand Baht	Foreign Thousand Baht	Total Thousand Baht	Domestic Thousand Baht	Foreign Thousand Baht	Total Thousand Baht
Thai Baht	348,542,162	1,713,031	350,255,193	328,189,702	2,148,254	330,337,956
USD	8,958,637	11,782	8,970,419	1,362,045	1,012	1,363,057
Other	291,653	-	291,653	208,235	-	208,235
Total	357,792,452	1,724,813	359,517,265	329,759,982	2,149,266	331,909,248

22 Interbank and money market items, net (liabilities)

	Consolidated	
	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht
Domestic		
Bank of Thailand and Financial Institution Development Fund	2,637,690	1,591,107
Commercial banks	11,203,398	9,370,759
Specific Financial Institution	2,009,657	5,100,475
Other financial institutions	5,473,171	2,384,659
	21,323,916	18,447,000
Foreign		
USD	1,711,165	1,728,120
Total	23,035,081	20,175,120
	Separate	
	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht
Domestic		
Bank of Thailand and Financial Institution Development Fund	2,637,690	1,591,107
Commercial banks	11,203,398	8,473,744
Specific Financial Institution	2,009,657	5,100,475
Other financial institutions	6,569,559	2,607,364
	22,420,304	17,772,690
Foreign		
USD	1,711,165	1,728,120
Total	24,131,469	19,500,810

23 Financial liabilities designated at fair value through profit or loss

	Consolidated		Separate	
	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht
Structured debentures	1,332,833	3,556,542	-	-
Total	1,332,833	3,556,542	-	-

Proportion of transactions being classified by type of counterparties

	Consolidated		Separate	
	31 December 2023 %	31 December 2022 %	31 December 2023 %	31 December 2022 %
Third parties	100	100	-	-
Total	100	100	-	-

Financial liabilities designated at fair value that the Company offers are Autocallable structured notes with terms of no longer than 270 days. The underlying assets are securities listed in the Stock Exchange of Thailand and Foreign Stock Exchange. The Company will repay the face value at maturity, unless the knock-out event occurs. The repayment is according to the contracts, either by cash, by delivery of underlying securities that are not issued by the Company, or both cash and securities.

24 Debt issued and borrowings

	Currency	Interest rate* %	Maturity*	Consolidated	
				31 December 2023 Thousand Baht	31 December 2022 Thousand Baht
Senior securities	THB	0.48 - 2.75	2024 - 2025	22,864,051	30,695,000
	EUR	-	2024	2,091,504	7,095,326
	JPY	0.05 - 0.72	2024	23,206,987	7,384,885
Subordinated bond	THB	3.50 - 4.30	2028 - 2031	9,102,000	8,392,000
Structured debentures not designated at fair value	THB	0.75 - 2.73 and linked to equity, fund or, set index price	2024	6,081,429	7,787,021
Bill of exchange	THB	1.97 - 2.50	2024	5,554,008	-
Total				68,899,979	61,354,232

*Information for the outstanding as of 31 December 2023



	Currency	Interest rate* %	Maturity*	Separate	
				2023 Thousand Baht	2022 Thousand Baht
Senior securities	THB	0.48 - 2.75	2024 - 2025	22,864,051	30,695,000
	EUR	-	2024	2,091,504	7,095,326
	JPY	0.05 - 0.72	2024	23,206,987	7,384,885
Subordinated bond	THB	3.50 - 4.30	2028 - 2031	9,102,000	8,392,000
Structured debentures not designated at fair value	THB	0.75 - 2.73 and linked to equity, fund or, set index price	2024	3,989,511	5,492,718
Bill of exchange	THB	1.97 - 2.50	2024	5,554,008	-
Borrowing	THB	1.95	At call	70,000	660,000
Total				66,878,061	59,719,929

*Information for the outstanding as of 31 December 2023

25 Provisions

	Consolidated		Separate	
	2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
Expected credit loss of financial guarantee contracts and loan commitments	119,180	112,693	119,677	113,203
Post-employment benefits obligation	1,130,918	1,039,160	761,126	698,590
Others	51,838	55,770	51,838	55,770
Total	1,301,936	1,207,623	932,641	867,563

Post-employment benefits obligation

The Group has post-employment benefits plan under the Thai Labor Protection Act, which is considered as unfunded defined benefit plans.

Movements in the present value of the defined benefit obligation for the year ended 31 December 2023 and 31 December 2022 are as follows;

	Consolidated		Separate	
	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht
Beginning defined benefit obligation	1,039,160	930,675	698,590	618,977
<u>Recognised within Statement of Profit or Loss:</u>				
Current service cost	104,663	102,925	75,407	74,029
Interest cost	18,925	16,740	12,993	11,438
<u>Recognised within Other comprehensive income:</u>				
Remeasurements:				
Loss (gain) from change in demographic assumptions	9,940	-	7,985	-
Loss (gain) from change in financial assumptions	(88,187)	-	(52,720)	-
Experience (gain) loss	65,292	(501)	36,317	-
<u>Other:</u>				
Defined benefit obligation transferred from subsidiary company	-	-	(8)	(179)
Benefits paid	(18,875)	(10,679)	(17,438)	(5,675)
Ending defined benefit obligation	1,130,918	1,039,160	761,126	698,590

The principal actuarial assumptions used to calculate the obligation under the defined benefit plans as at 31 December 2023 and 31 December 2022 are as follows;

	Consolidated		Separate	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Financial assumptions				
Discount rate	2.44% - 4.43%	0.53% - 3.57%	2.44% - 4.43%	0.53% - 3.57%
Expected rate of salary increase	3.5% - 11.0%	3.0% - 8.0%	4.5% - 7.0%	4.0% - 6.0%
Turnover rate	0.0% - 30.0%	0.0% - 25.0%	0.0% - 17.0%	0.0% - 20.0%
Retirement age	55 and 60 years	55 and 60 years	55 and 60 years	55 and 60 years

Sensitivity analysis on key assumption changes are as follows;

	Increase (decrease) in defined benefit obligation			
	Consolidated		Separate	
	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht
Discount rate -1.0%	111,681	101,029	78,583	70,154
Discount rate +1.0%	(96,221)	(87,475)	(67,695)	(60,697)
Expected rate of salary increase -1.0%	(95,914)	(95,681)	(67,402)	(66,182)
Expected rate of salary increase +1.0%	109,011	109,157	76,605	75,529
Turnover rate -20.0%	69,695	74,776	52,510	56,079
Turnover rate +20.0%	(59,379)	(62,103)	(44,611)	(46,218)



The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the post-employment benefits liability recognised within the statement of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous year.

Maturity profile of defined benefit obligation

	Consolidated		Separate	
	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht
Maturity duration of the post-employment benefits (Years)	12 - 25	10 - 16	16	15
Maturity analysis of benefits expected to be paid				
Benefits expected to be paid within 12 months	59,747	65,843	23,954	46,797
Benefits expected to be paid between 1 and 2 years	112,441	83,823	87,474	39,081
Benefits expected to be paid between 2 and 5 years	217,120	226,669	144,071	148,051
Benefits expected to be paid in more than 5 years	4,024,458	2,736,519	2,814,259	1,916,973

Allowance for expected credit loss of financial guarantee contracts and loan commitments

	Consolidated			
	31 December 2023			
	Financial assets with an insignificant increase in credit risk Thousand Baht	Financial assets with a significant increase in credit risk Thousand Baht	Credit-impaired financial assets Thousand Baht	Total Thousand Baht
As of 1 January 2023	111,984	709	-	112,693
Change due to reclassification	(100)	100	-	-
Change due to new estimation of credit loss	(37,389)	616	-	(36,773)
Newly acquired or purchased financial assets	105,860	22	-	105,882
Derecognised financial assets	(62,403)	(219)	-	(62,622)
As of 31 December 2023	117,952	1,228	-	119,180

Consolidated				
31 December 2022				
	Financial assets with an insignificant increase in credit risk Thousand Baht	Financial assets with a significant increase in credit risk Thousand Baht	Credit-impaired financial assets Thousand Baht	Total Thousand Baht
As of 1 January 2022	113,417	1,042	-	114,459
Change due to reclassification	(6,622)	6,622	-	-
Change due to new estimation of credit loss	(79,891)	4,503	-	(75,388)
Newly acquired or purchased financial assets	129,503	-	-	129,503
Derecognised financial assets	(44,423)	(11,458)	-	(55,881)
As of 31 December 2022	111,984	709	-	112,693

Separate				
31 December 2023				
	Financial assets with an insignificant increase in credit risk Thousand Baht	Financial assets with a significant increase in credit risk Thousand Baht	Credit-impaired financial assets Thousand Baht	Total Thousand Baht
As of 1 January 2023	112,494	709	-	113,203
Change due to reclassification	(100)	100	-	-
Change due to new estimation of credit loss	(37,402)	616	-	(36,786)
Newly acquired or purchased financial assets	105,860	22	-	105,882
Derecognised financial assets	(62,403)	(219)	-	(62,622)
As of 31 December 2023	118,449	1,228	-	119,677

Separate				
31 December 2022				
	Financial assets with an insignificant increase in credit risk Thousand Baht	Financial assets with a significant increase in credit risk Thousand Baht	Credit-impaired financial assets Thousand Baht	Total Thousand Baht
As of 1 January 2022	113,905	1,042	-	114,947
Change due to reclassification	(6,622)	6,622	-	-
Change due to new estimation of credit loss	(79,869)	4,503	-	(75,366)
Newly acquired or purchased financial assets	129,503	-	-	129,503
Derecognised financial assets	(44,423)	(11,458)	-	(55,881)
As of 31 December 2022	112,494	709	-	113,203

26 Other accounts payable

	Consolidated		Separate	
	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht
Margin payables	2,020,835	3,081,143	2,020,835	3,081,143
Insurance premium payables	168,195	209,007	168,195	209,007
Dealer payables	420,183	817,967	420,183	817,967
Other refund payables to customers	7,820	6,911	7,820	6,911
Securities payables	4,984	604,657	4,984	604,657
Others	4,388,915	2,058,401	4,257,917	1,809,524
Total	7,010,932	6,778,086	6,879,934	6,529,209

27 Other liabilities

	Consolidated		Separate	
	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht
Accrued bonus	1,791,600	2,027,617	1,018,000	1,215,251
Accrued expenses	1,639,599	1,225,834	1,461,238	1,044,257
Front-end fees	29,017	50,897	29,017	50,897
Other income received in advance	941,012	1,076,092	990,527	1,127,489
Deposits	185,121	121,077	183,013	118,905
Value added tax payable	239,154	171,436	219,172	141,240
Others	461,914	436,184	415,022	332,059
Total other liabilities	5,287,417	5,109,137	4,315,989	4,030,098

28 Warrants

The Group has outstanding warrants to subscribe for ordinary shares to existing shareholders of the Bank, which have been approved by shareholders' meeting. The Group does not recognise warrant compensation costs for the fair value or intrinsic value of the warrant granted in this financial statements.

				As at 18 May 2023		Decrease during the year			As at 31 December 2023	
Warrants	Allocated to	Issue date	Exercising Date	Outstanding warrant unit	Exercise unit	Exercise ratio for ordinary shares per 1 warrant	Issue of ordinary shares during the period share	Exercise price Baht	Amount Baht	Outstanding warrant unit
KKP W-5	Shareholders	18 May 2023	17 March 2024	70,546,511	-	1	-	70	-	70,546,511
KKP W-6	Shareholders	18 May 2023	17 March 2026	70,546,511	-	1	-	70	-	70,546,511
Total				141,093,022	-		-		-	141,093,022

At the Annual General Meeting of the Shareholders of the Bank held on 20 April 2023, the shareholders passed a resolution to approve the issuance of the Bank's warrants on ordinary shares KKP No. 5 ("KKP-W5"), not exceeding 70,562,592 units for offering to existing shareholders, having an exercise period of not exceeding 10 months from the initial issuance date, and having an exercise ratio of 1 unit of warrant per 1 ordinary share at an exercise price of Baht 70 per share, and the Bank's warrants on ordinary shares KKP No. 6 ("KKP-W6"), not exceeding 70,562,592 units for offering to existing shareholders, having an exercise period of not exceeding 2 years and 10 months from the initial issuance date, and having an exercise ratio of 1 unit of warrant per 1 ordinary share at an exercise price of Baht 70 per share.

29 Share capital

On 20 April 2023, the Annual General Meeting of Shareholders for the year 2023 approved the increase in registered capital of Baht 2,011,251,840 from the existing registered capital of Baht 8,467,511,090 to the new registered capital of Baht 10,478,762,930 by issuing 201,125,184 newly issued ordinary shares at a par value of Baht 10 per share and registered with the ministry of commerce on 27 April 2023.

30 Legal reserve

Under the Public Companies Act, the Bank which is the public company is required to set aside as legal reserve at least 5% of its net profit, net of accumulated deficit brought forward (if any), until the reserve is not less than 10% of the registered capital.

During the year of 2023, the Bank allocated additional legal reserve in the amount of Baht 196 million. As at 31 December 2023, the Bank had total legal reserve in the amount of Baht 1,048 million (31 December 2022: Baht 852 million).

31 Capital fund

The minimum capital requirement under the regulation of the Bank of Thailand shows as follow:

Capital funds	Minimum capital requirement ratio (%)	Capital buffer ratio (%)	Minimum capital requirement and capital buffer ratio (%)
Common equity tier 1 capital to risk-weighted assets	4.50	2.50	7.00
Tier 1 capital to risk-weighted assets	6.00	2.50	8.50
Capital funds to risk-weighted assets	8.50	2.50	11.00

The Bank thus conducts the internal capital adequacy assessment process in accordance with the supervisory review process of the Bank of Thailand and monitors on a regular basis to ensure that the current and future capital requirements are aligned with the risk appetite in the Bank.



The Group and the Bank maintain its capital funds in accordance with the criteria, methodologies and conditions prescribed by the Bank of Thailand. As at 31 December 2023 and 2022, total capital funds can be categorised as follows:

	Consolidated		Separate	
	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht
Tier 1 capital				
Issued and paid-up capital	8,467,511	8,467,511	8,467,511	8,467,511
Share premium	9,356,233	9,356,233	9,356,233	9,356,233
Legal reserve	1,047,876	852,337	1,047,876	852,337
Retained earnings after appropriation	39,737,668	35,130,515	34,507,234	29,737,886
Other reserve and other provisions	1,959,781	2,008,192	273,054	315,359
Capital deduction items on CET1	(6,521,773)	(5,909,263)	(5,997,018)	(5,614,005)
Total tier 1 capital	54,047,296	49,905,525	47,654,890	43,115,321
Tier 2 capital				
Subordinated debt	9,102,000	8,392,000	9,102,000	8,392,000
Allowance for classified assets of “normal” category	4,321,641	4,001,891	4,190,186	4,017,271
Total tier 2 capital	13,423,641	12,393,891	13,292,186	12,409,271
Total capital fund	67,470,937	62,299,416	60,947,076	55,524,592

As at 31 December 2023 and 31 December 2022, capital adequacy ratios maintained by the Bank in accordance with the Notification of the BOT are as follows:

	Capital funds			
	Consolidated		Separate	
	31 December 2023 (%)	31 December 2022 (%)	31 December 2023 (%)	31 December 2022 (%)
Common equity tier 1 capital to risk-weighted assets	13.30	13.32	12.30	11.73
Tier 1 capital to risk-weighted assets	13.30	13.32	12.30	11.73
Capital funds to risk-weighted assets	16.61	16.63	15.73	15.11

	Consolidated		Separate	
	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht
Capital funds less capital add-ons				
Capital funds to risk-weighted assets	67,470,937	62,299,416	60,947,076	55,524,592
Rate of capital funds to risk-weighted assets	16.61	16.63	15.73	15.11

Disclosure of Capital Maintenance information under the Notification of the Bank of Thailand Re: Public Disclosure of Capital Maintenance for Commercial Banks.



Location of disclosure : <https://ir.kkpfg.com/en/updates/pillar-disclosure>

Date of disclosure : Within April 2024

Information as at : 31 December 2023

Moreover, the Group has disclosed information related to Liquidity Coverage Ratio as at 31 December 2023 under the Notification of Bank of Thailand, no. Sor Nor Sor 2/2561, as the above location and date of disclosure.

32 Dividend paid

On 21 April 2022, the Annual General Meeting of the Bank's shareholders for the year 2022 approved the resolution regarding the payment of dividend for the year 2021 at the rate of Baht 2.95 per ordinary share, a part of which had been paid as interim dividend at the rate of Baht 0.75 per share on 23 September 2021, amounting to Baht 635,053,319 and the remaining amount will be paid on 19 May 2022 at the rate of Baht 2.20 per share in amounting to Baht 1,861,175,489.

On 25 August 2022, the Board of Directors Meeting of the Bank No. 10/2565 approved the resolution regarding the payment of interim dividend from six-month period operating performance at the rate of Baht 1.75 per ordinary share. The dividend was paid on 22 September 2022 amounting to Baht 1,481,791,253.

On 20 April 2023, the Annual General Meeting of the Bank's shareholders for the year 2023 approved the payment of dividend for the year 2022 at the rate of Baht 3.25 per ordinary share, a part of which had been paid as interim dividend at the rate of Baht 1.75 per share on 22 September 2022, amounting to Baht 1,481,791,253 and the remaining amount will be paid on 18 May 2023 at the rate of Baht 1.50 per share in amounting to Baht 1,270,071,973.

On 24 August 2023, the Board of directors Meeting of the Bank No. 9/2023 approved the resolution regarding the payment of interim dividend at the rate of Baht 1.25 per share, which will be paid on 21 September 2023 in amounting of Baht 1,058,423,224.



33 Other components of equity

Other components of equity for the year ended 31 December 2023 and 2022 are as follows;

Consolidated						
Attributable to owners of the parent						
Other components of equity						
Other reserve from share-based payments Thousand Baht	Revaluation surplus on assets Thousand Baht	Revaluation surplus (deficit) on investments in debt instruments measured at fair value through other comprehensive income Thousand Baht	Revaluation surplus (deficit) on investment in equity instruments designated at fair value through other comprehensive income Thousand Baht	Deferred tax relating to components of other comprehensive income (expense) Thousand Baht	Deficit from change in the ownership interest in subsidiaries Thousand Baht	
Opening balance						
as at 1 January 2022	-	-	(16,381)	(139,386)	28,557	(158,337)
Total comprehensive income (expenses)	-	3,184,565	(154,974)	117,681	(629,379)	-
Transfer to retained earnings	-	-	-	(277,702)	55,360	-
Closing balances						
as at 31 December 2022	-	3,184,565	(171,355)	(299,407)	(545,462)	(158,337)
Opening balance						
as at 1 January 2023	-	3,184,565	(171,355)	(299,407)	(545,462)	(158,337)
Share-based payments	20,170	-	-	-	-	-
Total comprehensive income (expenses)	-	-	(67,475)	64,835	612	-
Transfer to retained earnings	-	(19,084)	-	(44,027)	16,138	-
Closing balances						
as at 31 December 2023	20,170	3,165,481	(238,830)	(278,599)	(528,712)	(158,337)

	Separate				
	Other components of equity				
	Other reserve from share-based payments Thousand Baht	Revaluation surplus on assets Thousand Baht	Revaluation surplus (deficit) on investments in debt instruments measured at fair value through other comprehensive income Thousand Baht	Revaluation surplus (deficit) on investment in equity instruments designated at fair value through other comprehensive income Thousand Baht	Deferred tax relating to components of other comprehensive income (expense) Thousand Baht
Opening balance					
as at 1 January 2022	-	-	(16,381)	213,233	(39,370)
Total comprehensive income					
(expenses)	-	354,517	(154,974)	540	(40,017)
Transfer to retained earnings	-	-	-	(126)	25
Closing balances					
as at 31 December 2022	-	354,517	(171,355)	213,647	(79,362)
Opening balance					
as at 1 January 2023	-	354,517	(171,355)	213,647	(79,362)
Share-based payments	20,170	-	-	-	-
Total comprehensive income					
(expenses)	-	(4,235)	(67,475)	18,092	9,877
Transfer to retained earnings	-	-	-	-	847
Closing balances					
as at 31 December 2023	20,170	350,282	(238,830)	231,739	(68,638)

34 Assets with obligations and restrictions

As 31 December 2023, the Group and the Bank have investments in government securities which are pledged as collaterals for repurchase agreement with fair value of Baht 3,824.63 million (31 December 2022: Baht 4,157.27 million).

35 Advance received from electronic transactions

The BOT Notification No. SOR NOR CHOR 2/2562, dated 20 December 2019, regarding the “Regulations on Service Business Relating to Electronic Fund Transfer” requires the Bank to disclose advances received from electronic fund transfer transactions. As of 31 December 2023, the Bank had no advances received from electronic fund transfer transaction, (31 December 2022: Nil).



36 Commitments and contingent liabilities

	Consolidated		Separate	
	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht
Aval to bills of exchange	373,615	504,556	373,615	504,556
Other contingencies				
- Unused overdraft credit facilities	19,306,606	13,216,089	19,806,606	13,905,119
- Other guarantee	13,971,435	11,698,061	13,971,435	11,698,061
Total	33,651,656	25,418,706	34,151,656	26,107,736

As at 31 December 2023, the Group has other commitments in the form of various agreements relating to computer system and software development and construction agreement of the office building. The Group is obligated to pay a further Baht 43.34 million (31 December 2022: Baht 289.82 million).

37 Earnings per share

Earnings per share in the interim consolidated and the interim separate financial statements for the year ended 31 December 2023 and 2022 are calculated as follows;

Consolidated					
For the year ended 31 December					
Profit for the years		Weighted average number of ordinary shares		Earnings per share	
2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Shares	2022 Thousand Shares	2023 Baht	2022 Baht

Basic earnings per share

Net profit available to ordinary shareholders

5,443,403	7,602,096	846,751	846,751	6.43	8.98
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Separate					
For the year ended 31 December					
Profit for the years		Weighted average number of ordinary shares		Earnings per share	
2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Shares	2022 Thousand Shares	2023 Baht	2022 Baht

Basic earnings per share

Net profit available to ordinary shareholders

4,943,894	8,169,408	846,751	846,751	5.84	9.65
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For the year ended 31 December 2023 the Bank did not have dilutive ordinary shares because the exercise price of the outstanding warrants was higher than the average market price of outstanding shares during the year.



38 Information on quality of assets

38.1 Investments in securities

The Bank has investments in debt instruments in companies which were ordered to discontinue their operations and defaulted their debts as at 31 December 2023 and 2022 as follows;

Consolidated and Separate					
31 December 2023					
Type of investment	Numbers	Cost Million Baht	Market value Million Baht	Provision Million Baht	
Company which has defaulted					
on interest payment	Senior securities	1	0.04	-	0.04
Listed company being subject to delisting	Common stocks	1	5.42	7.85	-
		2	5.46	7.85	0.04

Consolidated and Separate					
31 December 2022					
Type of investment	Numbers	Cost Million Baht	Market value Million Baht	Provision Million Baht	
Company which has defaulted					
on interest payment	Senior securities	1	0.04	-	0.04
Listed company being subject to delisting	Common stocks	1	5.42	10.19	-
		2	5.46	10.19	0.04

38.2 Loans and accrued interest receivables

The Group had given loans and accrued interest receivables to companies which faced the financial operational difficulties and provided related allowance for expected credit losses in the interim consolidated and the separate financial statements as follows;

	Consolidated			
	31 December 2023			
	Numbers	Total debts Thousand Baht	Collateral Thousand Baht	Allowance for expected credit losses Thousand Baht
Companies which are under default problem	594	7,246,901	8,554,082	2,774,898
	594	7,246,901	8,554,082	2,774,898

	Consolidated			
	31 December 2022			
	Numbers	Total debts Thousand Baht	Collateral Thousand Baht	Allowance for expected credit losses Thousand Baht
Companies which are under default problem	826	7,367,097	10,347,698	2,370,754
	826	7,367,097	10,347,698	2,370,754

	Separate			
	31 December 2023			
	Numbers	Total debts Thousand Baht	Collateral Thousand Baht	Allowance for expected credit losses Thousand Baht
Companies which are under default problem	572	6,703,054	7,129,023	2,735,021
	572	6,703,054	7,129,023	2,735,021

	Separate			
	31 December 2022			
	Numbers	Total debts Thousand Baht	Collateral Thousand Baht	Allowance for expected credit losses Thousand Baht
Companies which are under default problem	803	6,778,660	8,566,080	2,336,481
	803	6,778,660	8,566,080	2,336,481



39 Related party transactions

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Bank, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Bank. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Bank that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Bank and close members of the family of these individuals and entities associated with these individuals also constitute related parties.

In considering each possible related party relationship, attention is directed to the substance of the relationship rather than the legal form.

According to the BOT's Notification Sor Nor Sor. 6/2553 regarding the Guideline on Consolidated Supervision dated on 18 June 2010, the Bank is required to disclose the Inter-Group Transactions in the Financial Business Group Policy and the Risk Management for Inter-Group Transactions in the Financial Business Group Policy as follows;

The Inter-Group Transactions in the Financial Business Group Policy

The inter-group transactions shall be the same conditions or criteria, including interest rate or service fee charged, as applied when the Bank enters into the transactions with general customers with the same risk.

The Risk Management for Inter-Group Transactions in the Financial Business Group Policy

To manage the operation and consolidated supervision, the Board of Directors assigned the Risk Oversight Committee to take the policy into action, control and monitor business and supporting unit to conform with the Financial Business Group Policy. Moreover, the Board of Directors shall be informed of the significant risk of the Financial Business Group on a regularly basis.

Furthermore, the Risk Oversight Committee of each company in the Financial Business Group is responsible to perform the risk assessment according to its policy and report the results to the Bank's Risk Oversight Committee on a regularly basis. In case there is any significant change or any circumstance that will impact the current business operation, the Risk Oversight Committee shall report such matters immediately.

The following transactions were carried out with related parties.

39.1 Income

	Consolidated		Separate	
	For the year ended 31 December		For the year ended 31 December	
	2023 Million Baht	2022 Million Baht	2023 Million Baht	2022 Million Baht
Interest and dividend income				
Subsidiaries				
KKP Capital PCL.	-	-	949	1,474
Kiatnakin Phatra Securities PCL.	-	-	22	65
KKP Tower Co., Ltd.	-	-	131	104
	-	-	1,102	1,643
Fees and services income				
Subsidiaries				
Kiatnakin Phatra Securities PCL.	-	-	56	53
Kiatnakin Phatra Asset Management Co., Ltd.	-	-	20	29
Asia Recovery 2 Fund	-	-	1	1
Asia Recovery 3 Fund	-	-	2	2
Thai Restructuring Fund	-	-	5	5
Bangkok Capital Fund	-	-	5	5
Gamma Capital Fund	-	-	6	6
Directors and management at the position of department head and above including their related persons who have control or significant influences	10	9	-	-
	10	9	95	101
Other operating income				
Subsidiaries				
KKP Capital PCL.	-	-	5	22
Kiatnakin Phatra Securities PCL.	-	-	24	115
Kiatnakin Phatra Asset Management Co., Ltd.	-	-	10	8
KKP Dime Securities Co., Ltd.	-	-	17	4
KKP Tower Co., Ltd.	-	-	2	-
Bangkok Capital Fund	-	-	1	-
Gamma Capital Fund	-	-	-	21
	-	-	59	170



39.2 Expenses

	Consolidated		Separate	
	For the year ended 31 December		For the year ended 31 December	
	2023 Million Baht	2022 Million Baht	2023 Million Baht	2022 Million Baht
Interest and discounts on borrowings				
Subsidiaries				
KKP Capital PCL.	-	-	3	2
Kiatnakin Phatra Securities PCL.	-	-	117	108
KKP Dime Securities Co., Ltd.	-	-	2	-
KKP Tower Co., Ltd.	-	-	25	17
Directors and management at the position of department head and above including their related persons who have control or significant influences	81	24	81	24
	81	24	228	151
Other service expenses				
Subsidiaries				
Kiatnakin Phatra Securities PCL.	-	-	350	363
KKP Tower Co., Ltd.	-	-	310	229
KKP Dime Securities Co., Ltd.	-	-	-	(1)
Other related parties	13	73	13	73
	13	73	673	664

39.3 Outstanding balances

	Consolidated		Separate	
	31 December 2023 Million Baht	31 December 2022 Million Baht	31 December 2023 Million Baht	31 December 2022 Million Baht
Loans to financial institutions / Loans				
Subsidiaries				
Kiatnakin Phatra Securities PCL.	-	-	-	4,050
KKP Dime Securities Co., Ltd.	-	-	1	15
KKP Tower Co., Ltd.	-	-	2,315	2,326
<u>Less</u> Allowance of expected credit losses	-	-	(1)	(2)
Directors and management at the position of department head and above including their related persons who have control or significant influences	1,662	41	1,662	41
	1,662	41	3,977	6,430
Accrued interest receivables and undue interest receivable				
Subsidiaries				
KKP Capital PCL.	-	-	(2)	(2)
Kiatnakin Phatra Securities PCL.	-	-	-	3
KKP Tower Co., Ltd.	-	-	-	(1)
Directors and management at the position of department head and above including their related persons who have control or significant influences	1	-	1	-
	1	-	(1)	-
Other accounts receivables				
Subsidiaries				
KKP Capital PCL.	-	-	3	4
Kiatnakin Phatra Securities PCL.	-	-	145	212
Kiatnakin Phatra Asset Management Co., Ltd.	-	-	4	4
KKP Dime Securities Co., Ltd.	-	-	1	1
KKP Tower Co., Ltd.	-	-	1	-
Asia Recovery 1 Fund	-	-	100	-
Asia Recovery 2 Fund	-	-	727	-
Bangkok Capital Fund	-	-	38	-
Gamma Capital Fund	-	-	150	-
	-	-	1,169	221
Derivative assets				
Subsidiaries				
Kiatnakin Phatra Securities Co., Ltd.	-	-	6	13
	-	-	6	13
Other assets				
Subsidiaries				
Kiatnakin Phatra Securities Co., Ltd.	-	-	85	-
KKP Tower Co., Ltd.	-	-	847	895
	-	-	932	895

	Consolidated		Separate	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
	Million Baht	Million Baht	Million Baht	Million Baht
Deposits				
Subsidiaries				
KKP Capital PCL.	-	-	15	23
Kiatnakin Phatra Securities PCL.	-	-	428	204
Kiatnakin Phatra Asset Management Co., Ltd.	-	-	25	19
KKP Dime Securities Co., Ltd.	-	-	144	123
Bangkok Capital Fund	-	-	126	121
Gamma Capital Fund	-	-	288	286
KKP Tower Co., Ltd.	-	-	186	15
Directors and management at the position of department head and above including their related persons who have control or significant influences	5,596	4,886	5,596	4,886
	5,596	4,886	6,808	5,677
Debt issued and borrowings				
Subsidiaries				
KKP Capital PCL.	-	-	70	660
Kiatnakin Phatra Securities PCL.	-	-	500	-
Directors and management at the position of department head and above including their related persons who have control or significant influences and other related party	13	4	13	4
	13	4	583	664
Accrued interest expenses				
Directors and management at the position of department head and above including their related persons who have control or significant influences and other related party	16	7	16	7
	16	7	16	7
Derivative liabilities				
Subsidiaries				
Kiatnakin Phatra Securities PCL.	-	-	4	1
	-	-	4	1
Other liabilities				
Subsidiaries				
Kiatnakin Phatra Securities PCL.	-	-	359	298
KKP Dime Securities Co., Ltd.	-	-	1	-
KKP Tower Co., Ltd.	-	-	814	877
Other related parties	-	1	-	1
	-	1	1,174	1,176



During the year ended 31 December 2023, a subsidiary under the Capital Market Segment has investment in ordinary shares which have been classified as collateralised investments which are measured at fair value through other comprehensive income. As at 31 December 2023, fair value of the investment was Baht 383 million (31 December 2022: Baht 458 million).

Collateralised investments are securities that a subsidiary under the Capital Market Segment allows the invested company to pledge at the Bank as collateral in loan transaction.

During for the year ended 31 December 2023, the Bank has sold an asset to a director at Baht 2 million (31 December 2022: Baht 6 million).

39.4 Directors and key management compensations

For the year ended 31 December 2023 and 31 December 2022, compensations paid to directors and key management personnel are as follows:

	Consolidated		Separate	
	For the year ended 31 December		For the year ended 31 December	
	2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
Short-term employee benefits	409,992	369,973	299,256	267,334
Post-employment benefits	13,039	13,564	5,953	6,636
Share-based payment benefits	1,363	-	665	-
Total	424,394	383,537	305,874	273,970

40 Benefits paid to directors and executives

The Group has no special benefits given to the directors and executives beyond the general benefits provided such as directors' remuneration, executives' salary and bonus (if any) included ESOP warrants.

41 Share-based payment

On 20 April 2023, the Annual General Meeting of the Bank's shareholders for the year 2023 approved the issuance and allocation of warrants to purchase the newly issued ordinary shares of KKP up to 60,000,000 units offered to the directors, executives, and/or employees of the Bank and its subsidiaries ("KKP ESOP Warrants") at no cost. The terms of KKP ESOP Warrants would be 4 years after the date of issuance, and the exercise ratio would be that 1 unit of warrant was entitled to purchase 1 ordinary share at Baht 72 per share. The Bank granted the KKP ESOP warrants to the directors and employees of the Bank and its subsidiaries on 1 July 2023.



The KKP ESOP Warrant holders can exercise their rights to purchase ordinary shares according to the following conditions:

The first exercise date: 30 June 2025, exercisable amount of not exceeding 30 percent of the total number of KKP ESOP Warrants.

The 2nd exercise date: 30 June 2026, exercisable amount of not exceeding 60 percent of the total number of KKP ESOP Warrants.

The 3rd exercise date: 30 June 2027, exercisable amount of not exceeding 100 percent of the total number of KKP ESOP Warrants.

In case that any KKP ESOP Warrant holder unexercised the KKP ESOP Warrants during each exercisable period, the remaining warrants can be accumulated and exercised during the following exercisable period until the expiration date of the KKP ESOP Warrants.

Measurement of fair value

The fair value of the KKP ESOP Warrants was measured based on Binomial model and Black-Scholes Valuation model.

The significant inputs used in the measurement of the fair values at grant date were as follows:

Weighted average fair value granted during the year	Baht	3.0285
Share price at grant date	Baht	59.75
Exercise price	Baht	72.00
Expected volatility (%)		20.00
Expected dividends (%)		5.00
Risk-free interest rate (%)		2.04
The last exercise date		30 June 2027

The expense recognised from share-based payment transaction for the year ended 31 December 2023 was Baht 20 million for the consolidated financial statements and Baht 11 million for the separate financial statements.



Movements in the number of issued and allotted of KKP ESOP Warrants during the year ended 31 December 2023 are as follows:

	Consolidated and Separate
	Number of warrants
	2023
At 1 January	-
Granted	59,174,200
Forfeited	(1,092,000)
Exercised	-
Expired	-
At 31 December	58,082,200

Movements of reserve form Share-based payment of KKP ESOP Warrants during the year ended 31 December 2023 are summarised below:

	Consolidated and Separate
	2023
	Thousand Baht
At 1 January	-
Increase	20,170
Exercised during the year	-
At 31 December	20,170

42 Operating segments

The Group discloses operating segments information in accordance with the Thai Financial Reporting Standard No.8 “Operating Segments” and under the same basis as internal management reports presented to the Bank’s chief operating decision maker for resources allocation to and performance evaluation of various segments. Accordingly, the Bank has divided reportable segments in accordance with the new structure of the Kiatnakin Phatra Financial Group and characteristics of segments operating in significantly diverse environment. These operating segments are; Commercial Banking Business, Capital Market Business, and the Debt Restructuring Segment under the Commercial Banking Business. Details of each operating segment are as follows;

- Commercial banking business consists of all commercial banking business and KKP Tower Co., Ltd. except for the Debt restructuring segment
- Capital market business consists of KKP Capital PCL., Kiatnakin Phatra Securities PCL., Kiatnakin Phatra Asset Management Co., Ltd., and KKP DIME Securities Co., Ltd.,
- The Debt restructuring segment

Assessing the performance of, operating segments is measured in accordance with Thai Financial Reporting Standard as adjusted in accordance with internal management accounting rules and practices. Amounts for each business segment are shown after the allocation of certain centralised costs and income between segments. Transactions between segments are eliminated on consolidation.

42.1 Operation result

Operation result classified by Commercial Banking Business, Capital Market Business and The Debt Restructuring Segment for the years ended 31 December 2023 and 2022 are as follows;

	Consolidated			
	31 December 2023			
	Commercial banking business Million Baht	Capital market business Million Baht	Debt restructuring segment Million Baht	Total Million Baht
Income from external clients				
Interest income, net	21,486	138	670	22,294
Fees and services income, net	2,432	3,041	3	5,476
Other operating income, net	(419)	1,413	(1)	993
Total income from operating	23,499	4,592	672	28,763
Income between segments	1,223	473	-	1,696
Depreciation and amortisation	637	162	17	816
Other expenses	12,021	3,045	12	15,078
Total other operating expenses	12,658	3,207	29	15,894
Expected credit loss (reversal)	6,015	-	67	6,082
Profit from operating before income tax expenses	4,826	1,385	576	6,787
Income tax expenses	1,024	307	-	1,331
Net Income	3,802	1,078	576	5,456

	Consolidated			
	31 December 2022			
	Commercial banking business Million Baht	Capital market business Million Baht	Debt restructuring segment Million Baht	Total Million Baht
Income from external clients				
Interest income, net	18,980	(69)	170	19,081
Fees and services income, net	2,698	3,467	-	6,165
Other operating income, net	1,048	1,238	6	2,292
Total income from operating	22,726	4,636	176	27,538
Income between segments	1,805	474	-	2,279
Depreciation and amortisation	500	126	7	633
Other expenses	8,746	3,560	74	12,380
Total other operating expenses	9,246	3,686	81	13,013
Expected credit loss (reversal)	4,945	-	91	5,036
Profit from operating before income tax expenses	8,535	950	4	9,489
Income tax expenses	1,679	194	-	1,873
Net Income	6,856	756	4	7,616



Revenue transactions classified by timing of revenue recognition and operating segments of Commercial Banking Business, Capital Market Business and The Debt Restructuring Segment for the years ended 31 December 2023 and 31 December 2022 are as follows:

Consolidated				
31 December 2023				
	Commercial banking business Million Baht	Capital market business Million Baht	Debt restructuring segment Million Baht	Total Million Baht
Timing of revenue recognition At a point in time	2,227	2,286	-	4,513
Over time	351	1,517	-	1,868

Consolidated				
31 December 2022				
	Commercial banking business Million Baht	Capital market business Million Baht	Debt restructuring segment Million Baht	Total Million Baht
Timing of revenue recognition At a point in time	3,248	3,228	6	6,482
Over time	353	1,077	-	1,430

Total assets classified by Commercial Banking Business, Capital Market Business and The Debt Restructuring Segment

	Commercial banking business Million Baht	Capital market business Million Baht	Debt restructuring segment Million Baht	Total Million Baht
As at 31 December 2023	521,965	21,174	2,188	545,327
As at 31 December 2022	474,770	30,018	2,849	507,637

42.2 Reconciliation operating segments information

Reconciliation between consolidated income from all segments and income and reconciliation between consolidated profit from all segments and profit from operating before income tax expenses for the year ended 31 December 2023 and 2022 are as follows;

	Consolidated	
	2023 Million Baht	2022 Million Baht
Income		
Consolidated income from all segments	30,459	29,817
Elimination of inter-segment income	(1,696)	(2,279)
Total income	28,763	27,538
Profit		
Consolidated profit from all segments	6,787	9,489
Elimination of inter-segment profit	-	-
Profit from operating before income tax expenses	6,787	9,489

Reconciliation between consolidated assets from all segments and total assets as at 31 December 2023 and 31 December 2022 are as follows;

	Consolidated	
	31 December 2023 Million Baht	31 December 2022 Million Baht
Assets		
Consolidated assets from all segments	545,327	507,637
Elimination of inter-segment assets	-	-
Total assets	545,327	507,637

During the year ended 31 December 2023 and 31 December 2022, there is no revenue from transactions with a single external customer or counter party amounted to 10% or more of the Bank's total revenue.

The Bank and its subsidiaries operate in Thailand only. There has been no material change in total assets or total liabilities from the amounts disclosed in the last annual financial statements.



43 Important positions and performance classified by type of domestic or foreign transactions

43.1 Position classified by type of transaction

	Consolidated					
	31 December 2023			31 December 2022		
	Domestic Thousand Baht	Foreign Thousand Baht	Total Thousand Baht	Domestic Thousand Baht	Foreign Thousand Baht	Total Thousand Baht
Total assets	526,105,534	19,221,483	545,327,017	491,715,481	15,921,536	507,637,017
Interbank and money						
market items, net (Assets)	58,280,696	3,748,737	62,029,433	41,015,809	4,716,541	45,732,350
Financial assets measured at						
fair value through profit or loss	16,032,843	2,544	16,035,387	18,702,990	-	18,702,990
Investments	35,294,714	966,855	36,261,569	31,500,956	346,735	31,847,691
Loan to customer and accrued						
interest receivables, net	371,653,475	13,172,146	384,825,621	354,878,008	9,992,513	364,870,521
Deposits	358,902,512	-	358,902,512	331,464,000	-	331,464,000
Interbank and money						
market items (Liabilities)	21,323,916	1,711,165	23,035,081	18,447,000	1,728,120	20,175,120
Debt issued and borrowings	68,899,979	-	68,899,979	61,354,232	-	61,354,232

	Separate					
	31 December 2023			31 December 2022		
	Domestic Thousand Baht	Foreign Thousand Baht	Total Thousand Baht	Domestic Thousand Baht	Foreign Thousand Baht	Total Thousand Baht
Total assets	512,469,257	17,160,933	529,630,190	472,197,981	15,047,776	487,245,757
Interbank and money						
market items, net (Assets)	55,389,138	3,716,036	59,105,174	43,487,576	4,699,145	48,186,721
Financial assets measured at						
fair value through profit or loss	9,391,224	-	9,391,224	3,359,880	-	3,359,880
Investments	34,632,402	-	34,632,402	30,613,322	-	30,613,322
Loan to customer and accrued						
interest receivables, net	373,438,042	13,172,146	386,610,188	356,623,985	9,992,513	366,616,498
Deposits	359,517,265	-	359,517,265	331,909,248	-	331,909,248
Interbank and money						
market items (Liabilities)	22,420,304	1,711,165	24,131,469	17,772,690	1,728,120	19,500,810
Debt issued and borrowings	66,878,061	-	66,878,061	59,719,929	-	59,719,929



43.2 Performance classified by type of transaction

	Consolidated					
	For the year ended 31 December 2023			For the year ended 31 December 2022		
	Domestic Thousand Baht	Foreign Thousand Baht	Total Thousand Baht	Domestic Thousand Baht	Foreign Thousand Baht	Total Thousand Baht
Interest income	29,550,193	1,167,249	30,717,442	23,008,385	662,131	23,670,516
Interest expenses	8,423,282	334	8,423,616	4,587,583	1,584	4,589,167
Net interest income	21,126,911	1,166,915	22,293,826	18,420,802	660,547	19,081,349
Net fee and service income	4,503,607	972,873	5,476,480	5,029,229	1,136,230	6,165,459
Other operating income	613,610	378,864	992,474	804,350	1,487,533	2,291,883
Other operating expenses	15,892,515	1,720	15,894,235	13,011,320	1,331	13,012,651
Profit (loss) from continuing operation before expected credit losses and income tax expenses	10,351,613	2,516,932	12,868,545	11,243,061	3,282,979	14,526,040

	Separate					
	For the year ended 31 December 2023			For the year ended 31 December 2022		
	Domestic Thousand Baht	Foreign Thousand Baht	Total Thousand Baht	Domestic Thousand Baht	Foreign Thousand Baht	Total Thousand Baht
Interest income	28,870,988	1,068,310	29,939,298	22,963,813	644,258	23,608,071
Interest expenses	8,488,358	334	8,488,692	4,638,387	1,568	4,637,955
Net interest income	20,382,630	1,067,976	21,450,606	18,327,426	642,690	18,970,116
Net fee and service income	2,469,225	-	2,469,225	2,722,797	-	2,722,797
Other operating income	1,120,329	303,951	1,424,280	1,644,441	1,438,418	3,082,859
Other operating expenses	13,327,120	-	13,327,120	9,941,024	-	9,941,024
Profit (loss) from continuing operation before expected credit losses and income tax expenses	10,645,064	1,371,927	12,016,991	12,753,640	2,081,108	14,834,748

44 Interest income

Interest income for the year ended 31 December 2023 and 31 December 2022 are as follows;

	Consolidated		Separate	
	2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
Interbank and money market items	1,280,867	603,776	1,167,035	638,842
Investment in debt securities	937,259	456,184	833,655	411,818
Loans	12,941,572	8,969,753	13,075,413	9,075,966
Hire-purchase and financial leases	14,759,980	13,423,108	14,759,981	13,423,108
POCI loans	703,886	179,523	23,164	25,432
Others	93,878	38,172	80,050	32,905
Total interest income	30,717,442	23,670,516	29,939,298	23,608,071

45 Interest expenses

Interest expenses for the year ended 31 December 2023 and 31 December 2022 are as follows;

	Consolidated		Separate	
	2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
Deposits	5,003,826	2,878,280	5,004,181	2,878,539
Interbank and money market items	439,516	190,212	435,169	183,505
Contributions to Financial Institution				
Development Fund and Deposit Protection Agency	1,772,465	820,183	1,772,465	820,183
Debt issued				
- Senior securities	707,187	266,728	707,187	266,728
- Subordinated bond	319,785	298,170	319,785	298,170
- Others	77,238	51,197	38,742	4,487
Fees and charges on borrowings	23,681	14,604	132,781	119,536
Others	79,918	69,793	78,382	66,807
Total interest expenses	8,423,616	4,589,167	8,488,692	4,637,955

46 Fees and services income, net

Fees and services income, net for the year ended 31 December 2023 and 31 December 2022 are as follows:

	Consolidated		Separate	
	2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
Fees and services income				
- Brokerage fees	1,538,462	2,160,967	-	-
- Bancassurance fees	1,223,258	1,437,785	1,223,258	1,437,785
- Acceptance, avals and guarantees	146,058	138,711	146,058	138,711
- Others	3,551,950	3,445,859	1,399,859	1,407,937
Total fees and services income	6,459,728	7,183,322	2,769,175	2,984,433
Fees and services expenses				
- Security management fees	569,037	652,698	-	-
- Others	414,211	365,165	299,950	261,636
Total fees and services expenses	983,248	1,017,863	299,950	261,636
Fees and services income, net	5,476,480	6,165,459	2,469,225	2,722,797

47 Gain (loss) on financial instruments measured at fair value through profit or loss, net

Gain (loss) on financial instruments measured at fair value through profit or loss, net for the year ended 31 December 2023 and 31 December 2022 are as follows:

	Consolidated		Separate	
	2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
Gain (loss) on trading and foreign exchange transactions				
- Foreign exchange	1,161,084	342,457	1,167,709	319,158
- Debt securities	173,871	3,723	89,814	(62,052)
- Equity securities	(2,748,845)	2,914,140	(25,426)	771,360
- Derivatives	1,282,906	(2,387,912)	(1,437,099)	(585,142)
Total	(130,984)	872,408	(205,002)	443,324
Gain (loss) on financial instruments designated at fair value through profit or loss				
Changes in fair value				
- Financial liabilities measured at fair value through profit or loss	87,709	(2,158)	-	-
Gain (loss) on derecognition and interest income and interest expense paid	483,922	(39,304)	-	-
Total	571,631	(41,462)	-	-
Grand total	440,647	830,946	(205,002)	443,324



48 Gain (loss) on investments, net

Gain (loss) on investments, net for the years ended 31 December 2023 and 31 December 2022 are as follows;

	Consolidated		Separate	
	2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
Gain (loss) on sale of				
- Investment measured at fair value				
through other comprehensive income	(12,080)	(3,707)	355,049	(3,707)
- Investments in subsidiaries	-	-	1,376	20,647
Total	(12,080)	(3,707)	356,425	16,940
Reversal (loss) on impairment of				
- Investments in subsidiaries	-	-	(2,541)	10,587
Total	-	-	(2,541)	10,587
Total gain (loss) on investments, net	(12,080)	(3,707)	353,884	27,527

The Group recognised loss on impairment due to the carrying value less than the fair value.

49 Other operating income

Other operating income for the years ended 31 December 2023 and 31 December 2022 are as follows;

	Consolidated		Separate	
	2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
Penalty income	161,931	152,222	161,931	152,222
Profit from sales of fixed assets	3,325	19,378	2,942	18,594
Other income	58,908	786,373	118,001	837,463
Total other operating income	224,164	957,973	282,874	1,008,279

50 Other expenses

Other expenses for the years ended 31 December 2023 and 31 December 2022 are as follows;

	Consolidated		Separate	
	2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
Repossessed cars expenses	463,143	314,821	463,143	314,821
Properties foreclosed expenses	55,888	59,230	55,889	59,230
Transportation expenses	193,110	171,102	178,188	159,383
Advertising and promotion expenses	221,804	195,081	155,102	149,932
Management fee of Mutual funds	6,928	6,390	-	-
Other intangible assets expenses	255,097	218,711	204,309	183,080
Other expenses	1,358,143	1,844,801	1,196,908	996,363
Total other expenses	2,554,113	2,810,136	2,253,539	1,862,809

51 Expected credit losses

Expected credit losses for the years ended 31 December 2023 and 31 December 2022 are as follows:

	Consolidated		Separate	
	2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
Interbank and money market items	(415)	(3,556)	(1,611)	(5,191)
Loans	6,068,382	5,061,196	6,061,951	5,031,605
Modification loss (gain) on loan restructuring	8,046	(20,287)	8,046	(20,287)
Investment in debt instrument measured at fair value through other comprehensive income	(590)	624	(590)	624
Loan commitments and financial guarantees	6,487	(1,766)	6,474	(1,744)
Total	6,081,910	5,036,211	6,074,270	5,005,007

During the year ended 31 December 2023, the recoverable amount of receivables which were already written-off for the year are Baht 1,458 million (31 December 2022: Baht 1,248 million).

52 Income tax expenses

Income tax expenses for the years ended 31 December 2023 and 31 December 2022 are as follows;

	Consolidated		Separate	
	2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
Current income tax for the period	1,573,054	1,645,050	1,200,820	1,307,926
Adjustment in respect of current income tax of previous period	3,914	15,765	3,748	16,291
Deferred tax	(246,282)	212,574	(205,741)	336,116
Total income tax expenses	1,330,686	1,873,389	998,827	1,660,333

Reconciliation of effective tax rate for the years ended 31 December 2023 and 31 December 2022.

	Consolidated	
	2023 Thousand Baht	2022 Thousand Baht
Profit before income tax expenses	6,786,635	9,489,829
Tax calculated at a tax rate of 20%	1,357,327	1,897,966
Adjustment in respect of current income tax of previous period	3,914	15,765
Income not subjected to tax	(199,426)	(190,205)
Expenses not deductible for tax purpose	169,182	149,869
Deferred tax adjustments in respect of prior year	(311)	(6)
Income tax expenses as statements of profit or loss and other comprehensive income	1,330,686	1,873,389

	Separate	
	2023 Thousand Baht	2022 Thousand Baht
Profit before income tax expenses	5,942,721	9,829,741
Tax calculated at a tax rate of 20%	1,188,544	1,965,948
Adjustment in respect of current income tax of previous period	3,748	16,291
Income not subjected to tax	(329,290)	(456,825)
Expenses not deductible for tax purpose	135,825	134,919
Income tax expenses as statements of profit or loss and other comprehensive income	998,827	1,660,333

The weighted average income tax rate for the year ended 31 December 2023 was 19.61% and 16.81% in the interim consolidated and the separate financial statements, respectively (2022: 19.74% and 16.89%, respectively).

The weighted average income tax rate for the interim consolidated and separate financial statements changed from dividend received transactions.

53 Income tax relating to components of other comprehensive income (loss)

Income tax relating to components of other comprehensive income (expenses) for the years ended 31 December 2023 and 31 December 2022 are as follows;

	Consolidated					
	2023			2022		
	Before tax Thousand Baht	Tax (expense) benefit Thousand Baht	Net of tax Thousand Baht	Before tax Thousand Baht	Tax (expense) benefit Thousand Baht	Net of tax Thousand Baht
Gain (loss) on debt instruments classified						
at fair value through other comprehensive income	(67,475)	13,495	(53,980)	(154,974)	30,995	(123,979)
Changes in revaluation surplus on assets	-	-	-	3,419,400	(683,880)	2,735,520
Gain (loss) on equity instruments designated						
at fair value through other comprehensive income	64,837	(12,883)	51,954	117,708	(23,467)	94,241
Remeasurments of post-employment benefit obligations	12,955	(2,591)	10,364	501	(100)	401
Other comprehensive income (loss)	10,317	(1,979)	8,338	3,382,635	(676,452)	2,706,183

	Separate					
	2023			2022		
	Before tax Thousand Baht	Tax (expense) benefit Thousand Baht	Net of tax Thousand Baht	Before tax Thousand Baht	Tax (expense) benefit Thousand Baht	Net of tax Thousand Baht
Gain (loss) on debt instruments classified						
at fair value through other comprehensive income	(67,475)	13,495	(53,980)	(154,974)	30,995	(123,979)
Changes in revaluation surplus on assets	-	-	-	354,517	(70,904)	283,613
Gain (loss) on equity instruments designated						
at fair value through other comprehensive income	18,092	(3,618)	14,474	540	(108)	432
Remeasurments of post-employment benefit obligations	8,418	(1,684)	6,734	-	-	-
Other comprehensive income (loss)	(40,965)	8,193	(32,772)	200,083	(40,017)	160,066



54 Financial instruments

Measurement basis of financial assets and liabilities

The accounting policies in Note 2 describe how different classes of financial instruments are measured, and how income and expenses, including fair value gains and losses, are recognised. The following table analyses the carrying amounts of the financial assets and liabilities by category and by statement of financial position heading.

Consolidated						
31 December 2023						
At fair value through profit or loss Thousand Baht	Designated at fair value through profit or loss Thousand Baht	At fair value through other comprehensive income Thousand Baht	Designated at fair value through other comprehensive income Thousand Baht	Held at Amortised cost Thousand Baht	Total Thousand Baht	
Financial assets						
Cash	-	-	-	-	1,381,596	1,381,596
Interbank and money market items, net	-	-	-	-	62,029,433	62,029,433
Financial assets measured at fair value						
through profit or loss	16,035,387	-	-	-	-	16,035,387
Derivatives assets	8,062,453	-	-	-	-	8,062,453
Investments, net	-	-	18,561,999	1,663,568	16,036,002	36,261,569
Loans to customers and accrued						
interest receivables, net	-	-	-	-	384,825,621	384,825,621
Accounts receivable from clearing						
house and broker - dealers	-	-	-	-	1,954,980	1,954,980
Securities and derivative business receivables	684	-	-	-	5,528,285	5,528,969
Total financial assets	24,098,524	-	18,561,999	1,663,568	471,755,917	516,080,008
Financial liabilities						
Deposits	-	-	-	-	358,902,512	358,902,512
Interbank and money market items, net	-	-	-	-	23,035,081	23,035,081
Liabilities payable on demand	-	-	-	-	483,354	483,354
Financial liabilities measured at						
fair value through profit or loss	-	1,332,833	-	-	-	1,332,833
Derivatives liabilities	8,502,677	-	-	-	-	8,502,677
Debt issued and borrowings	-	-	-	-	68,899,979	68,899,979
Lease liabilities	-	-	-	-	182,008	182,008
Accounts payable to clearing house						
and broker - dealers	-	-	-	-	151,102	151,102
Securities and derivative business payables	1,778,468	-	-	-	5,115,964	6,894,432
Total financial liabilities	10,281,145	1,332,833	-	-	456,770,000	468,383,978

Consolidated						
31 December 2022						
	At fair value through profit or loss Thousand Baht	Designated at fair value through profit or loss Thousand Baht	At fair value through other comprehensive income Thousand Baht	Designated at fair value through other comprehensive income Thousand Baht	Held at Amortised cost Thousand Baht	Total Thousand Baht
Financial assets						
Cash	-	-	-	-	1,000,242	1,000,242
Interbank and money market items, net	-	-	-	-	45,732,349	45,732,349
Financial assets measured at fair value						
through profit or loss	18,702,990	-	-	-	-	18,702,990
Derivatives assets	10,538,015	-	-	-	-	10,538,015
Investments, net	-	-	21,834,710	1,251,175	8,761,806	31,847,691
Loans to customers and accrued						
interest receivables, net	-	-	-	-	364,870,521	364,870,521
Accounts receivable from clearing						
house and broker - dealers	-	-	-	-	1,275,894	1,275,894
Securities and derivative business receivables	930	-	-	-	7,975,145	7,976,075
Total financial assets	29,241,935	-	21,834,710	1,251,175	429,615,957	481,943,777
Financial liabilities						
Deposits	-	-	-	-	331,464,000	331,464,000
Interbank and money market items, net	-	-	-	-	20,175,120	20,175,120
Liabilities payable on demand	-	-	-	-	339,834	339,834
Financial liabilities measured at						
fair value through profit or loss	-	3,556,542	-	-	-	3,556,542
Derivatives liabilities	9,328,151	-	-	-	-	9,328,151
Debt issued and borrowings	-	-	-	-	61,354,232	61,354,232
Lease liabilities	-	-	-	-	210,623	210,623
Accounts payable to clearing house						
and broker - dealers	-	-	-	-	164,038	164,038
Securities and derivative business payables	2,794,806	-	-	-	5,384,948	8,179,754
Total financial liabilities	12,122,957	3,556,542	-	-	419,092,795	434,772,294



	Separate					
	31 December 2023					
	At fair value through profit or loss Thousand Baht	Designated at fair value through profit or loss Thousand Baht	At fair value through other comprehensive income Thousand Baht	Designated at fair value through other comprehensive income Thousand Baht	Held at Amortised cost Thousand Baht	Total Thousand Baht
Financial assets						
Cash	-	-	-	-	1,381,440	1,381,440
Interbank and money market items, net	-	-	-	-	59,105,174	59,105,174
Financial assets measured at fair value through profit or loss	9,391,224	-	-	-	-	9,391,224
Derivatives assets	8,038,963	-	-	-	-	8,038,963
Investments, net	-	-	18,561,999	263,461	15,806,942	34,632,402
Loans to customers and accrued interest receivables, net	-	-	-	-	386,610,188	386,610,188
Total financial assets	17,430,187	-	18,561,999	263,461	462,903,744	499,159,391
Financial liabilities						
Deposits	-	-	-	-	359,517,265	359,517,265
Interbank and money market items, net	-	-	-	-	24,131,469	24,131,469
Liabilities payable on demand	-	-	-	-	483,354	483,354
Derivatives liabilities	8,496,810	-	-	-	-	8,496,810
Debt issued and borrowings	-	-	-	-	66,878,061	66,878,061
Lease liabilities	-	-	-	-	1,077,032	1,077,032
Total financial liabilities	8,496,810	-	-	-	452,087,181	460,583,991

Separate						
31 December 2022						
At fair value through profit or loss Thousand Baht	Designated at fair value through profit or loss Thousand Baht	At fair value through other comprehensive income Thousand Baht	Designated at fair value through other comprehensive income Thousand Baht	Held at Amortised cost Thousand Baht	Total Thousand Baht	
Financial assets						
Cash	-	-	-	-	1,000,086	1,000,086
Interbank and money market items, net	-	-	-	-	48,186,721	48,186,721
Financial assets measured at fair value through profit or loss	3,359,880	-	-	-	-	3,359,880
Derivatives assets	10,538,995	-	-	-	-	10,538,995
Investments, net	-	-	21,834,710	245,369	8,533,243	30,613,322
Loans to customers and accrued interest receivables, net	-	-	-	-	366,616,498	366,616,498
Total financial assets	13,898,875	-	21,834,710	245,369	424,336,548	460,315,502
Financial liabilities						
Deposits	-	-	-	-	331,909,248	331,909,248
Interbank and money market items, net	-	-	-	-	19,500,810	19,500,810
Liabilities payable on demand	-	-	-	-	339,834	339,834
Derivatives liabilities	9,319,498	-	-	-	-	9,319,498
Debt issued and borrowings	-	-	-	-	59,719,929	59,719,929
Lease liabilities	-	-	-	-	1,059,019	1,059,019
Total financial liabilities	9,319,498	-	-	-	412,528,840	421,848,338



55 Offsetting of financial assets and liabilities

The following table presents the recognised financial instruments that are offset, or subject to enforceable master netting arrangements and other similar agreements but not offset. The column 'net amount' shows the impact on the Group's statement of financial position if all set-off rights were exercised.

Consolidated						
31 December 2023						
Effects of offsetting on the financial position			Related amounts not offset			
Gross amounts Thousand Baht	Gross amount net off in the financial position Thousand Baht	Net amounts presented in the financial position Thousand Baht	Cash collateral Thousand Baht	Non-cash Collateral * Thousand Baht	Net amounts Thousand Baht	
Financial assets						
Reverse repurchase agreement	40,731,847	-	40,731,847	-	(40,731,847)	-
Derivatives assets	8,062,453	-	8,062,453	(1,957,390)	-	6,105,063
Total financial assets	48,794,300	-	48,794,300	(1,957,390)	(40,731,847)	6,105,063
Financial liabilities						
Repurchase agreement	3,566,806	-	3,566,806	-	(3,566,806)	-
Derivatives liabilities	8,502,677	-	8,502,677	(258,297)	-	8,244,380
Total financial liabilities	12,069,483	-	12,069,483	(258,297)	(3,566,806)	8,244,380

* Amount of non-cash collateral is presented less than or equal to offsetting amount of 'net amounts presented in the financial position' and 'amount of cash collateral'.

Consolidated						
31 December 2022						
Effects of offsetting on the financial position			Related amounts not offset			
Gross amounts Thousand Baht	Gross amount net off in the financial position Thousand Baht	Net amounts presented in the financial position Thousand Baht	Cash collateral Thousand Baht	Non-cash Collateral * Thousand Baht	Net amounts Thousand Baht	
Financial assets						
Reverse repurchase agreement	12,500,856	-	12,500,856	-	(12,500,856)	-
Derivatives assets	10,538,015	-	10,538,015	(3,081,143)	-	7,456,872
Total financial assets	23,038,871	-	23,038,871	(3,081,143)	(12,500,856)	7,456,872
Financial liabilities						
Repurchase agreement	4,136,278	-	4,136,278	(289,810)	(3,846,468)	-
Derivatives liabilities	9,328,151	-	9,328,151	(641,311)	-	8,686,840
Total financial liabilities	13,464,429	-	13,464,429	(931,121)	(3,846,468)	8,686,840

* Amount of non-cash collateral is presented less than or equal to offsetting amount of 'net amounts presented in the financial position' and 'amount of cash collateral'.

Separate						
31 December 2023						
Effects of offsetting on the financial position			Related amounts not offset			
Gross amounts Thousand Baht	Gross amount net off in the financial position Thousand Baht	Net amounts presented in the financial position Thousand Baht	Cash collateral Thousand Baht	Non-cash Collateral * Thousand Baht	Net amounts Thousand Baht	
Financial assets						
Reverse repurchase agreement	40,731,847	-	40,731,847	-	(40,731,847)	-
Derivatives assets	8,038,963	-	8,038,963	(1,957,390)	-	6,081,573
Total financial assets	48,770,810	-	48,770,810	(1,957,390)	(40,731,847)	6,081,573
Financial liabilities						
Repurchase agreement	3,566,806	-	3,566,806	-	(3,566,806)	-
Derivatives liabilities	8,496,810	-	8,496,810	(258,297)	-	8,238,513
Total financial liabilities	12,063,616	-	12,063,616	(258,297)	(3,566,806)	8,238,513

* Amount of non-cash collateral is presented less than or equal to offsetting amount of 'net amounts presented in the financial position' and 'amount of cash collateral'.

Separate						
31 December 2022						
Effects of offsetting on the financial position			Related amounts not offset			
Gross amounts Thousand Baht	Gross amount net off in the financial position Thousand Baht	Net amounts presented in the financial position Thousand Baht	Cash collateral Thousand Baht	Non-cash Collateral * Thousand Baht	Net amounts Thousand Baht	
Financial assets						
Reverse repurchase agreement	12,500,856	-	12,500,856	-	(12,500,856)	-
Derivatives assets	10,538,995	-	10,538,995	(3,081,143)	-	7,457,852
Total financial assets	23,039,851	-	23,039,851	(3,081,143)	(12,500,856)	7,457,852
Financial liabilities						
Repurchase agreement	4,136,278	-	4,136,278	(289,810)	(3,846,468)	-
Derivatives liabilities	9,319,498	-	9,319,498	(641,311)	-	8,678,187
Total financial liabilities	13,455,776	-	13,455,776	(931,121)	(3,846,468)	8,678,187

* Amount of non-cash collateral is presented less than or equal to offsetting amount of 'net amounts presented in the financial position' and 'amount of cash collateral'.

56 Fair value

56.1 Fair value estimation

The fair value of financial instruments are defined into the following three different levels by valuation method as follows:

(a) Financial instruments in level 1

The fair value of financial instruments traded in active markets is based on quoted market prices at the statement of financial position date. The quoted market prices used for financial assets held by the Group are the last bid prices from the Stock Exchange of Thailand, the closing price from the Stock Exchange in overseas and settlement prices from Futures Exchange. These instruments are included in level 1.

(b) Financial instruments in level 2

The fair value of financial instruments that are not traded in an active market (over-the-counter) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

(c) Financial instruments in level 3

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The following table presents the financial assets and liabilities that are measured at fair value at 31 December 2023 and 31 December 2022.

	Consolidated				
	31 December 2023				
	Carrying amount Thousand Baht	Fair value			Total Thousand Baht
		Level 1 Thousand Baht	Level 2 Thousand Baht	Level 3 Thousand Baht	
Assets					
Derivatives assets	8,062,453	-	8,062,453	-	8,062,453
Financial assets measured					
at fair value through profit or loss					
Government and state enterprise securities	8,848,279	-	8,848,279	-	8,848,279
Private sector's debt securities	1,617,327	-	1,617,327	-	1,617,327
Domestic marketable equity securities	5,567,237	5,567,237	-	-	5,567,237
Foreign marketable equity securities	2,544	2,544	-	-	2,544
Investment, net					
Government and state enterprise securities	18,266,260	-	18,266,260	-	18,266,260
Private sector's debt securities	295,739	-	295,739	-	295,739
Domestic marketable equity securities	46,287	46,287	-	-	46,287
Foreign marketable equity security	101,257	101,257	-	-	101,257
Domestic non-marketable equity security	650,427	-	11,091	639,336	650,427
Foreign non-marketable equity security	865,597	-	-	865,597	865,597
Securities and derivative business receivables	3,192,073	3,192,073	-	-	3,192,073
Total assets	47,515,480	8,909,398	37,101,149	1,504,933	47,515,480
Liabilities					
Financial liabilities designated					
at fair value through profit or loss	1,332,833	-	1,332,833	-	1,332,833
Derivatives liabilities	8,502,677	-	8,502,677	-	8,502,677
Securities and derivative business payables	3,682,963	3,682,963	-	-	3,682,963
Total liabilities	13,518,473	3,682,963	9,835,510	-	13,518,473



	Consolidated				
	31 December 2022				
	Carrying amount Thousand Baht	Fair value			Total Thousand Baht
		Level 1 Thousand Baht	Level 2 Thousand Baht	Level 3 Thousand Baht	
Assets					
Derivatives assets	10,538,015	-	10,538,015	-	10,538,015
Financial assets measured					
at fair value through profit or loss					
Government and state enterprise securities	993,585	-	993,585	-	993,585
Private sector's debt securities	1,321,755	-	1,321,755	-	1,321,755
Domestic marketable equity securities	16,387,650	16,387,650	-	-	16,387,650
Investment, net					
Government and state enterprise securities	21,392,318	-	21,392,318	-	21,392,318
Private sector's debt securities	442,392	-	442,392	-	442,392
Domestic marketable equity securities	200,016	200,016	-	-	200,016
Foreign marketable equity security	72,212	72,212	-	-	72,212
Domestic non-marketable equity security	704,424	-	11,091	693,333	704,424
Foreign non-marketable equity security	274,523	-	-	274,523	274,523
Securities and derivative business receivables	2,389,536	2,389,536	-	-	2,389,536
Total assets	54,716,426	19,049,414	34,699,156	967,856	54,716,426
Liabilities					
Financial liabilities designated					
at fair value through profit or loss	3,556,542	-	3,556,542	-	3,556,542
Derivatives liabilities	9,328,151	-	9,328,151	-	9,328,151
Securities and derivative business payables	2,794,806	2,794,806	-	-	2,794,806
Total liabilities	15,679,499	2,794,806	12,884,693	-	15,679,499



Separate					
31 December 2023					
Carrying amount Thousand Baht	Fair value				Total Thousand Baht
	Level 1 Thousand Baht	Level 2 Thousand Baht	Level 3 Thousand Baht		
Assets					
Derivatives assets	8,038,963	-	8,038,963	-	8,038,963
Financial assets measured at fair value through profit or loss					
Government and state enterprise securities	8,848,279	-	8,848,279	-	8,848,279
Private sector's debt securities	397,828	-	397,828	-	397,828
Domestic marketable equity securities	145,117	145,117	-	-	145,117
Investment, net					
Government and state enterprise securities	18,266,260	-	18,266,260	-	18,266,260
Private sector's debt securities	295,739	-	295,739	-	295,739
Domestic marketable equity securities	7,850	7,850	-	-	7,850
Domestic non-marketable equity security	255,611	-	-	255,611	255,611
Total assets	36,255,647	152,967	35,847,069	255,611	36,255,647
Liabilities					
Derivatives liabilities	8,496,810	-	8,496,810	-	8,496,810
Total liabilities	8,496,810	-	8,496,810	-	8,496,810



	Separate				
	31 December 2022				
	Carrying amount Thousand Baht	Fair value			Total Thousand Baht
		Level 1 Thousand Baht	Level 2 Thousand Baht	Level 3 Thousand Baht	
Assets					
Derivatives assets	10,538,995	-	10,538,995	-	10,538,995
Financial assets measured at fair value through profit or loss					
Government and state enterprise securities	993,585	-	993,585	-	993,585
Private sector's debt securities	121,215	-	121,215	-	121,215
Domestic marketable equity securities	2,245,080	2,245,080	-	-	2,245,080
Investment, net					
Government and state enterprise securities	21,392,318	-	21,392,318	-	21,392,318
Private sector's debt securities	442,392	-	442,392	-	442,392
Domestic marketable equity securities	10,188	10,188	-	-	10,188
Domestic non-marketable equity security	235,181	-	-	235,181	235,181
Total assets	35,978,954	2,255,268	33,488,505	235,181	35,978,954
Liabilities					
Derivatives liabilities	9,319,498	-	9,319,498	-	9,319,498
Total liabilities	9,319,498	-	9,319,498	-	9,319,498

There were no transfers between Levels 1 and 2 during the year.



The following table presents the financial assets and liabilities that are not measured at fair value at 31 December 2023 and 31 December 2022.

	Consolidated				
	31 December 2023				
	Carrying amount Thousand Baht	Fair value			Total Thousand Baht
		Level 1 Thousand Baht	Level 2 Thousand Baht	Level 3 Thousand Baht	
Assets					
Interbank and money market items, net	62,029,433	62,029,433	-	-	62,029,433
Loans to customers and accrued interest receivables, net	384,825,621	-	380,413,148	-	380,413,148
Investments measured at amortised cost	16,036,002	-	16,729,648	-	16,729,648
Account receivable from clearing house and broker - dealers	1,954,980	-	1,954,980	-	1,954,980
Securities and derivative business receivables	2,336,897	-	2,336,897	-	2,336,897
Total assets	467,182,933	62,029,433	401,434,673	-	463,464,106
Liabilities					
Deposits	358,902,512	-	351,589,490	-	351,589,490
Interbank and money market items, net	23,035,081	23,035,081	-	-	23,035,081
Liabilities payable on demands	483,354	-	483,354	-	483,354
Debt issued and borrowings	68,899,979	-	62,092,570	6,077,250	68,169,820
Accounts payable to clearing house and broker - dealers	151,102	-	151,102	-	151,102
Securities and derivative business payables	3,211,469	-	3,211,469	-	3,211,469
Accrued interest payable	1,063,220	-	1,063,220	-	1,063,220
Total liabilities	455,746,717	23,035,081	418,591,205	6,077,250	447,703,536



	Consolidated				
	31 December 2022				
	Carrying amount Thousand Baht	Fair value			Total Thousand Baht
		Level 1 Thousand Baht	Level 2 Thousand Baht	Level 3 Thousand Baht	
Assets					
Interbank and money market items, net	45,732,349	45,732,349	-	-	45,732,349
Loans to customers and accrued interest receivables, net	364,870,521	-	325,408,917	-	325,408,917
Investments measured at amortised cost	8,761,806	-	9,258,237	-	9,258,237
Account receivable from clearing house and broker - dealers	1,275,894	-	1,275,894	-	1,275,894
Securities and derivative business receivables	5,586,539	-	5,586,539	-	5,586,539
Total assets	426,227,109	45,732,349	341,529,587	-	387,261,936
Liabilities					
Deposits	331,464,000	-	330,803,283	-	330,803,283
Interbank and money market items, net	20,175,120	20,175,120	-	-	20,175,120
Liabilities payable on demands	339,834	-	339,834	-	339,834
Debt issued and borrowings	61,354,232	-	40,586,033	22,158,153	62,744,186
Accounts payable to clearing house and broker - dealers	164,038	-	164,038	-	164,038
Securities and derivative business payables	5,384,948	-	5,384,948	-	5,384,948
Accrued interest payable	505,437	-	505,437	-	505,437
Total liabilities	419,387,609	20,175,120	377,783,573	22,158,153	420,116,846

	Separate				
	31 December 2023				
	Carrying amount Thousand Baht	Fair value			Total Thousand Baht
		Level 1 Thousand Baht	Level 2 Thousand Baht	Level 3 Thousand Baht	
Assets					
Interbank and money market items, net	59,105,174	59,105,174	-	-	59,105,174
Loans to customers and accrued interest receivables, net	386,610,188	-	381,072,608	-	381,072,608
Investments measured at amortised cost	15,806,942	-	16,500,588	-	16,500,588
Total assets	461,522,304	59,105,174	397,573,196	-	456,678,370
Liabilities					
Deposits	359,517,265	-	352,204,243	-	352,204,243
Interbank and money market items, net	24,131,469	24,131,469	-	-	24,131,469
Liabilities payable on demands	483,354	-	483,354	-	483,354
Debt issued and borrowings	66,878,061	-	62,092,570	3,985,333	66,077,903
Accrued interest payable	1,063,220	-	1,063,220	-	1,063,220
Total liabilities	452,073,369	24,131,469	415,843,387	3,985,333	443,960,189
	Separate				
	31 December 2022				
	Carrying amount Thousand Baht	Fair value			Total Thousand Baht
		Level 1 Thousand Baht	Level 2 Thousand Baht	Level 3 Thousand Baht	
Assets					
Interbank and money market items, net	48,186,721	48,186,721	-	-	48,186,721
Loans to customers and accrued interest receivables, net	366,616,498	-	324,753,235	-	324,753,235
Investments measured at amortised cost	8,533,243	-	9,029,674	-	9,029,674
Total assets	423,336,462	48,186,721	333,782,909	-	381,969,630
Liabilities					
Deposits	331,909,248	-	331,248,530	-	331,248,530
Interbank and money market items, net	19,500,810	19,500,810	-	-	19,500,810
Liabilities payable on demands	339,834	-	339,834	-	339,834
Debt issued and borrowings	59,719,929	-	40,586,033	19,863,850	60,449,883
Accrued interest payable	505,437	-	505,437	-	505,437
Total liabilities	411,975,258	19,500,810	372,679,834	19,863,850	412,044,494

There were no transfers between Levels 1 and 2 during the year.



Other financial instruments not carried at fair value are typically short-term in nature and reprice to current market rate frequently. Accordingly, their carrying amount is a reasonable approximation of fair value. This includes saving deposits and current deposits presented as both interbank and money market assets and liabilities items, account receivable from clearing house and broker-dealers, securities and derivative business receivables, liabilities payable on demand, account payable to cleaning house and broker-dealers and securities and derivative business payables.

Fair value of the following assets and liabilities is estimated for the purpose of disclosure as described below;

Loans to customers and accrued interest receivable, net

For floating rate loans, the fair value is equal to the carrying amount.

For fixed rate loans which are not classified as credit-impaired loans, the fair value is equal to the present value of future cash flows discounted by the effective interest of loans with similar features.

For non-performing fixed rate loans, the fair value is equal to the carrying amount.

Interbank and money market items

The interbank and money market items (assets) are loans to financial institutions which are short-term or at call. Accordingly, their carrying amount is a reasonable approximation of fair value.

The interbank and money market items (liabilities) are borrowing and fixed deposits which are short-term. Accordingly, their carrying amount is a reasonable approximation of fair value.

Liabilities payable on demands

The carrying amount of liabilities payable on demands in the statement of financial positions approximates to fair value.

Deposits

For saving and current deposits, the fair value is estimated by using carrying amount.

For fixed deposits and certificate of deposit, the fair value is estimated by using discounted cash flow applying current rates offered for fixed deposits of similar remaining maturities.

Debt issued and borrowings

The fair value of debt issued, and borrowings is estimated by using quoted prices or yields of the Thai Bond Association at the statement of financial positions. In case of there is no active market price or borrowing portion of structured notes, the fair value is estimated by using present value of cash flows discounted by interest rate which reflects the Bank credit risk.



Accrued interest payable

The carrying amount of accrued interest payable in the statement of financial positions approximates to fair value.

Investments measured at amortised cost

The fair value of investments measured at amortised cost is of government securities and private's sector debt securities is estimated by using the average bidding yields and mark-to-market yield of the Thai Bond Association at the statement of financial positions.

56.2 Valuation techniques used to derive Level 2 fair values

Level 2 market derivatives comprises of ;

- Forward foreign exchange contracts and foreign exchange swaps which are fair valued based on forward rate of foreign currency against Thai Baht and discounted with Thai Baht interest rate.
- Interest rate swap and cross currency swap are fair valued based on the cash flows from contract rate (for fixed interest rate) or forward rate (for floating rate) and discounted with interest rate in each currency which can be obtained from observable market.
- Equity linked swap is fair valued based on each component in contracts. For equity component, the fair value is measured by using the last bid price quoted by the Stock Exchange of Thailand. For accrued dividend payable or receivable, the fair value is measured based on the expected cash inflow or outflow. For interest component, the fair value measurement is calculated the same method with interest rate swap contracts.
- The fair value of the option is calculated by using widely accepted model which valuation inputs are mainly observable.

The counterparty risk from derivative transactions is taken into account when reporting the fair value of derivative positions. The adjustment to the fair value is known as the credit value adjustment ('CVA').

Level 2 debt investments of marketable securities are fair valued based on the average bidding yields or mark-to-market yield of the Thai Bond Market Association under discounted cash flow model.

56.3 Fair value measurements using significant unobservable inputs (Level 3)

Equity Investment in listed companies

The equity valuation of investment in listed companies are normally determined by the market value. However, one of the foreign marketable equity securities held by the Group has been on trading suspension since May 2021 as the company has been in debt restructuring process due to the effect of Covid-19 pandemic. The rationale for the write-down could be summarized as follow:



- The company has been on trading suspension since 18 May 2021 until further notice, depending on the relevant authorities' judgement.
- The company might likely go through a lengthy debt restructuring process.
- The situation and outlook of the company are highly uncertain during COVID period when the company's operation should face difficulty, plus the company could not access to additional loans and;
- The latest financial statement available was December 2021, therefore, management could not assess the current situation of the company.

Due to these rationales, the Management took a conservative approach and adjust the valuation the investment in this company from Baht 148.12 million to Baht 0.00.

Non-marketable equity securities

	Non-marketable equity securities			
	Consolidated		Separate	
	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht
Opening balance	967,856	955,136	235,181	231,075
Addition	542,892	-	-	-
Gain (loss) recognised in other comprehensive income	(5,815)	12,720	20,430	4,106
Closing balance	1,504,933	967,856	255,611	235,181

There was no changes in fair value basis and estimation during the period/year.

Convertible Bond

	Consolidated	
	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht
Opening balance	-	65,853
Disposal	-	(63,795)
Gain (loss) recognised in profit and loss	-	(2,058)
Closing balance	-	-

56.4 Group's valuation processes

Non-marketable equity securities

The Group using 2 methods to measure the fair value of non-marketable equities security as follows:

- Dividend Discount Model and Discounted Cash Flows Model for non-marketable equity securities and the Group expects to receive a return from the investment.
- Reference price from net asset value for non-marketable equity securities and the Group does not expect to receive a return from the investment.

The recoverable amount of these equity investments are determined by the Dividend Discount Model and the Discounted Cash Flows Model. This calculation used the projection based on financial budgets covering a ten year period which are referred from the future business plan of the company together with the estimated growth rates of market and the company which management believes that ten years period can reflect their business plan. The discount rate uses are 12.5% - 14.0% and the dividend and cash flows beyond the ten-year extrapolation uses the estimated growth rate of 2.0% - 2.5% and the recoverable amount is Baht 1,248.81 million.

The change in dividend discount rate and dividend growth rate increased by 1% or decreased by 1% can affect on profit or loss in the consolidated and the separate financial statements as follows:

	Consolidated			
	31 December 2023		31 December 2022	
	Discount Rate Million Baht	Dividend Discount Rate Million Baht	Discount Rate Million Baht	Dividend Discount Rate Million Baht
Rate increased 1%	(139.55)	100.23	(89.29)	47.69
Rate decreased 1%	186.37	(69.91)	106.77	(40.70)

The following table presents the summary of quantitative information that significant unobservable in Level 3.

		Consolidated		
		Fair value	Fair value	
Measurement		31 December 2023 Thousand Baht	31 December 2022 Thousand Baht	Unobservable information
Investment in security				
- Non-marketable				Dividend discount rate
equity securities	Dividend Discount Model	865,597	274,523	and dividend growth rate
	Reference price			No significant
	from net asset value	639,336	693,333	unobservable information
		1,504,933	967,856	

Measurement	Separate		Unobservable information
	Fair value	Fair value	
	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht	
Investment in security			
- Non-marketable equity securities			
Reference price			No significant
from net asset value	255,611	235,181	unobservable information
	255,611	235,181	

57 Subsequent events

On 22 February 2024, the Board of directors Meeting of the Bank No.2/2024 approved the resolution regarding the payment of dividend for the year of 2023 at the rate of Baht 3.00 per share, a part of which had been paid as interim dividend at the rate of Baht 1.25 per share and the remaining amount will be paid on 16 May 2024 at the rate of Baht 1.75 per share.

On 20 February 2024 the Board of directors Meeting of KKP Capital Public Company Limited (“the subsidiary”) approved the resolution regarding the payment of dividend for the year of 2023 at the rate of Baht 4.50 per share, a part of which had been paid as interim dividend at the rate of Baht 2.50 per share and the remaining amount will be paid on 30 April 2024 at the rate of Baht 2.00 per share.

On 20 February 2024, the Board of directors Meeting of Kiatnakin Phatra Securities Public Company Limited, a subsidiary company of KKP Capital Public Company Limited, approved the resolution regarding the payment of dividend for the year of 2023 at the rate of Baht 4.00 per share, a part of which had been paid as interim dividend at the rate of Baht 2.00 per share and the remaining amount will be paid on 29 April 2024 at the rate of Baht 2.00 per share.

On 19 February 2024, the Board of directors Meeting of Kiatnakin Phatra Asset Management Company Limited, a subsidiary company of KKP Capital Public Company Limited, approved the resolution regarding the payment of dividend for the year of 2023 at the rate of Baht 17.00 per share, a part of which had been paid as interim dividend at the rate of Baht 8.50 per share and the remaining amount will be paid on 25 April 2024 at the rate of Baht 8.50 per share.



Attachment



Profiles of the Directors, Executives, Controlling Persons, Chief Financial Officer, Accounting Head, and Corporate Secretary

Name - Surname/ Present Position/ Date of Appointment	Age:	Education/ Training Programs	Family Relationship with the Executive	KKP shareholding* (shares/ percentage)	Experiences in the Past 5 Years		
					Period	Position	Organization/Company Name
1. Mr. Supol Wattanavekin	68	<ul style="list-style-type: none">• Master of Business Administration (Executive) Sasin Graduate Institute of Business Administration of Chulalongkorn University• Bachelor of Laws Ramkhamhaeng University	Ms.Thitnan Wattanavekin's brother	14,176,850 (1.67)	Kiatnakin Phatra Financial Group		
• Chairman of the Board of Directors ¹					2011 - present	Chairman of the Board of Directors	Kiatnakin Phatra Bank Public Company Limited
• Chairman of the Risk Oversight Committee					2019 - present	Chairman of the Risk Oversight Committee	
• Advisor of the Executive Committee					2012 - present	Advisor of the Executive Committee	
					2003 - 2019	Chairman of the Risk Management Committee	
					Other Listed Companies		
					2004 - present	Director	The Erawan Group Public Company Limited
					Non-Listed Companies		
					2019 - present	Director	WeEat Company Limited
					2017 - present	Director	Eastern Sugar Company Limited
					2015 - present	Director	Ruam Wattana Company Limited
					1990 - present	Chairman of the Board of Directors	BOT Lease (Thailand) Company Limited
<div>Training Programs:</div> <ul style="list-style-type: none">• Thailand Investment Conference 2023 (Online)• Kiatnakin Phatra Securities Public Company Limited• BOT Digital Finance Conference 2022 (Online)• Bank of Thailand• Seminar: Cyber Resilience Leadership: Herd Immunity 2021 (Online)• Bank of Thailand, The Securities and Exchange Commission and Office of Insurance Commission• Boards that Make a Difference (BMD 9/2019)• Thai Institute of Directors Association• Seminar: Cyber Resilience Leadership Workshop "Mission in Action" (2019)• Bank of Thailand• Bangkok FinTech Fair 2019• Bank of Thailand• Bangkok Sustainable Banking Forum 2019: An Industry Wake-up Call• Bank of Thailand• Chairman Dinner (2018): Social Responsibilities in Action• Thai Institute of Directors Association• Chairman Dinner (2017)• Thai Institute of Directors Association• Family Business Club Event (3/2017)• Thai Institute of Directors Association• Seminar: SET 100 Civil and State Cooperation (2016)• The Stock Exchange of Thailand• Risk Management Program for Corporate Leader (RCL 3/2016)• Thai Institute of Directors Association							

* KKP shareholding includes the share numbers of spouses and minor children.





Name - Surname/ Present Position/ Date of Appointment	Age:	Education/ Training Programs	Family Relationship with the Executive	KKP shareholding* (shares/ percentage)	Experiences in the Past 5 Years	
					Period	Position Organization/Company Name
		<ul style="list-style-type: none">CG Forum 4/2016: Thailand CG Forum "Governance as a Driving Force for Business Sustainability"The Stock Exchange of ThailandDirector Certification Program Update (DCPU 1/2014)Thai Institute of Directors AssociationCG Forum 2/2014: Corporate Governance in the Perspective of InvestorsThe Stock Exchange of ThailandChairman Forum 1/2013: Meeting the AEC Challenge: Role of the ChairmanThai Institute of Directors AssociationCG Forum 3/2013 Conflict of Interest: Fighting Abusive RPTThe Securities and Exchange CommissionChairman Forum 2/2013 Role of the Chairman's business code of conductThai Institute of Directors AssociationFinancial Institution Governance Program (FGP 2/2011)Thai Institute of Directors AssociationFinancial sector Restructuring in Thailand: From present to the future (Special Seminar 1/2010)Thai Institute of Directors AssociationThe 5th SEACEN/ ABAC/ ABA/ PECC Public Private Dialogue for the Asia Pacific Region (2009)The South East Asia Central Bank Research and Training Center, MalaysiaSeminar: Corporate Governance Report of Thai Listed Companies (2007)Thai Listed Companies AssociationLeadership, Strategic Growth and Change (2006)Sasin Graduate Institute of Business Administration of Chulalongkorn UniversityOrganizing and Managing Strategic Alliances for Success and Profit (2006)Sasin Graduate Institute of Business Administration of Chulalongkorn UniversityDirector Certification Program (DCP 76/2006)Thai Institute of Directors AssociationDirector Accreditation Program (DAP 56/2006)Thai Institute of Directors Association				

* KKP shareholding includes the share numbers of spouses and minor children.



Name - Surname/ Present Position/ Date of Appointment	Age:	Education/ Training Programs	Family Relationship with the Executive	KKP shareholding* (shares/ percentage)	Experiences in the Past 5 Years		
					Period	Position	Organization/Company Name
2. Mrs. Dayana Bunnag ¹ • Independent Director ¹ • Chairperson of the Audit Committee	71	<ul style="list-style-type: none"> Orchestrating Winning Performance (2005) IMD International, Switzerland Board & CEO Assessment (2003) Thai Institute of Directors Association The Role of the Chairman Program (RCP 1/2000) Thai Institute of Directors Association 	None	None	Kiatnakin Phatra Financial Group		
					2015 - present	Independent Director Chairperson of the Audit Committee	Kiatnakin Phatra Bank Public Company Limited
		Training Programs: <ul style="list-style-type: none"> Seminar on "The Importance of the Audit Committee and Confidence in the Thai Capital Market" (2023) (Online) Federation of Accounting Professions Under the Royal Patronage of His Majesty the King, the Securities and Exchange Commission, the Stock Exchange of Thailand, Thai Institute of Directors Association, and Thai Listed Companies Association Director Briefing 6/2023: Sustainability Trends in Business Across Industries (Online) Thai Institute of Directors Association Navigating AI Governance and ESG Reporting for the Future (2023) (Online) KPMG BOT Digital Finance Conference 2022 (Online) Bank of Thailand Subsidiary Governance Program (SGP 2/2022) (Online) Thai Institute of Directors Association Ocean Forum Activity: Digital Transformation (2022) (Online) Ocean Life Insurance Public Company Limited Leading Innovation for driving change in your organization (2022) (Online) Bangkok University Seminar: Easy listening: Accounting Knowledge that AC should not miss (2022) (Online) The Securities and Exchange Commission Director Forum 1/2022: From "Net-Zero" to "Set-Zero" ... reimaging Business Landscape" (Online) Thai Institute of Directors Association 			Other Listed Companies		
					None		
					Non-Listed Companies		
					2022 - present	Advisor to the Information System Development Oversight Committee	Bangkok University
					2020 - present	Advisor to the Risk Management Committee of the University Member of the Human Resources Steering Committee	
					2012 - present	Advisor to the President Vice Chairperson of the Executive Committee	
					2014 - present	Chairperson of the Audit and Compliance Committee	Ocean Life Insurance Public Company Limited
					2012 - present	Independent Director	
					2005 - present	Director	Bulunburi Security Guard Company Limited
					2015 - 2018	Member of the Investment Sub-Committee	National Savings Fund
					2018 - 2023	Director	Eduvision Company Limited
					2012 - 2017	Member of the Committee on Consideration of Guidelines for Investment of Insurance Companies in Other Businesses	Office of Insurance Commission

* KKP shareholding includes the share numbers of spouses and minor children.



Name - Surname/ Present Position/ Date of Appointment	Age:	Education/ Training Programs	Family Relationship with the Executive	KKP shareholding* (shares/ percentage)	Experiences in the Past 5 Years		
					Period	Position	Organization/Company Name
<ul style="list-style-type: none">• Ethical Leadership Program (ELP 22/2021) (Online)• Thai Institute of Directors Association• Seminar: Cyber Resilience Leadership Herd Immunity 2021 (Online)• Bank of Thailand, The Securities and Exchange Commission and Office of Insurance Commission• Capital Market Threat Landscape (2021) (Online)• The Securities and Exchange Commission• Data Awareness & Culture for Data Champions (2021) (Online)• Coraline Company Limited• Risk Management Program for Corporate Leaders (RCL 17/2019)• Thai Institute of Directors Association• IT Governance and Cyber Resilience Program (ITG 10/2019)• Thai Institute of Directors Association• Bangkok Sustainable Banking Forum 2019: An Industry Wake-up Call• Bank of Thailand• Audit Committee Forum: Upcoming Financial Reporting Standards (TFRS 9, 15 and 16): Major Changes of Financial Reporting (2018) KIPMG in Thailand• Bangkok FinTech Fair 2018: SME and Consumer Financial Solutions• Bank of Thailand• Seminar: Cyber Resilience Leadership (2017)• Bank of Thailand• Independent Director Forum 2017: Updated COSO Enterprise Risk Management: Integrating with Strategy and Performance• Thai Institute of Directors Association• Advanced Audit Committee Program (AAP 25/2017)• Thai Institute of Directors Association• Director Certification Program Update (DCPU 5/2015)• Thai Institute of Directors Association• Corporate Governance for Capital Market Intermediaries (CGI 4/2015)• Thai Institute of Directors Association• Role of the Nomination and Governance Committee (RNG 4/2013)• Thai Institute of Directors Association					2012 - 2017	Member of the Committee on Consideration of Draft Insurance Commission Declarations	Office of Insurance Commission
					Feb. - Apr. 2016	Director of the Pension Integration Committee	Ministry of Finance
					2015 - 2016	Director Member of the Audit Committee	Metropolitan Electronic Authority
					Jul. - Nov. 2014	Director Member of the Audit Committee	

* KKP shareholding includes the share numbers of spouses and minor children.



Name - Surname/ Present Position/ Date of Appointment	Age:	Education/ Training Programs	Family Relationship with the Executive	KKP shareholding* (shares/ percentage)	Experiences in the Past 5 Years		
					Period	Position	Organization/Company Name
3. Mr. Chalee Chantanayingyong Independent Director ¹ Chairman of the Compliance and Governance Committee Member of the Audit Committee	67	<ul style="list-style-type: none"> Capital Market Academy Leadership Program (CMA 11/2011) Capital Market Academy Role of the Compensation Committee (RCC 11/2010) Thai Institute of Directors Association Director Certification Program (DCP 2/2000) Thai Institute of Directors Association Fund Manager Course <ul style="list-style-type: none"> - Course 1/1996 - Refresher Course 7/2005 - Refresher Course 11 (2/2007) - Refresher Course 15 (2/2009) Association of Investment Management Companies 	None	None	Kiattakin Phatra Financial Group		
		<ul style="list-style-type: none"> Master's in Business Administration (Finance) Texas A&M University, U.S.A. Bachelor of Business Administration (Money and Banking) Thammasat University 			2022 - present	Independent Director Chairman of the Compliance and Governance Committee Member of the Audit Committee	Kiattakin Phatra Bank Public Company Limited
		Training Programs: <ul style="list-style-type: none"> Seminar on "The Importance of the Audit Committee and Confidence in the Thai Capital Market" (2023) (Online) Federation of Accounting Professions Under the Royal Patronage of His Majesty the King, the Securities and Exchange Commission, the Stock Exchange of Thailand, Thai Institute of Directors Association, and Thai Listed Companies Association Hot Issue for Directors: Climate Governance (2/2023) (Online) Thai Institute of Directors Association BOT Digital Finance Conference 2022 (Online) Bank of Thailand Hot Issue for Directors: What directors need to know about digital assets? (2022) (Online) Thai Institute of Directors Association Board Nomination and Compensation Program (BNCP 14/2022) (Online) Thai Institute of Directors Association Seminar: Easy listening: Accounting Knowledge that AC should not miss EP.2 (2022) (Online) The Securities and Exchange Commission 			2019 - present	Independent Director Member of the Audit Committee	SCG Packaging Public Company Limited
					Non-Listed Companies		
					2019 - present	Chairman of the Business Conduct Sub-committee	Thailand Clearing House Company Limited
					2019 - present	Chairman of the Appealing Committee	Thailand Futures Exchange Public Company Limited
					2018 - present	Director	Equitable Education Fund
					2013 - present	Director	The Anti-Corruption Organization of Thailand
					2019 - 2021	Chairman of the Corporate Governance and Nomination Committee	SCG Packaging Public Company Limited
					2019 - 2021	Chairman of the Appealing Committee	The Stock Exchange of Thailand

¹ Appointed effective on April 22, 2022

* KKP shareholding includes the share numbers of spouses and minor children.



Name - Surname/ Present Position/ Date of Appointment	Age:	Education/ Training Programs	Family Relationship with the Executive	KKP shareholding* (shares/ percentage)	Experiences in the Past 5 Years	
					Period	Position Organization/Company Name
4. Associate Prof. Dr. Chayodom Sabhasri	59	<ul style="list-style-type: none">• Facilitator for Director Accreditation Program (DAP) and Audit Committee Program (ACP)• Thai Institute of Directors Association• Boards that Make a Difference (BMD 10/2020)• Thai Institute of Directors Association• Risk Management Program for Corporate Leaders (RCL 21/2020)• Thai Institute of Directors Association• Advanced Audit Committee Program (AAP 38/2020)• Thai Institute of Directors Association• Anti-corruption for Executive Program (ACEP 8/2013)• Thai Institute of Directors Association• Top Executive Program, Class 5• Capital Market Academy• Top Executive Program in Commerce and Trade (TEPCoT), Class 5 Commerce Academy,• University of the Thai Chamber of Commerce• Advance Senior Executive Program (ASEP) (2006)• Sasin Graduate Institute of Business• Administration of Chulalongkorn University in collaboration with the Kellogg School of Management, Northwestern University, Chicago, IL, U.S.A.• Director Certification Program (DCP 7/2001)• Thai Institute of Directors Association	None	None	2017 - 2020	Member of the Financial Institutions Policy Committee The Bank of Thailand
					2017 - 2018	Chairman of the Audit Committee
					2015 - 2018	Member of the Corporate Governance Committee Director
					2009 - 2015	Deputy Secretary-General The Securities and Exchange Commission
					Kiatnakin Phatra Financial Group	
• Independent Director ¹ • Chairman of the Nomination and Remuneration Committee • Member of the Audit Committee	Appointed effective on April 22, 2021	<ul style="list-style-type: none">• Ph.D. in Economics (Major in International Economics and Minor in Econometrics and Mathematical Economics) University of Wisconsin - Madison, U.S.A.• M.Sc. in Economics (Major in International Economics) The London School of Economics and Political Science, University of London, UK• Diploma in Economics• The London School of Economics and Political Science, University of London, UK• Bachelor in Economics (2nd Class Honors) Chulalongkorn University	None	None	Jan. 2023 - present	Chairman of the Nomination and Remuneration Committee Member of the Audit Committee Kiatnakin Phatra Bank Public Company Limited
					2022 - Jan. 2023	Member of the Nomination and Remuneration Committee
					2021 - present	Independent Director
					Other Listed Companies	
					Dec. 2023 - present	Member of the Enterprise Risk Management Committee PTT Public Company Limited
• Chairman of the Nomination and Remuneration Committee	Appointed effective on April 22, 2021	<ul style="list-style-type: none">• The Cullinan: The Making of the Digital Board (2/2023)• Digital Economy Promotion Agency, Thailand Management Association and Ministry of Digital Economy and Society	None	None	Dec. 2023 - present	Member of the Corporate Governance and Sustainability Committee
					Dec. 2023 - present	Member of the Corporate Governance and Sustainability Committee



Name - Surname/ Present Position/ Date of Appointment	Age:	Education/ Training Programs	Family Relationship with the Executive	KKP shareholding* (shares/ percentage)	Experiences in the Past 5 Years		
					Period	Position	Organization/Company Name
<ul style="list-style-type: none"> • The Cullinan: The Making of the Digital Board (2022) Digital Economy Promotion Agency, Thailand Management Association and Ministry of Digital Economy and Society • Ethical Leadership Program (ELP 23/2021) (Online) Thai Institute of Directors Association • Advanced Audit Committee Program (AACP 33/2019) Thai Institute of Directors Association • Board Nomination and Compensation Program (BNCP 7/2019) Thai Institute of Directors Association • Director Certification Program (DCP 271/2019) Thai Institute of Directors Association • The Executive Program in Energy Literacy for a Sustainable Future (Class of 14/2019) Thailand Energy Academy • Director Accreditation Program (DAP 155/2018) Thai Institute of Directors Association • Diploma, National Defence College the National Defence Course (Class of 57/2014) Thailand National Defence College • Top Executive Program (Class of 17/2014) Capital Market Academy 					2021 - present	Independent Director	PTT Public Company Limited
					2021 - 2023	Member of the Audit Committee	
					Non-Listed Companies		
					2020 - present	Expert Members on the Board National Urban Planning Policy	Ministry of Interior
					2020 - present	Sub-committee on the implementation of the Act, Private Higher Education Institution 2003	Ministry of Higher Education, Science, Research, and Innovation
					2020 - present	Sub-committee of the Risk Oversight Committee	The Securities and Exchange Commission
					2019 - present	Academic Committee on Economic and Monetary Affairs	Parliament (Senate)
					2018 - present	Honorary Committee, Member of the Public Debt Management Policy, and Supervision Committee	Ministry of Finance
					2017 - present	Evaluation Committee	Thai Health Promotion Foundation
					2016 - present	Member of Chulalongkorn University Council	Chulalongkorn University
					1999 - present	Director	Meyer Industries Limited
					1994 - present	Professor in the Faculty of Economics	Chulalongkorn University
					2018 - 2021	Independent Director Chairman of the Nomination and Remuneration Committee Member of the Audit Committee	PTT Oil and Retail Business Public Company Limited
					2019 - 2020	Sub-Performance Agreement Committee (Sub-PAC for SFIs)	State Enterprise Policy Office, Ministry of Finance
					2016 - 2020	Chairman of Ph.D. Program in Economics	Chulalongkorn University

* KKP shareholding includes the share numbers of spouses and minor children.



Name - Surname/ Present Position/ Date of Appointment	Age:	Education/ Training Programs	Family Relationship with the Executive	KKP shareholding* (shares/ percentage)	Experiences in the Past 5 Years		
					Period	Position	Organization/Company Name
5. Ms. Punnee Chaiyakul • Independent Director ¹ • Member of the Nomination and Remuneration committee	65	• Master of Science in Mass Communication and Media Arts Southern Illinois University, U.S.A. • Bachelor of Arts (Communication Arts) Chulalongkorn University	None	None	2015 - 2020	Investment Sub-Committee, Government Pension Fund	Ministry of Finance
					2018 - 2019	Head of the Working Group for Review of Laws, Regulatory Guillotine Unit Projects	Thailand Development Research Institute
					2012 - 2018	Performance Agreement Committee for State Owned Enterprises	State Enterprise Policy Office, Ministry of Finance
					Kiattakin Phatra Financial Group		
					Jan. 2023 - present	Independent Director Member of the Nomination and Remuneration Committee	Kiattakin Phatra Bank Public Company Limited
Other Listed Companies							
Appointed effective on January 26, 2023		Training Programs: • Seminar on “The Importance of the Audit Committee and Confidence in the Thai Capital Market” (2023) (Online) Federation of Accounting Professions Under the Royal Patronage of His Majesty the King, the Securities and Exchange Commission, the Stock Exchange of Thailand, Thai Institute of Directors Association, and Thai Listed Companies Association • Director Briefing 6/2023: Sustainability Trends in Business Across Industries (Online) Thai Institute of Directors Association • Board Nomination and Compensation Program (BNCP 13/2022) Thai Institute of Directors Association • Role of the Chairman Program (RCP 48/2021) Thai Institute of Directors Association • Director Accreditation Program (DAP 168/2020) Thai Institute of Directors Association			2021 - present	Chairwoman of the Board of Directors Chairwoman of the Nomination and Remuneration Committee	Noble Development Public Company Limited
					2019 - present	Independent Director Member of the Audit Committee Member of the Risk Management Committee	
					2019 - 2021	Chairwoman of the Nomination Committee Chairwoman of the Remuneration Committee	
					Non-Listed Companies		
					2011 - 2019	Chairman	Ogilvy Thailand Company Limited
2006 - 2011	Vice Chairman	Ogilvy & Mather Thailand Company Limited					
2002 - 2006	Managing Director	Ogilvy & Mather Advertising Company Limited					

* KKP shareholding includes the share numbers of spouses and minor children.



Name - Surname/ Present Position/ Date of Appointment	Age:	Education/ Training Programs	Family Relationship with the Executive	KKP shareholding* (shares/ percentage)	Experiences in the Past 5 Years		
					Period	Position	Organization/Company Name
6. Mr. Suvit Mapaisansin • Director ¹ • Member of the Nomination and Remuneration Committee • Member of the Compliance and Governance Committee	64	<ul style="list-style-type: none"> • Master of Business Administration (Finance & International Business) Sasin Graduate Institute of Business Administration of Chulalongkorn University • Bachelor of Economics Chulalongkorn University <p>Training Programs:</p> <ul style="list-style-type: none"> • Seminar Cyber Resilience Leadership Workshop "Mission in Action" (2019) Bank of Thailand • Seminar: Director Briefing 1/2018 "Start Less, Finish More: Building Strategic Agility with Objectives and Key Results" Thai Institute of Directors Association • Seminar: Cyber Resilience Leadership (2017) Bank of Thailand • Corporate Governance for Capital Market Intermediaries (CGI 5/2015) Thai Institute of Directors Association • Audit Committee Program (ACP 3/2011) Thai Institute of Directors Association • Director Certification Program (DCP 12/2001) Thai Institute of Directors Association 	None	879,406 (0.10)	Kiatnakin Phatra Financial Group		
					2019 - present	Member of the Compliance and Governance Committee	Kiatnakin Phatra Bank Public Company Limited
					2016 - present	Member of the Nomination and Remuneration Committee	
					2012 - present	Director	
					2012 - 2016	Member of the Executive Committee	
					2010 - present	Director	KKP Capital Public Company Limited
					2010 - 2012	Executive Director	
					2003 - present	Director	Kiatnakin Phatra Securities Public Company Limited
					2017 - 2018	Chairman of the Audit Committee	
					2012 - 2017	Member of the Audit Committee	
					2009 - 2012	Executive Director	
					2012 - 2015	Chairman of the Board of Directors	Phatra Asset Management Company Limited
					Other Listed Companies		
					2015 - present	Independent Director Member of the Audit Committee Member of the Corporate Governance and Ethics Committee Member of the Nomination and Remuneration Committee	GMM Grammy Public Company Limited
					2011 - 2017	Independent Director Member of the Audit Committee	Golden Lime Public Company Limited
					2011 - 2012	Chairman of the Audit Committee	Krungthai Card Public Company Limited
					2009 - 2012	Independent Director	
					Non-Listed Companies		
					2018 - present	Director	Alpha Absolute Company Limited
					2015 - 2019	Director	Techcare International Company Limited

* KKP shareholding includes the share numbers of spouses and minor children.



Name - Surname/ Present Position/ Date of Appointment	Age:	Education/ Training Programs	Family Relationship with the Executive	KKP shareholding* (shares/ percentage)	Experiences in the Past 5 Years		
					Period	Position	Organization/Company Name
7. Prof. Dr. Anya Khanthavit <ul style="list-style-type: none">• Director¹• Member of the Risk Oversight Committee <p>¹ Appointed effective on April 24, 2017</p>	61	<ul style="list-style-type: none">• Ph.D., International Business and Finance New York University, U.S.A.• M.Phil. (Alpha Gamma Sigma), International Business and Finance, (Honors) New York University, U.S.A.• M.Sc. Transportation Management (Honors) State University of New York Maritime College, U.S.A.• Bachelor of Accounting Thammasat University <p>Training Programs:</p> <ul style="list-style-type: none">• Director Briefing 6/2023: Sustainability Trends in Business Across Industries (Online)• Thai Institute of Directors Association• Base Erosion and Profit Sharing (Pillar 2) (2023) KPMG• Refreshment Training Program 9/2023: Good practices in reporting and disclosing information for directors and executives (RFP 9/2023)• Thai Institute of Directors Association• Virtual Power Purchase Agreement (VPPA) (2023) (Online)• Electricity Generating Authority of Thailand• EGCO Group Forum 2022: Carbon Neutral Pathway Electricity Generating Public Company Limited• BOT Digital Finance Conference 2022 (Online) Bank of Thailand• EGCO Executives ESG Training Session Electricity Generating Public Company Limited• Hot Issue for Directors: What Directors Need to Know About Digital assets (2022) (Online)• Thai Institute of Directors Association• Policy forum on "Future Financial Landscape: Repositioning Thailand toward a Sustainable Digital Economy" (2022) (Online)• Bank of Thailand and Puey Ungphakorn• What Boards Need to Know About Digital Assets (2022) (Online)• Thai Institute of Directors Association	None	None	2012 - 2015	Chairman of the Board of Directors	KKTRADE Securities Company Limited
					2009 - 2019	Director	RPIC Pte. Ltd.
					2008 - 2019	Director	Ruamphon Phatra International Corp.
					Kiatnakin Phatra Financial Group		
					2017 - present	Director	Kiatnakin Phatra Bank Public Company Limited
					2019 - present	Member of the Risk Oversight Committee	
					2012 - 2019	Member of the Risk Management	
					2012 - 2017	Risk Management Advisor	
					2010 - 2012	Director	Phitra Capital Public Company Limited
					2008 - 2012	Director Advisor	Phatra Securities Public Company Limited
Other Listed Companies							
					2019 - present	Chairman of the Risk Oversight Committee	Electricity Generating Public Company Limited
					2017- present	Independent Director Member of Audit Committee	
Non-Listed Companies							
					2021 - present	Board Member of Burapha University Council	Burapha University
					2020 - present	Expert Committee Member	Thailand Science Research and Innovation
					2018 - present	Director Chairman of the Audit Committee Member of the Risk Oversight Committee	Tobacco Authority of Thailand
					2017 - present	Member of Appeal Committee	Thailand Futures Exchange Public Company Limited
					2015 - present	Member of the Thailand Quality Award Committee	Thailand Quality Award

* KKP shareholding includes the share numbers of spouses and minor children.



Name - Surname/ Present Position/ Date of Appointment	Age:	Education/ Training Programs	Family Relationship with the Executive	KKP shareholding* (shares/ percentage)	Experiences in the Past 5 Years		
					Period	Position	Organization/Company Name
<ul style="list-style-type: none"> Guest speaker Topic "CSR and ESG Risk according to the UNPD and ISO 26000 framework" Thailand Science Research and Innovation Meeting with the Audit Committee of Thai Listed Companies 2021 (Online) The Securities and Exchange Commission Ethical Leadership Program (ELP 22/2021) (Online) Thailand Institute of Directors Association Seminar: Cyber Resilience Leadership: Herd Immunity 2021 (Online) Bank of Thailand, The Securities and Exchange Commission and Office of Insurance Commission Leading Your Business through Uncertainties (2020) Thailand Institute of Directors Association Bangkok Sustainable Banking Forum 2019: An Industry Wake-up Call Bank of Thailand Seminar: Cyber Resilience Leadership Workshop "Mission in Action" (2019) Bank of Thailand Audit Committee Forum: Strategic Audit Committee: Beyond Figure and Compliance (2019) Thailand Institute of Directors Association IT Governance and Cyber Resilience Program (ITG 10/2019) Thailand Institute of Directors Association Strategic Board Master Class (SBM 5/2018) Thailand Institute of Directors Association Study trip for the development and planning energy at Germany, Kingdom of Spain and the French Republic (2018) Electricity Generating Authority of Thailand Guest speaker: Value Creation and Enhancement for Listed Companies with the New COSO 2017 Enterprise Risk Management Faculty of Commerce and Accountancy Thammasat University with the Stock Exchange of Thailand Capital Market Academy Leadership Program (CMA 23/2016) Capital Market Academy Advance Audit Committee Program (AACP 19/2015) Thailand Institute of Directors Association Director Certification Program (DCP 99/2008) Thailand Institute of Directors Association 					2012 - present	Member of the Public Service Subsidiary Board	Ministry of Finance
					2005 - present	Professor of Finance and Banking	Thammasat University
					2001 - present	Director	The Professor Sangvian Indrarajaya Foundation
					2002 - 2021	Member of the Performance Assessment Committee for State Enterprises	Ministry of Finance
					2008 - 2020	Member of the Risk Management Sub-committee	The Stock Exchange of Thailand
					2014 - 2018	Director	Thailand Tobacco Monopoly, Ministry of Finance
					2012 - 2018	Member of the Public Debt Policy Management Committee	Ministry of Finance
					2016 - 2017	Member of the Sub-committee on the Monitoring of Co-operative Financial Problems	Office of the National and Anti-Corruption Commission
					2014 - 2017	Director	Government Pharmaceutical Organization
					1999 - 2017	Academic consultant and arbitrator to settle disputes from trading transactions bond	Thai Bond Market Association

* KKP shareholding includes the share numbers of spouses and minor children.

Name - Surname/ Present Position/ Date of Appointment	Age:	Education/ Training Programs	Family Relationship with the Executive	KKP shareholding* (shares/ percentage)	Experiences in the Past 5 Years		
					Period	Position	Organization/Company Name
8. Mrs. Patchanee Limapichat • Director ¹ • Member of the Compliance and Governance Committee	61	<ul style="list-style-type: none"> • Master of Business Administration California State University at Sacramento, U.S.A. • Bachelor in Political Science Chulalongkorn University 	None	None	Kiatnakin Phatra Financial Group		
					2020 - present	Director Member of the Compliance and Governance Committee	Kiatnakin Phatra Bank Public Company Limited
					2016 - 2020	Member of the Executive Committee	
					2010 - present	Director	KKP Capital Public Company Limited
					2004 - present	Director	Kiatnakin Phatra Securities Public Company Limited
					2020 - 2021	Advisor to Kiatnakin Phatra Financial Group	
					2016 - 2019	President	
					2004 - 2016	Managing Director	
					Other Listed Companies		
					None		
9. Mr. Banyong Pongpanich • Director ¹ • (Authorized director) • Chairman of the Executive Committee • Advisor of the Risk Oversight Committee	69	<ul style="list-style-type: none"> • Master of Business Administration (Finance & International Business) Sasin Graduate Institute of Business Administration of Chulalongkorn University • Bachelor of Economics Chulalongkorn University 	None	3,300,046 (0.39)	Kiatnakin Phatra Financial Group		
					2012 - present	Director Chairman of the Executive Committee	Kiatnakin Phatra Bank Public Company Limited
					2019 - present	Advisor of the Risk Oversight Committee	
					2012 - 2019	Member of the Risk Management Committee	
					2012 - 2015	Chief Executive Officer	
					2010 - present	Chairman of the Board of Directors	KKP Capital Public Company Limited
					Non-Listed Companies		
					2021 - present	Director	Alpha Absolute Company Limited
					Training Programs:		
					<ul style="list-style-type: none"> • BOT Symposium 2019: Competitive Thailand Bank of Thailand • Corporate Governance for Capital Market Intermediaries (CGI 15/2016) Thai Institute of Directors Association 		
10. Mr. Pongpanich Pongpanich • Director ¹ • (Authorized director) • Chairman of the Executive Committee • Advisor of the Risk Oversight Committee	69	<ul style="list-style-type: none"> • Master of Business Administration (Finance & International Business) Sasin Graduate Institute of Business Administration of Chulalongkorn University • Bachelor of Economics Chulalongkorn University 	None	3,300,046 (0.39)	Kiatnakin Phatra Financial Group		
					2012 - present	Director Chairman of the Executive Committee	Kiatnakin Phatra Bank Public Company Limited
					2019 - present	Advisor of the Risk Oversight Committee	
					2012 - 2019	Member of the Risk Management Committee	
					2012 - 2015	Chief Executive Officer	
					2010 - present	Chairman of the Board of Directors	KKP Capital Public Company Limited
					Training Programs:		
					<ul style="list-style-type: none"> • BOT Symposium 2019: Competitive Thailand Bank of Thailand • Corporate Governance for Capital Market Intermediaries (CGI 15/2016) Thai Institute of Directors Association 		
					Other Listed Companies		
					None		

* KKP shareholding includes the share numbers of spouses and minor children.



Name - Surname/ Present Position/ Date of Appointment	Age:	Education/ Training Programs	Family Relationship with the Executive	KKP shareholding* (shares/ percentage)	Experiences in the Past 5 Years		
					Period	Position	Organization/Company Name
<ul style="list-style-type: none"> • Anti-Corruption for Executive Program (ACEP 2/2012) Thai Institute of Directors Association • Director Accreditation Program (DAP 36/2005) Thai Institute of Directors Association • The Role of the Chairman Program (RCP 5/2001) Thai Institute of Directors Association 					2003 - present	Chairman of the Board of Directors	Kiatnakin Phatra Securities Public Company Limited
					Other Listed Companies		
					2004 - present	Independent Director	The Erawan Group Public Company Limited
					2010 - 2017	Chairman of the Nomination and Remuneration Committee	Muang Thai Insurance Public Company Limited
					2008 - 2017	Independent Director	
					2008 - 2012	Member of the Audit Committee	
					2009 - 2011	Director	Thai Airways International Public Company Limited
Non-Listed Companies							
					2019 - present	Vice Chairman	Snoh Unakul Foundation
					2017 - present	Director	Vajiravudh College
					2012 - present	Director Executive Director	Thailand Development Research institute
					2011 - present	Director Executive Director	Buddhadasa Indapanno Archives
					2002 - present	Director	Squirrel (Thailand) Company Limited
					2002 - present	Director Executive Director	Mae Fah Luang Foundation under Royal Patronage
					2002 - present	Member of Advisory Council	Sasin Graduate Institute of Business Administration of Chulalongkorn University
					2007 - 2021	Independent Director Chairman of the Nomination and Remuneration Committee	Don Muang Tollway Public Company Limited
					2009 - 2019	Director	RPC Plc. Ltd
					2008 - 2019	Director	Ruamphon Phatra International Corp.

* KKP shareholding includes the share numbers of spouses and minor children.



Name - Surname/ Present Position/ Date of Appointment	Age:	Education/ Training Programs	Family Relationship with the Executive	KKP shareholding* (shares/ percentage)	Experiences in the Past 5 Years		
					Period	Position	Organization/Company Name
10. Ms. Thitinan Wattanavekin • Director ¹ (Authorized director) • Member of the Executive Committee	66	<ul style="list-style-type: none">• Master of Management (Management) Sasin Graduate Institute of Business• Administration of Chulalongkorn University• Bachelor of Science (Public Affairs) University of Southern California, U.S.A. <p>Training Programs:</p> <ul style="list-style-type: none">• BOT Digital Finance Conference 2022 (Online)• Bank of Thailand• Seminar: Cyber Resilience Leadership: Herd Immunity (2021) (Online)• Bank of Thailand, The Securities and Exchange Commission and Office of Insurance Commission• Boards That Make a Difference (BMD 10/2020)• Thai Institute of Directors Association• Seminar: Cyber Resilience Leadership Workshop "Mission in Action" (2019)• Bank of Thailand• Bangkok Fin Tech Fair 2019: Collaboration for the Future of Finance• Bank of Thailand• Bangkok Fin Tech Fair 2018: SME and Consumer Financial Solutions• Bank of Thailand• Seminar: Cyber Resilience Leadership (2017)• Bank of Thailand• Anti-Corruption: The Practical Guide (ACPG 33/2016)• Thai Institute of Directors Association• Capital Market Academy Leadership Program (CMA 2/2016)• Capital Market Academy• Director Certification Program Update (DCPU 5/2015)• Thai Institute of Directors Association• Corporate Governance for Capital Market Intermediaries (CGI 8/2015)• Thai Institute of Directors Association	Mr. Supol Wattanavekin's sister	35,532,761 (4.20)	2002 - 2018	Director	Cellenium (Thailand) Company Limited
					2015 - 2016	Director	National Anti-Corruption Committee
					2014 - 2016	Director	State Enterprise Policy Office
					2014 - 2016	Prime Minister's Advisor	Prime Minister's Office
					Kiatnakin Phatra Financial Group		
					2011 - present	Director	Kiatnakin Phatra Bank Public Company Limited
					2005 - present	Member of the Executive Committee	
					2012 - 2015	First Executive Vice President	
					2011 - 2014	Head of Priority Banking Group	
					2005 - 2012	Member of the Risk Management Committee	
					2012 - present	Director	KKP Capital Public Company Limited
					2012 - 2016	Director	Phatra Securities Public Company Limited
					Other Listed Companies		
					None		
					Non-Listed Companies		
					Mar. 2023 - present	Director of the University Council	Sinakhairinwiro University
					1999 - 2013	Director	KKTRADE Securities Company Limited
					2006 - 2011	Director	Chai Talay Hotel Company Limited

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Name - Surname/ Present Position/ Date of Appointment	Age:	Education/ Training Programs	Family Relationship with the Executive	KKP shareholding* (shares/ percentage)	Experiences in the Past 5 Years	
					Period	Position Organization/Company Name
11. Mr. Aphinant Kiewpatinond • Director ¹ (Authorized director) • Chief Executive Officer ² • Acting Head of Commercial Lending Group • Member of the Executive Committee • Member of the Risk Oversight Committee Appointed effective on September 12, 2012 ² Appointed effective on January 1, 2016	54	• Role of the Nomination and Governance Committee Program (RNG 6/2014) Thai Institute of Directors Association • Financial Institutions Governance Program (FGP 5/2012) Thai Institute of Directors Association • Corporate Governance and Social Responsibility (CSR 1/2007) Thai Institute of Directors Association • Diploma in the Joint State Private Course (NDC Class 19/2006) Thailand National Defence College • Directors Certification Program (DCP 1/2000) Thai Institute of Directors Association • Master of Science, Finance University of Maryland at College Park, U.S.A. • Master of Business Administration, Finance University of Maryland at College Park, U.S.A. • Bachelor of Accountancy Chulalongkorn University Training Programs: • CEO CLUB 2018 "Start Less Finish More: Building Agility and Engagement with Objective and Key Results (OKRs)" The Stock Exchange of Thailand • Corporate Governance for Capital Market Intermediaries (CGI 15/2016) Thai Institute of Directors Association • Directors Accreditation Program (DAP 82/2010) Thai Institute of Directors Association • Capital Market Academy Leadership Program (CMA 10/2010) Capital Market Academy	None	1,250,000 (0.15)	Kiatnakin Phatra Financial Group	
					2016 - present	Chief Executive Officer Kiatnakin Phatra Bank Public Company Limited
					2012 - present	Director Member of the Executive Committee
					2019 - present	Member of the Risk Oversight Committee
					2021 - 2023	Acting Head of Commercial Lending Group
					2012 - 2019	Member of the Risk Management Committee
					2012 - 2018	President
					2013 - 2016	Chairman of Commercial Banking Business
					2012 - 2013	Chairman of Capital Market Business
					2016 - present	Chief Executive Officer KKP Capital Public Company Limited
					2010 - present	Director
					2010 - 2012	Chief Executive Officer

* KKP shareholding includes the share numbers of spouses and minor children.

Name - Surname/ Present Position/ Date of Appointment	Age:	Education/ Training Programs	Family Relationship with the Executive	KKP shareholding* (shares/ percentage)	Experiences in the Past 5 Years	
					Period	Position Organization/Company Name
12. Mr. Philip Chen Chong Tan • Director ¹ (Authorized director) • President ² • Member of the Executive Committee • Member of the Risk Oversight Committee Appointed effective on May 1, 2019 • Appointed effective on October 1, 2018	58	• Master of Management (Management) Sasin Graduate Institute of Business Administration of Chulalongkorn University • Bachelor of Science Electrical Engineering University of Maryland, U.S.A. Training Programs: • Seminar: Cyber Resilience Leadership: Herd Immunity (2021) (Online) Bank of Thailand, The Securities and Exchange Commission and Office of Insurance Commission • Strategic Board Master Class (SBM 6/2019) Thai Institute of Directors Association	None	200,000 (0.02)	2016 - present	Chief Executive Officer Kiattakin Phatra Securities Public Company Limited
					2010 - present	Director
					2009 - 2012	Chief Executive Officer
					2015 - present	Chairman of the Board of Directors Chairman of the Audit Committee Kiattakin Phatra Asset Management Company Limited
					2012 - present	Director
					2018 - present	Director KKP Tower Company Limited
					2021 - present	Chairman of the Board of Directors Chairman of the Audit Committee KKP Dime Securities Company Limited
					Other Listed Companies	
					2011 - 2013	Independent Director Member of the Audit Committee Siracha Construction Public Company Limited
					Non-Listed Companies	
					2019 - present	Director Chino Italian Company Limited
					2009 - 2019	Director RPC Pte. Ltd.
					2014 - 2018	Director The Thai Bankers' Association
					2015 - 2017	Director Thai Listed Companies Association
					2015 - 2016	Chairman of the Board of Directors KKTRADE Securities Company Limited
					2012 - 2015	Director
Kiattakin Phatra Financial Group						
					2019 - present	Director Member of the Risk Oversight Committee Kiattakin Phatra Bank Public Company Limited
					2018 - present	President Member of the Executive Committee
					2020 - 2021	Acting Head of Retail Business Strategy and Innovation Group
					2021 - present	Director KKP Dime Securities Company Limited

* KKP shareholding includes the share numbers of spouses and minor children.



Name - Surname/ Present Position/ Date of Appointment	Age:	Education/ Training Programs	Family Relationship with the Executive	KKP shareholding* (shares/ percentage)	Experiences in the Past 5 Years		
					Period	Position	Organization/Company Name
<ul style="list-style-type: none">Capital Market Academy Leadership Program (CMA 23/2016)Capital Market AcademyDirector Certification Program (DCP 175/2013)Thai Institute of Directors AssociationGE Six Sigma Quality Leader Certification<ul style="list-style-type: none">- BMC 2011- LIG II 2007- MDC 2006GE Crotonville Courses					Other Listed Companies		
					2016 - 2017	Director Chief Executive Officer	Intouch Holdings Public Company Limited
					2015 - 2016	President	
					2016 - 2017	Director Member of the Executive Committee	Advance Info Service Public Company Limited
					2016 - 2017	Director Member of the Executive Committee	Thaicom Public Company Limited
					Jul. - Oct. 2015	Senior Executive Vice President	Bank of Ayudhya Public Company Limited
					Jan. - Jun. 2015	Head of Retail and Consumer Banking Acting Head of Krungsri Consumer Group	
					2014 - 2015	Executive Committee Member	
					2013 - 2015	Director Acting Head of Krungsri Auto Group President Risk Management Committee Member Advisor to the Compliance Review Committee	
					2013 - 2014	Acting Head of E-Business	
				2013	Deputy Chairman of the Executive Committee Advisor to the Credit Committee		
					Non-Listed Companies		
					2018 - present	Independent Director	Lao Telecommunication Public Company
					2011 - present	Emeritus Member, Board of Visitors	University of Maryland, Clark School of Engineering
					2014 - 2018	Member of the Advisory Board	Sasin Graduate Institute of Business Administration of Chulalongkorn University

* KKP shareholding includes the share numbers of spouses and minor children.



Name - Surname/ Present Position/ Date of Appointment	Age:	Education/ Training Programs	Family Relationship with the Executive	KKP shareholding* (shares/ percentage)	Experiences in the Past 5 Years		
					Period	Position	Organization/Company Name
13. Mr. Chet Pattrakornkul • Advisor to the Board of Directors ¹ • Advisor to the Audit Committee ¹ Appointed effective on May 12, 2022	75	• Master's in Marketing (Certificate Program) Thammasart University • Bachelor of Science (Public Administration) Ramkhamhaeng University Training Programs: • Seminar: Easy listening: Accounting Knowledge that AC should not miss (2022) (Online) The Securities and Exchange Commission • Bangkok Sustainable Banking Forum 2019: An Industry Wake-up Call Bank of Thailand • Seminar: Cyber Resilience Leadership Workshop "Mission in Action" (2019) Bank of Thailand • IT Governance and Cyber Resilience Program (ITG 9/2018) Thai Institute of Directors Association • Director Briefing 1/2018: Start Less, Finish More: Building Strategic Agility with Objectives and Key Results Thai Institute of Directors Association • Bangkok Fin Tech Fair 2018: SME and Consumer Financial Solutions Bank of Thailand • IOD Director Briefing 1/2018: Burning Issues Directors Need to Hear in the Year of the Dog Thai Institute of Directors Association • Seminar: Cyber Resilience Leadership (2017) Bank of Thailand • Independent Director Forum 2017: Update COSO Enterprise Risk Management: Integrating with strategy and performance Thai Institute of Directors Association • Boards that Make a Difference (BMD 5/2017) Thai Institute of Directors Association	None	50,000 (0.01)	2015 - 2017	Director	I.T. Applications and Service Company Limited
					2015 - 2017	Director	Touch TV Company Limited
					2015 - 2017	Director	Intouch Media Company Limited
					2015 - 2017	Chairman	HIGH Shopping Company Limited
					Kiatnakin Phatra Financial Group		
					2022 - present	Advisor to the Board of Directors Advisor to the Audit Committee	Kiatnakin Phatra Bank Public Company Limited
					2011 - 2022	Chairman of the Compliance and Governance Committee	
					2007 - 2022	Member of the Audit Committee	
					2006 - 2022	Member of the Nomination and Remuneration Committee	
					2006 - 2023	Independent Director	
					2005 - 2006	Director	
					Other Listed Companies		
					None		
Non-Listed Companies							
2005 - present	Advisor	Thai Hire-Purchase Association					

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Name - Surname/ Present Position/ Date of Appointment	Age:	Education/ Training Programs	Family Relationship with the Executive	KKP shareholding* (shares/ percentage)	Experiences in the Past 5 Years	
					Period	Position
		<ul style="list-style-type: none"> • Forum for director: Nomination Committee Best Practice Guideline (1/2017) • Thai Institute of Director Association • Audit Committee Forum: The Audit Committee's Role in Compliance and Ethical Culture Oversight (1/2017) • Thai Institute of Directors Association • Forum for director: Corporate Governance Code (2016) • Thai Institute of Directors Association • Corporate Governance for Capital Market Intermediaries (CGI 10/2015) • Thai Institute of Directors Association • CG Forum 1/2015: CG in Substance Corporate Culture and CG Principles • The Stock Exchange of Thailand • Director Certification Program Update (DCPU 1/2014) • Thai Institute of Directors Association • Financial Institutions Governance Program (FGP 2013) • Thai Institute of Directors Association • CG Forum 4/2013: The Updated COSO's 2013 Integrated Internal Control: What the Board and Managements should do • Thai Institute of Directors Association • The 2nd National Director Conference 2013: Board Leadership Evolution • Thai Institute of Directors Association • Role of the Nomination and Governance Committee (RNG 1/2011) • Thai Institute of Directors Association • Financial Institutes Reform in Thailand from Present to the Future (2010) • Thai Institute of Directors Association • Economy After the Crisis (2010) • Thai Institute of Director Association • The Board 's Role on Fraud Prevention and Detection (2010) • Thai Institute of Directors Association • Monitoring the System of Internal Control and Risk Management (MIR 5/2009) • Thai Institute of Directors Association • Monitoring of the Quality of Financial Reporting (MFR 7/2009) • Thai Institute of Directors Association 				

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Name - Surname/ Present Position/ Date of Appointment	Age:	Education/ Training Programs	Family Relationship with the Executive	KKP shareholding* (shares/ percentage)	Experiences in the Past 5 Years	
					Period	Position Organization/Company Name
14. Mr. Pongtep Polanun • Advisor to the Board of Directors ¹ ¹ Appointed effective on April 22, 2021	69	<ul style="list-style-type: none">• Monitoring Fraud Risk Management (MFM 1/2009)• Thai Institute of Directors Association• Board and Director Performance Evaluation (R-WS workshop 2/2008)• Thai Institute of Directors Association• Corporate Governance Report of Thai Listed Companies (2007)• Thai Listed Companies Association• Monitoring the Internal Audit Function (MIA 1/2007)• Thai Institute of Directors Association• Audit Committee Program (ACP 17/2007)• Thai Institute of Directors Association• Role of the Compensation Committee (RCC 1/2006)• Thai Institute of Directors Association• DCP Refresher Course (DCP 3/2006)• Thai Institute of Directors Association• Director Certification Program (DCP 9/2001)• Thai Institute of Directors Association	None	30,488 (0.00)	Kiatnakin Phatra Financial Group	
					2021 - present	Advisor to the Board of Directors Kiatnakin Phatra Bank Public Company Limited
					2012 - 2021	Independent Director
					2010 - 2012	Independent Director Member of the Audit Committee Phatra Capital Public Company Limited
					2003 - 2012	Independent Director Member of the Audit Committee Phatra Securities Public Company Limited
					Other Listed Companies	
					2016 - present	Chairman of the Nomination and Remuneration Committee Advanced Information Technology Public Company Limited
					2003 - present	Vice Chairman of the Board of Directors Independent Director Member of the Audit Committee
					2022 - present	Independent Director Muang Thai Insurance Public Company Limited
					2013 - 2014	Advisor to Managing Director
					2010 - 2011	Advisor to Managing Director

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Name - Surname/ Present Position/ Date of Appointment	Age:	Education/ Training Programs	Family Relationship with the Executive	KKP shareholding* (shares/ percentage)	Experiences in the Past 5 Years		
					Period	Position	Organization/Company Name
					2010 - 2011	Director	Krung Thai Bank Public Company Limited
					2000 - 2012	Advisor to Managing Director	The Royal Ceramic Industry Public Company Limited
Non-Listed Companies							
					2021 - present	Director	Eastern Spectrum Group Company Limited
					2007 - present	Director	K S P Square Company Limited
					2010 - 2012	Chairman of the Board of Directors	Krung Thai IBJ Leasing Company Limited
Kiatnakin Phatra Financial Group							
15. Mrs. Kuhan Tsanthaiwo • First Executive Vice President ¹ • Advisor to Chief Executive Officer • Acting Department Head of Deposit and Bancassurance Product Development • Member of the Executive Committee ²	59	<ul style="list-style-type: none"> Master of Science in Computer Information Systems (MSCIS) New Hampshire College, U.S.A. Master of Business Administration (Management) Sasin Graduate Institute of Business Administration of Chulalongkorn University Bachelor of Political Science Chulalongkorn University 	None	None	2020 - present	Member of the Executive Committee	Kiatnakin Phatra Bank Public Company Limited
					Jun. - Dec. 2023	Advisor to Chief Executive Officer	
					2022 - 2023	Acting Department Head of Deposit and Bancassurance Product Development	
					2014 - 2023	First Executive Vice President	
					2021 - May 2023	Head of Private Client Business	
					2018 - 2021	Acting Department Head of Investment Support & Services	
					2017 - 2021	Acting Department Head of Lombard Loan	
					2014 - 2021	First Executive Vice President Head of Priority Banking Group Acting Department Head of Marketing Support	
					2020 - 2021	Acting Head of Sales and Distribution Group	
					2020 - present	Director	KKP Capital Public Company Limited
					2024 - present	Chairwoman of Private Client Business Group	Kiatnakin Phatra Financial Group

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¹ Appointed effective on June 1, 2014

² Appointed effective on January 30, 2020

Training Programs:

- IT Governance and Cyber Resilience Program (ITG 10/2019)
- Thailand Institute of Directors Association
- Family Business Governance (FBG 9/2017)
- Thailand Institute of Directors Association
- IOD Special Event 6/2016: Family Business Club Dinner: The Professional Management Succession of Family Business
- Thailand Institute of Directors Association
- Corporate Governance for Capital Market Intermediaries (CGI 8/2015)
- Thailand Institute of Directors Association
- Corporate Governance for Executives (CGE 3/2015)
- Thailand Institute of Directors Association
- Director Accreditation Program (DAP 37/2005)
- Thailand Institute of Directors Association



Name - Surname/ Present Position/ Date of Appointment	Age:	Education/ Training Programs	Family Relationship with the Executive	KKP shareholding* (shares/ percentage)	Experiences in the Past 5 Years		
					Period	Position	Organization/Company Name
16. Dr. Anuchit Anuchitanukul • First Executive Vice President ¹ • Advisor to Chief Executive Officer ² • Member of the Executive Committee ¹ Appointed effective on July 2, 2013 ² Appointed effective on September 1, 2020	52	<ul style="list-style-type: none"> • Ph.D. (Computer Science) Stanford University, U.S.A. • Master of Engineering (Computer Science) Stanford University, U.S.A. • Master of Business Administration (Finance) Chulalongkorn University • Bachelor of Engineering (1st Class Honors) Chulalongkorn University Training Programs: <ul style="list-style-type: none"> • Thailand Insurance Super Leadership Program (1/2020) • Office of Insurance Commission • Capital Market Academy Leadership Program (CMA 28/2019) • Capital Market Academy 	None	None	2020 - present	Director	Kiatnakin Phatra Securities Public Company Limited
					2020 - May 2023	Managing Director Head of Private Client Business	
					2012 - 2019	Managing Director Head of Private Client Group	
					2017 - present	Director Member of the Audit Committee	Kiatnakin Phatra Asset Management Company Limited
					2021 - present	Director Member of the Audit Committee	KKP Dime Securities Company Limited
					Other Listed Companies		
					None		
					Non-Listed Companies		
					2013 - present	Director	Princess Magg Foundation
					2012 - 2016	Director Member of the Audit Committee	KKTRADE Securities Company Limited
					Kiatnakin Phatra Financial Group		
					2020 - present	Advisor to Chief Executive Officer	Kiatnakin Phatra Bank Public Company Limited
					2016 - present	Member of the Executive Committee	
					2013 - present	First Executive Vice President	
					Jan. - Aug. 2020	Head of Retail Business Strategy and Innovation Group	
					2013 - 2019	Head of Process and Product Improvement and Alternative Channels Group	
					2021 - present	Director	KKP Dime Securities Company Limited

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Name - Surname/ Present Position/ Date of Appointment	Age:	Education/ Training Programs	Family Relationship with the Executive	KKP shareholding* (shares/ percentage)	Experiences in the Past 5 Years		
					Period	Position	Organization/Company Name
<ul style="list-style-type: none">• Strategy and Innovation for Businesses in Asia (SIBA 2012)• Massachusetts Institute of Technology - College of Management Mahidol University• OIC Advanced Insurance Institute (OIC All 2012)• Office of Insurance Commission• Top Executive Program in Commerce and Trade (TEPCoT 2011)• University of the Thai Chamber of Commerce• TLCA Executive Development Program (EDP 2009)• Thai Listed Companies Association• Director Certification Program (DCP 93/2007)• Thai Institute of Directors Association	Other Listed Companies						
	2021 - present	Independent director Member of Risk Management Committee	WHA Corporation Public Company Limited				
	2020 - present	Independent Director Member of the Audit Committee	I.C.C. International Public Company Limited				
	2018 - 2021	Director	Bangchak Corporation Public Company Limited				
	Non-Listed Companies						
	2022 - present	Director	WHA Industrial Development Public Company Limited				
	2021 - present	Chairman	SET Venture Holding Company Limited				
	2021 - present	Director	Fourgle (Thailand) Company Limited				
	2021 - present	Director	Bee System Company Limited				
	2021 - present	Director	The Stock Exchange Thailand				
2021 - present	Chairman of the Information Technology Committee						
2021 - present	Member of the Risk Management Sub-Committee						
2021 - present	Chairman of Securities Investor Protection Fund (SIPF)						
2021 - present	Subcommittee on Database and Information System development BIG DATA / MASTER DATA	The Office of SMEs Promotion					
2020 - present	Chairman Member of the Audit Committee	Arkitektura Company Limited					

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Name - Surname/ Present Position/ Date of Appointment	Age:	Education/ Training Programs	Family Relationship with the Executive	KKP shareholding* (shares/ percentage)	Experiences in the Past 5 Years		
					Period	Position	Organization/Company Name
					2020 - present	Director Subcommittee on Standard and A regulation under the Board of Directors Electronic Transaction Commission Subcommittee on Strategy and Promotion under the Board of Directors Electronic Transaction Commission Qualified Director of computer science, Electronic Transactions Commission	Ministry of Digital Economy and Society
						Advisor to the Working Group for promoting liquidity in Business Operations and Electronic tax documents	
						Advisor	
						Advisor, Technology Subcommittee	
						State Enterprise Development Assessment Subcommittee for Digital transformation and Knowledge and Innovation management	
					2019 - present	Expert Board Member Member or the Audit Committee	Capital Market Development Fund Committee
						Chairman	
						Member of the Big Data Driven Board	
						The director of the Revenue Department drives the committee into digital revenue.	
						Expert Board Member	
					2018 - present	Committee For the Protection of Credit Information	State Enterprise Policy Office
						Export Board Member of the Public-Private Investment Policy Committee	
						State Enterprise Policy Office	
						State Enterprise Policy Office	
						State Enterprise Policy Office	

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Name - Surname/ Present Position/ Date of Appointment	Age:	Education/ Training Programs	Family Relationship with the Executive	KKP shareholding* (shares/ percentage)	Experiences in the Past 5 Years		
					Period	Position	Organization/Company Name
17. Mr. Trairak Tengthirak • First Executive Vice President • Head of Corporate Banking Group ¹ • Member of the Executive Committee	55	<ul style="list-style-type: none"> • Master of Business Administration (Finance) Seattle University, U.S.A. • Bachelor of Business Administration (Marketing) Chulalongkorn University Training Programs: <ul style="list-style-type: none"> • National Defence College (NDC 2022) • National Defence Studies Institute Journal • Share-based Payment: Accounting and Case Study (2021) (Online) • Association of Thai Securities Companies • Impact of COVID-19 Pandemic on Financial Report and Accounting Standard in 2021 (Online) • Association of Thai Securities Companies • Internal Control for IPO Firm (2021) (Online) • Association of Thai Securities Companies • Personal Data Protection Law on Investment Banking Business (2021) (Online) • Association of Thai Securities Companies • Internal Control Modernization (2021) (Online) • Association of Thai Securities Companies • Analysis and valuation of the Company's shares in leasing and hire purchase and construction business (2017) • Association of Thai Securities Companies • The impact of accounting changes and the new auditor's report (2017) • Association of Thai Securities Companies • Guideline using of the quality Due Diligence (2016) • Association of Thai Securities Companies • REIT/ IFF: Criteria and Taxes Related (2016) • Association of Thai Securities Companies 	None	35,700 (0.00)	2015 - present	Director	Aksorn Education Public Company Limited
					2018 - 2019	Director Member of the Audit Subcommittee	The Stock Exchange of Thailand
					2017 - 2019	Advisor of the Identity provider (IDP) Committee	Ministry of Digital Economy and Society
					2016 - 2019	Member of the National e-Payment Committee	Prime Minister's Office
					Kiatnakin Phatra Financial Group		
					2020 - present	Member of the Executive Committee	Kiatnakin Phatra Bank Public Company Limited
					2018 - present	First Executive Vice President Head of Corporate Banking Group	
					2018 - 2019	Member of the Risk Management Committee	
					2014 - present	Director	KKP Capital Public Company Limited
					2020 - present	Head of Wholesales & Investment Banking Business	Kiatnakin Phatra Financial Group
					2020 - present	Managing Director	Kiatnakin Phatra Securities Public Company Limited
					2014 - present	Director	
					2010 - 2021	Managing Director Head of Investment Banking and Capital Markets Group	
					Other Listed Companies		
					2017 - present	Independent Director Member of the Audit Committee	Veranda Resort Public Company Limited
					2013 - 2021	Independent Director Member of the Audit Committee	Siracha Construction Public Company Limited
					Non-Listed Companies		
					2021 - present	Nomination and Remuneration Committee	Thai Listed Companies Association
					2021 - present	Director	

* KKP shareholding includes the share numbers of spouses and minor children.

Name - Surname/ Present Position/ Date of Appointment	Age:	Education/ Training Programs	Family Relationship with the Executive	KKP shareholding* (shares/ percentage)	Experiences in the Past 5 Years		
					Period	Position	Organization/Company Name
18. Mr. Pradha Chumnankitkosol • First Executive Vice President • Head of Special Asset Management Group ¹ • Member of the Executive Committee • Appointed effective on October 1, 2012	61	• Executive Program in Energy Science (8/2016) • PTT Public Company Limited • Internal control system for IPO companies (2015) • Association of Thai Securities Companies • Update and Impact: New Accounting Standard (2015) • Association of Thai Securities Companies • Corporate Governance for Capital Market Intermediaries (CGI 7/2015) • Thai Institute of Directors Association • Financial Advisor Course: Securities Listing (2015) • Association of Thai Securities Companies • Financial Advisor Course: Due Diligence Guideline for Financial Advisors (2015) • Association of Thai Securities Companies • Financial Advisor Course: Issuance and Offering of Securities - Bond (2015) • Association of Thai Securities Companies • Financial Advisor Course: Acquisition of Securities for business Take - Overs (2015) • Association of Thai Securities Companies • TLCA Leadership Development Program (LDP 2/2015) • Thai Listed Companies Association • Advance Audit Committee Program (AACP 15/2014) • Thai Institute of Directors Association • Capital Market Academy Leadership Program (CMA 11/2011) • Capital Market Academy	None	None	2019 - present	Director	Kruem Company Limited
					2008 - present	Director	Crystal Football Club Company Limited
					2017 - 2019	Director	RPIC Pte. Ltd.
					Kiatnakin Phatra Financial Group		
					2012 - present	First Executive Vice President Head of Special Asset Management Group	Kiatnakin Phatra Bank Public Company Limited
					Training Programs:		
					2011 - present	Member of the Executive Committee	
					2013 - 2016	Director	
					2006 - 2015	Member of the Risk Management Committee	
					2006 - 2012	Director	
					2012 - 2015	Director	Phatra Capital Public Company Limited

* KKP shareholding includes the share numbers of spouses and minor children.



Name - Surname/ Present Position/ Date of Appointment	Age:	Education/ Training Programs	Family Relationship with the Executive	KKP shareholding* (shares/ percentage)	Experiences in the Past 5 Years		
					Period	Position	Organization/Company Name
19. Mr. Kampol Jantavibool • Member of the Executive Committee ¹ ¹ Appointed effective on November 11, 2021	51	<ul style="list-style-type: none"> • Overview of Current Macro Economic Condition and Prudential Regulation - Impact to Thai Corporation (2007) • The Thai Banker's Association • Blue Ocean Strategy (2007) • Business Development Center • EVA Managing for Value Creation (2006) • Sasin Graduate Institute of Business Administration of Chulalongkorn University • Director Certification Program (DCP 75/2006) • Thai Institute of Directors Association • Risk Management (2005) • The Thai Institute of Banking and Finance Association 	None	None	2012 - 2015	Director	Phatra Securities Public Company Limited
					Other Listed Companies		
					None		
					Non-Listed Companies		
					None		
					Kiatnakin Phatra Financial Group		
					2021 - present	Member of the Executive Committee	Kiatnakin Phatra Bank Public Company Limited
					2021 - present	President	KKP Capital Public Company Limited
					2021 - 2022	Head of Digital Financial Services Group	
					2021 - present	Director Chief Executive Officer	KKP Dime Securities Company Limited
		Training Programs: <ul style="list-style-type: none"> • Directors Association Program (DAP 148/2018) • Thai Institute of Directors Association • Corporate Governance for Capital Market Intermediaries (CGI 18/2017) • Thai Institute of Directors Association 			Other Listed Companies		
					2020	First Executive Vice President Digital Banking Products Function	Siam Commercial Bank Public Company Limited
					2019 - 2020	First Executive Vice President Investment Office and Products Function	
					2019	First Executive Vice President Wholesale Banking Products Function	
					2018 - 2019	First Executive Vice President Financial Markets Division	
					2017 - 2018	Executive Vice President Investment Products Division	

* KKP shareholding includes the share numbers of spouses and minor children.

Name - Surname/ Present Position/ Date of Appointment	Age:	Education/ Training Programs	Family Relationship with the Executive	KKP shareholding* (shares/ percentage)	Experiences in the Past 5 Years		
					Period	Position	Organization/Company Name
					2015 - 2017	Executive Vice President Commercial Banking Product Management Division	Siam Commercial Bank Public Company Limited
Non-Listed Companies							
					2018 - 2020	Chief Executive Officers	SCB Securities Company Limited
					2017 - 2018	Chief Executive Officers Non-Brokerage	
20. Mr. Supachoke Supabundit • Member of the Executive Committee ¹ ¹ Appointed effective on March 1, 2020	47	• Master of Business Administration (Finance and Strategy) Sasin Graduate Institute of Business Administration of Chulalongkorn University • Bachelor of Arts (Economics) Boston University, U.S.A. Training Programs: • Good Business Structure for IPO (2023) Association of Thai Securities Companies • IFRS S1 and IFRS S2 standards, financial disclosures related to sustainability and climate change that FA should know (2023) Association of Thai Securities Companies • Share-based Payment: Accounting and Case Study (2021) Association of Thai Securities Companies • Impact of COVID-19 Pandemic on Financial Report and Accounting Standard in 2021 Association of Thai Securities Companies • Accounting Issues on M&A and Financial Instrument (2021) Association of Thai Securities Companies • Thailand Insurance Super Leadership Program (1/2020) Office of Insurance Commission • Mergers and Acquisitions: Accounting, Legal and Tax Issues (2020) Association of Thai Securities Companies	None	None	Kiattakin Phatra Financial Group		
					2020 - present	Member of the Executive Committee	Kiattakin Phatra Bank Public Company Limited
					2020 - present	Director	KKP Capital Public Company Limited
					Jan. - Dec. 2020	President	
					Jun. 2023 - present	Head of Private Client Business	Kiattakin Phatra Financial Group
					2020 - present	Director	Kiattakin Phatra Securities Public Company Limited
					2020 - present	President	
					2016 - 2019	Managing Director Investment Banking & Capital Markets Group	
					2010 - 2016	Assistant Managing Director Investment Banking & Capital Markets Group	
					2022 - present	Director	Kiattakin Phatra Asset Management Company Limited
					2021 - present	Director	KKP Dime Securities Company Limited
					Other Listed Companies		
					None		

* KKP shareholding includes the share numbers of spouses and minor children.



Name - Surname/ Present Position/ Date of Appointment	Age:	Education/ Training Programs	Family Relationship with the Executive	KKP shareholding* (shares/ percentage)	Experiences in the Past 5 Years		
					Period	Position	Organization/Company Name
Non-Listed Companies							
21. Ms. Kusumann Lowsalaraks • First Executive Vice President ¹ • Head of Auto Finance Group ² ¹ Appointed effective on November 16, 2019 ² Appointed effective on January 1, 2020	52	• Director Accreditation Program (DAP 170/2020) Thai Institute of Directors Association • New Merger Control Regulations (2019) Association of Thai Securities Companies • Capital Market Academy Leadership Program (CMA 26/2018) Capital Market Academy • Advanced Insurance Science Course (5/2016) Office of the Insurance Business Supervision and Promotion Commission • TLCA Executive Development Program (EDP 10/2012) Thai Listed Companies Association	None	None	Mar. 2023 - present	Director	Varunt Holding Pte. Ltd. (Singapore)
					2022 - present	Director	The Stock Exchange of Thailand
					2020 - present	Director	Asco Business Promotion Company Limited
					2020 - present	Director	Association of Securities Companies
					2001 - present	Director	Phuket Suite Pavillion Company Limited
					2001 - present	Director	Pahol Yothin Suite Company Limited
					2001 - present	Director	Sub Supabundit Company Limited
Kiatnakin Phatra Financial Group							
		• Master of Business Administration (Management) Kellogg Graduate School of Management Northwestern University, U.S.A. • Bachelor of Economics Osaka University, Japan Training Programs: • Strategic Formulation and Execution of Strategy (SFE 3/2009) Thai Institute of Directors Association	None	None	2019 - present	First Executive Vice President Head of Auto Finance Group	Kiatnakin Phatra Bank Public Company Limited
					2020 - 2022	Acting Department Head of Auto Finance Performance Management and Salesforce Effectiveness	
					Jan. - Mar. 2021	Acting Department Head of Auto Inventory Finance	
					Nov. - Dec. 2019	First Executive Vice President Executive Office	
					Other Listed Companies		
					2015 - 2018	Executive Vice President (Head of Marketing Division)	Bank of Ayudhya Public Company Limited
					2013 - 2015	Chief Marketing Officer	Ayudhya Capital Auto Lease Public Company Limited
					2008 - 2012	Chief Risk Officer	
Non-Listed Companies							
None							

* KKP shareholding includes the share numbers of spouses and minor children.

Name - Surname/ Present Position/ Date of Appointment	Age:	Education/ Training Programs	Family Relationship with the Executive	KKP shareholding* (shares/ percentage)	Experiences in the Past 5 Years	
					Period	Position Organization/Company Name
222. Mrs. Kessara Liengchayetz <div><div>• First Executive Vice President¹</div><div>• Head of Priority Banking Group</div><div>• Department Head of Sales</div></div>	53	<div><div>• Master of Business Administration (Finance) University of Wisconsin - Madison, U.S.A.</div><div>• Bachelor of Business Administration Chulalongkorn University</div></div> <div>Training Programs:</div> <div><div>• Bond Trader (2021)</div><div>Thai Bond Market Association</div><div>• IC Complex 1 (2021)</div><div>Association of Thai Securities Companies</div><div>• Derivative license (2021)</div><div>Association of Thai Securities Companies</div><div>• Refresher Course for Bond Traders (2019)</div><div>Thai Bond Market Association</div><div>• TLCA Executive Development Program (EDP (2017)</div><div>Thai Listed Companies Association</div><div>• Treasury Dealer Certification (2017)</div><div>Association of Investment Management Companies</div></div>	None	90,000 (0.01)	Kiatnakin Phatra Financial Group	
					2022 - present	First Executive Vice President Head of Priority Banking Group Department Head of Sales Kiatnakin Phatra Bank Public Company Limited
					2015 - 2022	Executive Vice President Department Head of Sales
					2021- 2022	Acting Head of Priority Banking Group and Department Head of Sales
					2005 - 2015	Assistant Managing Director Private Wealth Management Department Phatra Securities Public Company Limited
Other Listed Companies						
None						
Non-Listed Companies						
None						
223. Mrs. Ketsuda Unthalye <div><div>• First Executive Vice President¹</div><div>• Head of Transactional Banking and Operations Group²</div></div>	50	<div><div>• Master of Business Administration Assumption University</div><div>• Bachelor of Economics Thammasat University</div></div> <div>Training Programs:</div> <div><div>• TLCA Executive Development Program (2019)</div><div>Thai Listed Companies Association</div><div>• Strategic CFO in Capital Market Program (2017)</div><div>The Stock Exchange of Thailand</div><div>• CFO in Practice Certificate Program (2017)</div><div>Federation of Accounting Professions</div><div>Under the Royal Patronage of His Majesty the King</div></div>	None	5,000 (0.00)	Kiatnakin Phatra Financial Group	
					Aug. 2023 - present	First Executive Vice President Head of Transactional Banking and Operations Group Kiatnakin Phatra Bank Public Company Limited
					Jul. - Aug. 2033	Executive Vice President Head of Transactional Banking and Operations Group
					2022 - Jul. 2023	Executive Vice President Deputy Head of Transactional Banking and Operations Group
					2021 - 2022	Executive Vice President Deputy Head of Operations Group
2020 - 2021	Senior Vice President Deputy Head of Operations Group Acting Department Head of Operations Strategy and Quality Management					
<div><div>¹ Appointed effective on March 1, 2022</div><div>² Appointed effective on August 2, 2023</div><div>² Appointed effective on July 1, 2023</div></div>						

* KKP shareholding includes the share numbers of spouses and minor children.



Name - Surname/ Present Position/ Date of Appointment	Age:	Education/ Training Programs	Family Relationship with the Executive	KKP shareholding* (shares/ percentage)	Experiences in the Past 5 Years		
					Period	Position	Organization/Company Name
24. Mr. Preecha Techarungchaikul • First Executive Vice President • Head of Financial Markets Group ¹ • Head of Finance and Budgeting Group ² • The person who is assigned the highest responsibility in the accounting and financial field	53	<ul style="list-style-type: none"> • Master of Science (Finance) University of Colorado, U.S.A. • Bachelor of Business Administration (Industrial Management) Thammasat University Training Programs: <ul style="list-style-type: none"> • TLCA CFO Professional Development Program (TLCA CFO CPD) no. 3/2023 Topic "Fintech: Financial Technology" (Online) (2 hours) Thai Listed Companies Association • TLCA CFO Professional Development Program (TLCA CFO CPD) no. 2/2023 Topic "Risk Management for CFOs" (Online) (2 hours) Thai Listed Companies Association • TLCA CFO Professional Development Program (TLCA CFO CPD) no. 1/2023 Topic "Economic Update for CFO" (Online) (2 hours) Thai Listed Companies Association <i>Total hours of continuing professional development on professional accounting has content related to accounting for the number of 6 hours for the year 2023</i> • BOT Digital Finance Conference 2022 (Online) Bank of Thailand 	None	None	2018 - 2020	Department Head of Operations Strategy and Quality Management	Kiatnakin Phatra Bank Public Company Limited
					2022 - 2023	Director	KKP Tower Company Limited
					Other Listed Companies		
					None		
					Non-Listed Companies		
					2017 - 2018	Vice President After-sales Service Development Department	The Stock Exchange of Thailand
					2016 - 2017	Acting Head of Accounting Department	
					2013 - 2017	Vice President Investment Management Supervise and Control Investment Department	
					Kiatnakin Phatra Financial Group		
					2019 - present	Head of Finance and Budgeting Group	Kiatnakin Phatra Bank Public Company Limited
					2013 - present	First Executive Vice President Head of Financial Markets Group	
					2019 - 2022	Acting Department Head of Investor Relations and Business Planning	
					Jan. - May 2019	Acting Head of Finance and Budgeting Group	
					2013 - 2019	Member of the Risk Management Committee	
					Other Listed Companies		
					None		
					Non-Listed Companies		
					2011 - 2013	Head of Markets	Royal Bank of Scotland, Bangkok Branch

* KKP shareholding includes the share numbers of spouses and minor children.



Name - Surname/ Present Position/ Date of Appointment	Age:	Education/ Training Programs	Family Relationship with the Executive	KKP shareholding* (shares/ percentage)	Experiences in the Past 5 Years	
					Period	Position
		<ul style="list-style-type: none">• TLCA CFO Professional Development Program (TLCA CFO CPD) no. 3/2022 Topic "PDPA for Accounting and Finance" (Online) (2 hours)• Thai Listed Companies Association• TLCA CFO Professional Development Program (TLCA CFO CPD) no. 2/2022 Topic "Economic Update CFO" (Online) (2 hours)• Thai Listed Companies Association• TLCA CFO Professional Development Program (TLCA CFO CPD) no. 1/2022 Topic "Improving the quality of financial reports of Thai listed companies" (Online) (2 hours)• Thai Listed Companies Association<i>Total hours of continuing professional development on professional accounting has content related to accounting for the number of 6 hours for the year 2022</i>• TLCA CFO Professional Development Program (TLCA CFO CPD) No.7/2021 Topic "Economic update for CFO" (Online) (2 hours)• Thai Listed Companies Association• TLCA CFO Professional Development Program (TLCA CFO CPD) No.6/2021 Topic "ESG Integration in Sustainable Investing" (Online) (2 hours)• Thai Listed Companies Association• TLCA CFO Professional Development Program (TLCA CFO CPD) no. 5/2021 Topic "Fraud & Cyber Security Risk" (Online) (2 hours)• Thai Listed Companies Association<i>Total hours of continuing Professional development on Professional accounting has content related to accounting for the number of 6 hours for the year 2021</i>• Analyze the present and know the future through financial statements 2020 (7 hours)• NYC Management Company Limited• TLCA CFO Professional Development Program (TLCA CFO CPD) 2020 no. 1/2563 topic "Update on IFRS9 and other new standards" (2 hours)• Thai Listed Companies Association<i>Total hours of continuing professional development on professional accounting has content related to accounting for the number of 9 hours for the year 2020</i>				

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Name - Surname/ Present Position/ Date of Appointment	Age:	Education/ Training Programs	Family Relationship with the Executive	KKP shareholding* (shares/ percentage)	Experiences in the Past 5 Years		
					Period	Position	Organization/Company Name
<div><ul style="list-style-type: none">Treasury Dealer Certification Course (Refresher course 2019)Thai Financial MarketTLCA CFO Professional Development Program (TLCA CFO CPD 4/2019)Thai Listed Companies AssociationTFAC Conference 2019:Future of Finance - Digital Disruption (6 hours)Federation of Accounting Professions Under the Royal Patronage of His Majesty the KingTotal hours of continuing professional development on professional accounting has content related to accounting for the number of 6 hours for the year 2019Bond Trader's Refresher Course (2018)The Thai Bond Market AssociationCFO Focus (2018) (3 hours)Federation of Accounting Professions Under the Royal Patronage of His Majesty the KingBangkok Fin Tech Fair 2018: SME and Consumer Financial SolutionsBank of Thailand</div>							
<div><div>25. Mr. Panya Vechbanyongratana</div><div>49</div><div><ul style="list-style-type: none">First Executive Vice President¹Advisor to Head of Information Technology Group</div></div>							
<div><div>1</div><div>Appointed effective on July 1, 2019</div></div>							
<div><div><div><div>Kiatnakin Phatra Financial Group</div><div><div>18 Dec. 2023 - 29 Feb. 2024</div><div>Advisor to Head of Information Technology Group</div><div>Kiatnakin Phatra Bank Public Company Limited</div></div></div><div><div>2019 - 29 Feb. 2024</div><div>First Executive Vice President</div></div><div><div>2021 - 17 Dec. 2023</div><div>Head of Customer & Digital Group</div></div><div><div>2019 - 17 Dec. 2023</div><div>Head of Information Technology Group</div></div><div><div>Other Listed Companies</div><div><div>2018 - 2019</div><div>Executive Vice President Chief Marketing Officer Head of Marketing Group</div><div>Total Access Communication Public Company Limited</div></div><div><div>2017 - 2018</div><div>Executive Vice President Chief Marketing Officer Head of Commercial Group</div></div></div></div></div>							

* KKP shareholding includes the share numbers of spouses and minor children.

Name - Surname/ Present Position/ Date of Appointment	Age:	Education/ Training Programs	Family Relationship with the Executive	KKP shareholding* (shares/ percentage)	Experiences in the Past 5 Years		
					Period	Position	Organization/Company Name
26. Dr. Papanit Poommarapan • First Executive Vice President • Head of Risk Management Group ¹ • Acting Department Head of Operational Risk Management	61	<ul style="list-style-type: none"> • Ph.D. (Engineering Management) Missouri University of Science and Technology, U.S.A. • Operations Research Wichita State University, KS, U.S.A. • Master of Science (Engineering Management) University of Louisiana at Lafayette, U.S.A. • Bachelor of Engineering Chulalongkorn University <p>Training Programs:</p> <ul style="list-style-type: none"> • 5th Annual Advanced Credit Risk Management, Modeling & Validation (2021) (online) • Marcus Evans, Singapore • 3rd Edition Practical Guide to Excellence in Operation Risk (2018) • Marcus Evans, Singapore • Risk Management Committee Program (RMP 1/2013) Thai Institute of Directors Association 	None	None	2016 - 2017	Executive Vice President Chief Sale Officer Head of Sales Group	Total Access Communication Public Company Limited
					2015 - 2016	Senior Vice President Postpaid Branded Retail Sales	
					2014 - 2015	Senior Vice President Regional Business Head	
					2013 - 2014	Senior Vice President Head of Network Operations Division	
					Non-Listed Companies		
					2017 - Jul. 2023	Director	Lerve Company Limited
					Kiatnakin Phatra Financial Group		
					2018 - present	Acting Department Head of Operational Risk Management	Kiatnakin Phatra Bank Public Company Limited
					2012 - present	First Executive Vice President Head of Risk Management Group	
					2016 - 2020	Director	Phatra Equity Market Neutral Asia Pacific Fund
					2016 - 2020	Director	Phatra Asset Management (Cayman) Limited
					2008 - 2012	Assistant Managing Director	Phatra Securities Public Company Limited
					Other Listed Companies		
					None		
					Non-Listed Companies		
					None		

* KKP shareholding includes the share numbers of spouses and minor children.



Name - Surname/ Present Position/ Date of Appointment	Age:	Education/ Training Programs	Family Relationship with the Executive	KKP shareholding* (shares/ percentage)	Experiences in the Past 5 Years		
					Period	Position	Organization/Company Name
27. Mrs. Penroong Suwannakudt • First Executive Vice President • Head of Human Resources Management Group ¹ ¹ Appointed effective on May 1, 2018	60	• Human Resource Management Graduate Diploma Program Sasin Graduate Institute of Business Administration of Chulalongkorn University • Bachelor of Social Work Program Thammasat University Training Programs: • BOT Digital Finance Conference 2022 (Online) • Bank of Thailand • HR STRENGTHS BASED LEADERSHIP WORKSHOP (2021) (Online) Miracle Coaching Company Limited • Applying OKRS to Your Company Mission and Value (2018) Personnel Management Association of Thailand • 7 Habits of Highly Effective People (2015) Allianz Ayudhya Public Company Limited • Allianz Executive Presentation (2014) Allianz Ayudhya Public Company Limited • Quiet Leadership (2012) Neuro Leadership Institute • David Ulrich: HR Strategy Business Alignment and Creatively Organization Capabilities (2011) • Director Certification Program (DCP 132/2010) Thai Institute of Directors Association • Role of the Compensation Committee (RCC 11/2010) Thai Institute of Directors Association	None	None	Kiatnakin Phatra Financial Group		
					2018 - present	First Executive Vice President Head of Human Resources Management Group	Kiatnakin Phatra Bank Public Company Limited
					Other Listed Companies		
					2013 - 2018	First Executive Vice President Human Resources	Allianz Ayudhya Public Company Limited
					2008 - 2013	Executive Vice President Human Resource Division	Thoresen Thai Agencies Public Company Limited
					Non-Listed Companies		
					None		
28. Mr. Pattarapong Raktabutr • First Executive Vice President • Head of Consumer Finance Group ¹ • Head of Branch Network Group ² ¹ Appointed effective on December 1, 2015 ² Appointed effective on April 1, 2021	56	• Master of Business Administration University of Louisville, U.S.A. • Bachelor of Political Science (Public Administrations) Thammasat University Training Programs: • Leading Across Boundaries (2009) University of Oxford, UK • Sales School (1995) Digital Equipment Corporation • Customer Quality Relations & Service (1994) Telecom Asia Corporation Public Company Limited	None	None	Kiatnakin Phatra Financial Group		
					2021 - present	Head of Branch Network Group	Kiatnakin Phatra Bank Public Company Limited
					2015 - present	First Executive Vice President Head of Consumer Finance Group	
					2021 - 2022	Head of Sales and Distribution Group	
					2021 - 2022	Acting Department Head of Planning & Analytics	
					2020 - 2021	Acting Head of Sales and Distribution Group	

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Name - Surname/ Present Position/ Date of Appointment	Age:	Education/ Training Programs	Family Relationship with the Executive	KKP shareholding* (shares/ percentage)	Experiences in the Past 5 Years		
					Period	Position	Organization/Company Name
Other Listed Companies							
2004 - 2015					Executive Vice President (Head of Client Acquisition)		
Standard Chartered Bank (Thai) Public Company Limited							
Non-Listed Companies							
None							
Kiatnakin Phatra Financial Group							
29. Mr. Worakrit Jaruwongpak • First Executive Vice President ¹ • Advisor to President ¹ Appointed effective on January 16, 2014	62	• Doctor of Business Administration Western University • Master of Business Administration (Management) National Institute of Development Administration • Bachelor of Economics Chiangmai University Training Programs: • Bangkok Fin Tech Fair 2018: SME and Consumer Financial Solutions Bank of Thailand • Director Certification Program (DCP 179/2013) Thai Institute of Directors Association • Financial Institutions Governance Program (FGP 5/2012) Thai Institute of Directors Association	None	None	Jul. - Dec. 2023	Advisor to President First Executive Vice President	Kiatnakin Phatra Bank Public Company Limited
					2014 - Jun. 2023	First Executive Vice President Head of Transactional Banking and Operations Group	
					2015 - present	Chairman of the Board of Directors	KKP Tower Company Limited
Other Listed Companies							
2010 - 2014					Executive Vice President		
Bank of Ayudhya Public Company Limited							
Non-Listed Companies							
2017 - present					Director Chairman of the Audit Committee		
Playing Cards Factory, Excise Department							
May - Jun. 2016					Director		
Erawan Law Office Company Limited							
2009 - 2013					Director		
National ITMX Company Limited							
Kiatnakin Phatra Financial Group							
30. Mr. Somkiat Jompratchaya • First Executive Vice President ¹ • Head of Retail Credit and Collection Group ² • Acting Department Head of Retail Credit Risk Management ¹ Appointed effective on March 1, 2020 ² Appointed effective on January 1, 2020	47	• Master of Business Administration Assumption University • Bachelor of Business Administration (Finance and Banking) Assumption University Training Programs: • Effective Debt Collection & Recovery Master Class (2019) Johannesburg, Bricavevents, South Africa • Executive Development Program (2018) Thai Listed Companies Association	None	None	Aug. 2023 - present	Acting Department Head of Retail Credit Risk Management	Kiatnakin Phatra Bank Public Company Limited
					2020 - present	First Executive Vice President Head of Retail Credit and Collection Group	
					Jan. - Mar. 2020	Executive Vice President Head of Retail Credit and Collection Group	

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Name - Surname/ Present Position/ Date of Appointment	Age:	Education/ Training Programs	Family Relationship with the Executive	KKP shareholding* (shares/ percentage)	Experiences in the Past 5 Years		
					Period	Position	Organization/Company Name
31. Mr. Anuwat Ruamsuke • First Executive Vice President • Head of Capital Markets Group ¹	50	<ul style="list-style-type: none"> • Risk Management Program for Corporate Leadership (RCL 7/2017) • Thai Institutes of Directors Association • Credit lab module and Collection lab Module (2014) • Banker lab • How to Develop a Risk Management Plan (HRP 3/2013) • Thai Institutes of Directors Association • Reinventing Your Business Strategy • Sasin Graduate Institute of Business Administration of Chulalongkorn University • Enterprise Risk Management • KPMG 	None	None	2015 - 2019	Executive Vice President Department Head of Retail Credit Risk Management	Kiatnakin Phatra Bank Public Company Limited
					2018 - 2019	Acting Head of Collection Office	
					Other Listed Companies		
					Oct. - Dec. 2014	Senior Vice President	Bank of Ayudhya Public Company Limited
					2003 - 2014	Senior Vice President	Ayudhya Capital Auto Lease Public Company Limited
					Non-Listed Companies		
					None		
					Kiatnakin Phatra Financial Group		
					2020 - present	First Executive Vice President Head of Capital Markets Group	Kiatnakin Phatra Bank Public Company Limited
					2016 - 2020	Executive Vice President Department Head of Debt Capital Market	
		Training Programs: <ul style="list-style-type: none"> • CMA GMS Class of 2018 • Capital Market Academy • TLCA Leadership Development Program (LDP 6/2018) • Thai Listed Companies Association • The effect of new financial reporting standards and accounting effects on the acquisition (2016) • Thai Listed Companies Association • Capital Market Academy Leadership Program (CMA 22/2016) • Capital Market Academy 	None	None	2022 - present	Managing Director Head of Investment Banking & Capital Markets Group	Kiatnakin Phatra Securities Public Company Limited
					2016 - 2021	Managing Director Head of Capital Markets Department	
					2010 - 2016	Deputy Managing Director	
					2007 - 2010	Senior Vice President	
					Other Listed Companies		
					None		
					Non-Listed Companies		
					Apr. 2023 - present	Director	CMDP Digital Infrastructure Company Limited

* KKP shareholding includes the share numbers of spouses and minor children.

Name - Surname/ Present Position/ Date of Appointment	Age:	Education/ Training Programs	Family Relationship with the Executive	KKP shareholding* (shares/ percentage)	Experiences in the Past 5 Years		
					Period	Position	Organization/Company Name
32. Mr. Aphichart Chongsanguanpradab • First Executive Vice President ¹ • Head of Legal and Compliance Group ²	49	<ul style="list-style-type: none"> • Master of Business Administration with Finance Concentration Eastern Michigan University, U.S.A. • Bachelor of Accountancy Chulalongkorn University <p>Training Programs:</p> <ul style="list-style-type: none"> • Seminar "Toward Investor Outcome" (2023) The Securities and Exchange Commission • Knowledge about securities business operations for the person with the highest responsibility in the regulatory agency (2023) • Association of Thai Securities Companies with the Compliance club • Compliance Knowledge for Head of Compliance 2023 (Online) • Thai Bankers Association • Transfer Pricing in Thailand Recent Development and Audit Trends 2022 (Online) • Baker McKenzie • What's Next for Banks: a Regional Review of Global Trends 2022 (Online) • Webinar Invitations 	None	None	2020 - present	External Funding Management Subcommittee to promote and develop innovation	National Innovation Agency
					2019 - present	Vice Chairman of Investment Banking Club	Association of Thai Securities Companies
					2019 - present	Sub-committee on Consideration of Regulations on Issuance and Offering of Equity Instruments and Governance of Securities Issuing Companies and Takeover	The Securities and Exchange Commission
					2018 - 2019	Director of Investment Banking Club	Association of Thai Securities Companies
					Kiattakin Phatra Financial Group		
					2020 - present	First Executive Vice President Head of Legal and Compliance Group	Kiattakin Phatra Bank Public Company Limited
					2020 - 2021	Acting Department head of Law and Regulatory Compliance Acting Department head of Legal and Regulatory Monitoring	
					2019 - 2020	Executive Vice President Head of Legal and Compliance Group	
					2014 - 2019	Executive Vice President Office of Compliance	
					2011 - 2014	Head of Operations Department	Phatra Securities Public Company Limited
					2004 - 2010	Head of Compliance	
					Other Listed Companies		
					1997 - 1999	Internal Auditor	Bangkok Bank Public Company Limited

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Name - Surname/ Present Position/ Date of Appointment	Age:	Education/ Training Programs	Family Relationship with the Executive	KKP shareholding* (shares/ percentage)	Experiences in the Past 5 Years		
					Period	Position	Organization/Company Name
Non-Listed Companies							
<ul style="list-style-type: none">Improvement of announcements and guidelines about Bonds 2022 (Online)The Securities and Exchange CommissionDeep Dive into Sustainability-linked Bond 2022 (Online)United Kingdom Prosperity Fund Kingdom and EY Corporate Services Co., Ltd.Exchange of opinions between senior executives (CEO Dialogue) 2022The Securities and Exchange Commission and Faculty of Law, Chulalongkorn UniversityOverview on "ESG Integration Framework" for Investment Analysis (Online)The Securities and Exchange Commission, The Stock Exchange of Thailand, CFA Institute and CFA Society ThailandCompliance Knowledge for Head of Compliance 2021 (Online)Thai Bankers AssociationASCO Compliance Training Program 2021 (Online)Association of Thai Securities CompaniesSeminar: Thailand - EU Seminar on E-Commerce and GDPR (2019)Royal Thai Embassy Brussels and Ministry of Digital Economy and SocietySeminar: ASEAN Banking Cybersecurity Conference (2019)The Thai Bankers' AssociationE - KYC for Digital Financial (Class no. 1/2019)Thai Institute of Banking and Finance AssociationElectronics Law Program (Class no. 4/2019)Thai Institute of Banking and Finance AssociationPersonal Data Protection Act B.E. 2562 Process and Practice (Class no. 3/2019)DharmnitiSeminar on Latest Debt Collection Act, Announcement of Office of the Consumer Protection Board 2018 and Hire Purchase and Leasing Guidelines (2019)Thai Hire-Purchase AssociationThe Business Law of New Financial Institution (Class no. 1/2018)Thai Institute of Banking and Finance Association	2010 - 2011	Compliance Officer	Credit Suisse (Thailand) Securities Company Limited				
	2003 - 2004	Compliance Officer	Merrill Lynch International Bank Limited (Merchant Bank) (Singapore Branch)				
		1999 - 2003	Compliance Officer	Merrill Lynch Phatra Securities Company Limited			

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Name - Surname/ Present Position/ Date of Appointment	Age:	Education/ Training Programs	Family Relationship with the Executive	KKP shareholding* (shares/ percentage)	Experiences in the Past 5 Years	
					Period	Position Organization/Company Name
		<ul style="list-style-type: none">• The Law of the Office of the Consumer Protection Board in 2018 and Market Conduct (2018) Bank of Thailand• The Practices of the Hire Purchase and Leasing (2018) Thai Hire-Purchase Association• Anti-Money Laundering and Counter Financing of Terrorist (AML/CFT) Training for Transaction Reports under section 13 and section 16 Course 1 (Class no. 2/2018) Anti-Money Laundering Office• The Information Technology Risk Supervision of Financial Institute (2018) Compliance Club of the Thai Bankers' Association• Anti-Corruption Working Paper Program No. 3/2018 Federation of Accounting Professions under The Royal Patronage of His Majesty the King• Workshop for Customer's Risk Management Framework (2018) The Securities and Exchange Commission• Compliance and Compliance Audit Auditing 7.0 CPE Credits (2018) Institute of Internal Auditors of Thailand• Roundtable Discussion 2018: Driving Business Value & Sustainability through Active (2018) The Securities and Exchange Commission• Discussion on Privacy protection, Big Data and, GDPR in the Digital Economy Development (2018) Bank of Thailand and The College of Local Administration, Khonkaen University• Seminar: The Financial instruments: TFRS 9 (2018) Department of Business Development, Ministry of Commerce• Seminar: Insurance Expo 2018: Converging Insurance Business Model with Insurance in Digital Disruption (2018) Office of Insurance Commission• Seminar: Re-Inventing Business Model Through Technological Lens (2018) The Securities and Exchange Commission and Business Software Alliance				

* KKP shareholding includes the share numbers of spouses and minor children.



Name - Surname/ Present Position/ Date of Appointment	Age:	Education/ Training Programs	Family Relationship with the Executive	KKP shareholding* (shares/ percentage)	Experiences in the Past 5 Years		
					Period	Position	Organization/Company Name
333. Ms. Nilawan Treekitjamroon <ul style="list-style-type: none">• Senior Vice President• Department Head of Accounting^{1,2}• The person who is assigned in the supervision of accounting	50	<ul style="list-style-type: none">• Master of Arts (Applied Finance) Kasetsart University• Bachelor of Accountancy Bangkok University• Certified Public Accountant Registration No. 8140	None	None	Kiattakin Phatra Financial Group		
					2015 - present	Senior Vice President Department Head of Accounting	Kiattakin Phatra Bank Public Company Limited
					2008 - 2012	Vice President Accounting Department	
					Other Listed Companies		
					None		
					Non-Listed Companies		
					None		
Training Programs:							
<ul style="list-style-type: none">• Understanding Financial Statement & Implication for Credit Risk Analysis (DAY1)• Understanding Financial Statement & Implication for Credit Risk Analysis (DAY2) <i>Continuing professional development in accounting contents (External trainings), total 13 hours for the year of 2023</i>• Effects of TFRS 16 on Lease Agreements on Financial Statements from the Perspective of Financial Information Users (2022) Federation of Accounting Professions Under the Royal Patronage of His Majesty the King• TFRS 15 and TFRS 16 Accounting and Auditing Issues to Consider (Class no. 2/2022) Federation of Accounting Professions Under the Royal Patronage of His Majesty the King• Understand fair value measurements according to TFRS 13 (Class no. 2/2022) Federation of Accounting Professions Under the Royal Patronage of His Majesty the King• <i>Continuing professional development in accounting contents (External trainings), total 18 hours for the year of 2022</i>• DBD e-Learning in accounting (2021) Department of Business Development, Ministry of Commerce• TFRS for PAEs 2021 (2021) The Stock Exchange of Thailand• TFRS9 IBOR Reformation Phase 2 and Related disclosure (2021) Federation of Accounting Professions• <i>Continuing professional development in accounting contents (External trainings), total 39 hours for the year of 2021</i>							

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Name - Surname/ Present Position/ Date of Appointment	Age:	Education/ Training Programs	Family Relationship with the Executive	KKP shareholding* (shares/ percentage)	Experiences in the Past 5 Years	
					Period	Position Organization/Company Name
34. Mr. Partsakorn Boonyaprasit • Executive Vice President ¹ • Deputy Head of Information Technology Group	47	<ul style="list-style-type: none">• Understanding TFRS for property, plant and equipment and non-current assets (2020) Department of Business Development, Ministry of Commerce• Discussion on the direction of Thai Financial Reporting Standards (TFRSs/ TFRS for NPAs) (2020) Chulalongkorn business school, Chulalongkorn University <i>Continuing professional development in accounting contents (External trainings), total 14 hours for the year of 2020</i>• PwC Thailand's 2019 Symposium: Connecting the dots: Managing corporate challenges in 2020 and beyond - Financial Reporting Update (2019) PricewaterhouseCoopers ABAS Ltd.• Thai Financial Reporting Standard 16 Leases (2019) EY Office Ltd.• Accounting practices related to foreign exchange rates (2019) Dharmniti Seminar and Training Co., Ltd. <i>Continuing professional development in accounting contents (External trainings), total 17 hours for the year of 2019</i>	None	10,500 (0.00)	Kiatnakin Phatra Financial Group	
					Jan. 2024 - present	Executive Vice President Head of Information Technology Group Kiatnakin Phatra Bank Public Company Limited
¹ Appointed effective on September 1, 2022		Training Programs: <ul style="list-style-type: none">• Singapore FinTech (SFF) (2023) Singapore FinTech Festival• BOT Digital Finance Conference (2023) Bank of Thailand• Ripple x TRM Labs Thailand Policy Summit (2023) Ripple and TRM Labs• REDeFINE Tomorrow 2023 global DeFi & Web3 Summit (2023) SCB10x• Digital Transformation Xponential (DTX4) (2023) RISE Corporate Innovation			Sep. 2022 - Dec. 2023	Executive Vice President Deputy Head of Information Technology Group
					2021 - Apr. 2022	Executive Vice President Deputy Head of Information Technology Group
					2020 - 2021	Senior Vice President Deputy Head of Information Technology Group
					2018 - 2020	Acting Department Head of Core Banking System

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Name - Surname/ Present Position/ Date of Appointment	Age:	Education/ Training Programs	Family Relationship with the Executive	KKP shareholding* (shares/ percentage)	Experiences in the Past 5 Years		
					Period	Position	Organization/Company Name
35. Ms. Najjakom Chainit • Executive Vice President ¹ • Deputy Head of Legal and Compliance Group	44	<ul style="list-style-type: none"> Organizations that share information online from the system (2023) That Banker's Association Leveraging on the Digital Advantage Banking (2022) InsureTech and Trade Finance Executive Development Program (EDP21) (2021) That Banker's Association Personal Data Protection Act 2019 and Guideline (2019) Thai Hire-Purchase Association Fundamental of Commercial Bank (2016) Kiathakin Bank Public Company Limited 	None	7,500 (0.00)	2015 - 2017	Senior Vice President Department Head of Services and Support System Development Acting Department Head of Services and Support System Development	Kiathakin Phatra Bank Public Company Limited
					Other Listed Companies		
					May - Aug. 2022	Deputy CTO, Technology	True Corporation Public Company Limited
					2014 - 2015	First Vice President	Kasikorn Bank Public Company Limited
					Non-Listed Companies		
					None		
					Kiathakin Phatra Financial Group		
					2022 - present	Executive Vice President Deputy Head of Legal and Compliance Group	Kiathakin Phatra Bank Public Company Limited
					2014 - 2020	Senior Vice President Department Head of Commercial Banking Business Legal	
					Other Listed Companies		
		Training Programs: <ul style="list-style-type: none"> Tax Law Course (Class no. 1/2020) Thammasat University Precision Contract Drafting (2018) Marcus Evans Professional Training Presentation Advantage (2016) PacRim Group 			2021 - 2022	Chief Legal Officer Executive Director	WHA Corporation Public Company Limited
					2011 - 2013	Vice President Legal advisor	CIMB Thai Bank Public Company Limited
					Non-Listed Companies		
					2010 - 2011	Legal advisor	Hunton & Williams (Thailand) Company Limited

* KKP shareholding includes the share numbers of spouses and minor children.

¹ Appointed effective on June 1, 2022

Name - Surname/ Present Position/ Date of Appointment	Age:	Education/ Training Programs	Family Relationship with the Executive	KKP shareholding* (shares/ percentage)	Experiences in the Past 5 Years		
					Period	Position	Organization/Company Name
36. Mr. Hirunroj Loutheeravong • Executive Vice President ¹ • Deputy Head of Consumer Finance Group • Acting Department Head of Personal Acquiring 1 • Acting Department Head of Telemarketing & Cross Sale ¹ Appointed effective on September 26, 2015	58	• Master of Finance Concentration Mercer University, Georgia, U.S.A. • Bachelor of Laws Thammasat University Training Programs: • Debt Collection Act (2015) Kiatnakin Bank Public Company Limited • Sales Compensation Management (2015) Kiatnakin Bank Public Company Limited • Fundamental of Commercial Bank (2015) Kiatnakin Bank Public Company Limited • Bancassurance Leadership WS (2015) Kiatnakin Bank Public Company Limited	None	None	Kiatnakin Phatra Financial Group		
					2021 - present	Acting Department Head of Personal Acquiring 1 Acting Department Head of Telemarketing & Cross Sale	Kiatnakin Phatra Bank Public Company Limited
					2020 - present	Executive Vice President Deputy Head of Consumer Finance Group	
					2015 - 2020	Acting Department head of sale and Distribution Channel	
					2015 - 2019	Deputy Head of Sales and Distribution Group	
					2014 - 2015	Executive Vice President Assistant Head of Sales and Distribution Group	
					Other Listed Companies		
None							
Non-Listed Companies							
None							
37. Mr. Chainarong Rojanasintu • Executive Vice President ¹ • Department Head of Corporate Lending ¹ Appointed effective on June 13, 2013	55	• Master of Business Administration Sasin Graduate Institute of Business Administration of Chulalongkorn University • Bachelor of Business Administration Chulalongkorn University Training Programs: • Business combinations, accounting and tax issues Common in practice (2013) Association of Thai Securities Companies • Internal Control (2012) Association of Thai Securities Companies	None	82 (0.00)	Kiatnakin Phatra Financial Group		
					2013 - present	Executive Vice President Department Head of Corporate Lending	Kiatnakin Phatra Bank Public Company Limited
					Other Listed Companies		
					None		
					Non-Listed Companies		
					None		

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Name - Surname/ Present Position/ Date of Appointment	Age:	Education/ Training Programs	Family Relationship with the Executive	KKP shareholding* (shares/ percentage)	Experiences in the Past 5 Years		
					Period	Position	Organization/Company Name
38. Mr. Naphat Theodthai • Executive Vice President ¹ • Department Head of Financial Crime Risk Management	46	<ul style="list-style-type: none"> • Master of Political Science Ramkhamhaeng University • Bachelor of Laws Ramkhamhaeng University 	None	None	Kiattakin Phatra Financial Group		
					2022 - present	Executive Vice President Department Head of Financial Crime Risk Management	Kiattakin Phatra Bank Public Company Limited
					Other Listed Companies		
					2018 - 2022	Senior Vice President Fraud Risk Management Officer	Bank of Ayudhya Public Company Limited
		Training Programs: None			2014 - 2017	Vice President Fraud Risk Management Officer	
					2011 - 2013	Assistant Vice President Fraud Risk Management Officer	
					Non-Listed Companies		
					None		
39. Dr. Narong Preedanani • Executive Vice President ¹ • Head of Office of Internal Audit	61	<ul style="list-style-type: none"> • Doctor of Business Administration (DBA) University of South Australia, Australia • Master of Business Administration University of Leicester, UK • Bachelor of Accountancy Chulalongkorn University 	None	None	Kiattakin Phatra Financial Group		
					2012 - present	Executive Vice President Head of Office of Internal Audit	Kiattakin Phatra Bank Public Company Limited
					May - Oct. 2021	Acting Department Head of Commercial Banking General Audit	
					Other Listed Companies		
		Training Programs: <ul style="list-style-type: none"> • Chief Audit Executive (CAE) Forum 2023 The Bank and Finance Institution Internal Auditors Club • The Future of Finance Summit 2023 The Thai Bankers' Association • ESG Outlook 2023: Building a Net Zero, Nature-Positive, and Equitable World PricewaterhouseCoopers ABAS Ltd. • ESG on Credit Risk 2022 (Online) PricewaterhouseCoopers ABAS Ltd. • BOT Digital Finance Conference 2022 (Online) Bank of Thailand • Regulatory Data Transformation 2022 (Online) PricewaterhouseCoopers ABAS Ltd. • Thailand Investment Conference 2022: Sustainability and Resiliency (Online) Kiattakin Phatra Securities Public Company Limited and BofA Securities 			Non-Listed Companies		
					None		
					Other Listed Companies		
					None		

* KKP shareholding includes the share numbers of spouses and minor children.



Name - Surname/ Present Position/ Date of Appointment	Age:	Education/ Training Programs	Family Relationship with the Executive	KKP shareholding* (shares/ percentage)	Experiences in the Past 5 Years	
					Period	Position
		<ul style="list-style-type: none">Seminar: Easy listening: Accounting Knowledge that AC should not miss 2022 (Online)The Securities and Exchange CommissionAI for Business Leader Course (2021)Absolute Alliances (Thailand) Co., Ltd.Building a safe business ecosystem with better digital identity (2021)PricewaterhouseCoopers ABAS Ltd. and ForgeRockFraud and Cybersecurity (2021)PricewaterhouseCoopers ABAS Ltd.Chief Audit Executive (CAE) Forum: Internal Audit: Soaring Through Turbulent Times (2021)The Bank and Financial Institution Internal Auditors ClubPrivacy & Security: The Privacy Imperatives of Consumer Data (2021)Thai Digital Technology User Group AssociationPrepare Your Firm for the Crypto-Assets Revolution (2021)Thomson ReutersIntegrating human rights into risk management (2021)PricewaterhouseCoopers ABAS Ltd.How to Respond to Emerging Fraud Issues in 2021PricewaterhouseCoopers ABAS Ltd.Privacy & Security Summit 2020Ministry of Digital Economy and Society in Collaboration with the Thai Digital User AssociationRisk and Compliance under a Digital Transformation (2020)Thomson ReutersValue Creation and Enhancement for Listed Companies with the New COSO 2017 Enterprise Risk Management (ERM)Thammasat University and the Stock Exchange of ThailandDirector Certification Program (DCP 105/2008)Thai Institute of Directors AssociationDirector Accreditation Program (DAP 56/2006)Thai Institute of Directors Association				

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Name - Surname/ Present Position/ Date of Appointment	Age:	Education/ Training Programs	Family Relationship with the Executive	KKP shareholding* (shares/ percentage)	Experiences in the Past 5 Years		
					Period	Position	Organization/Company Name
40. Ms. Tongjai Chartwinyanuyutt • Executive Vice President ¹ • Consumer Finance Product Head ¹ Appointed effective on March 1, 2021	47	<ul style="list-style-type: none"> • Master of Business Administration Missouri State University, U.S.A. • Bachelor of Business Administration (Finance) The University of the Thai Chamber of Commerce Training Programs: <ul style="list-style-type: none"> • TLCA Executive Development Program (2022) • Thai Listed Companies Association • Risk Management Program for Corporate Leaders (RCL 19/2020) • Thai Listed Companies Association • How to Develop a Risk Management Plan (HRP 26/2020) • Thai Institute of Directors Association • Insights into the Personal Data Protection Act B.E. 2562 (2019) and correct guidelines • Leasing Association • Analysis and risks for SMEs loans (2018) • The Thai Institute of Banking and Finance Association • Real Estate Law Integration 2016 • Thai Real Estate Business School 	None	None	Kiatnakin Phatra Financial Group		
					2022 - present	Executive Vice President Consumer Finance Product Head	Kiatnakin Phatra Bank Public Company Limited
					2021 - 2022	Executive Vice President Department Head of Retail Credit Risk Management	
					2015 - 2021	Senior Vice President Department Head of Retail Credit Risk Management	
					Other Listed Companies		
					None		
					Non-Listed Companies		
					2006 - 2015	VP Unsecured Products Risk Head Risk Management Department	Citibank, N.A.
					Kiatnakin Phatra Financial Group		
					2022 - present	Executive Vice President Auto Finance Product Head	Kiatnakin Phatra Bank Public Company Limited
41. Mr. Techin Dulyaritrong • Executive Vice President ¹ • Auto Finance Product Head ¹ Appointed effective on March 1, 2022	39	<ul style="list-style-type: none"> • Master of Science in Management Bayes Business School, City University London, UK • Bachelor of Science in Business, Kelley School of Business, Indiana University, U.S.A. Training Programs: <ul style="list-style-type: none"> • TLCA Executive Development Program (EDP 2020) • Thai Listed Companies Association • Young Leadership in Democratic Governance (PNP 4/2014) • King Prajadhikok's Institute 	None	50,000 (0.01)	Kiatnakin Phatra Financial Group		
					2019 - 2022	Senior Vice President Department Head of Auto Finance Marketing and Relationship Management	
					2015 - 2019	Vice President Team Lead - Credit Risk Auto Finance	
					Other Listed Companies		
					None		
					Non-Listed Companies		
					2021 - present	Director	Thai Hire-Purchase Association
					Kiatnakin Phatra Financial Group		
					2022 - present	Executive Vice President Auto Finance Product Head	Kiatnakin Phatra Bank Public Company Limited
					2019 - 2022	Senior Vice President Department Head of Auto Finance Marketing and Relationship Management	

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Name - Surname/ Present Position/ Date of Appointment	Age:	Education/ Training Programs	Family Relationship with the Executive	KKP shareholding* (shares/ percentage)	Experiences in the Past 5 Years		
					Period	Position	Organization/Company Name
42. Ms. Nithivadee Tantipoj <div><div><div>• Executive Vice President¹</div><div>• Executive Office</div></div><div><div>¹ Appointed effective on August 20, 2020</div></div></div>	42	<div><div><div>• Master of Business Administration in Management University of California at Los Angeles, U.S.A.</div><div>• Bachelor of Business Administration (International Program) Chulalongkorn University</div></div><div><div>Training Programs:</div><div><div>• Fundamental of Commercial Bank (2016) Kiatnakin Bank Public Company Limited</div><div>• Fintech Certificate Course: Future Commerce (2016) Get Smart Online</div><div>• Roles and responsibilities of financial institutions in preventing money laundering and preventing terrorist financing (2015) Kiatnakin Bank Public Company Limited</div></div></div></div>	None	100,000 (0.01)	Kiatnakin Phatra Financial Group		
	2022 - present	Executive Vice President Executive Office	Kiatnakin Phatra Bank Public Company Limited				
	2020 - 2022	Executive Vice President Department Head of Business Development					
	2014 - 2020	Senior Vice President Department Head of Business Development					
	2015 - 2017	Acting Department Head of Lombard Loan					
	2013 - 2014	Vice President Department Head of Business Development					
	2017 - present	Executive Vice President Private Wealth Management Department	Kiatnakin Phatra Securities Public Company Limited				
	2016 - 2017	Senior Vice President Private Wealth Management Department					
	2014 - 2016	Senior Vice President Capital Market Executive Office	Phatra Capital Public Company Limited				
	2012 - 2014	Vice President Capital Market Executive Office					
	2009 - 2012	Assistant Vice President Capital Market Executive Office					
Other Listed Companies							
None							
Non-Listed Companies							
None							

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Name - Surname/ Present Position/ Date of Appointment	Age:	Education/ Training Programs	Family Relationship with the Executive	KKP shareholding* (shares/ percentage)	Experiences in the Past 5 Years		
					Period	Position	Organization/Company Name
43. Ms. Pattanaai Luangtrakul • Executive Vice President ¹ • Head of Corporate and Marketing Communication Office	52	<ul style="list-style-type: none"> • Master of Business Administration Chulalongkorn University • Bachelor of Business Administration (Marketing) Assumption University 	None	None	Kiattakin Phatra Financial Group		
					2019 - present	Executive Vice President Head of Corporate and Marketing Communication Office	Kiattakin Phatra Bank Public Company Limited
					Other Listed Companies		
					None		
		Training Programs: <ul style="list-style-type: none"> • BOT Digital Finance Conference 2022 (Online) • Bank of Thailand • Everyday Coaching/ Nestlé' Leadership Program (2017) • Nestlé Group • Issue & Crisis Management (2016) • ABM Group (Co-developer) • Overseas Mission Assignment - Digital and Communication (Switzerland HQ) (2013) • Nestlé Group 			Non-Listed Companies		
					2016 - 2019	Corporate Communication & PR Group Manager	Nestlé (Thai) Ltd.
					2013 - 2016	Senior Marketing Manager - Coffee Mixes	
44. Mrs. Pichaya Sotangkur • Executive Vice President ¹ • Department Head of Commercial Credit Analysis	53	<ul style="list-style-type: none"> • Master of Business Administration University of Colorado at Denver, U.S.A. • Bachelor of Engineering (Mechanical Engineering) Chulalongkorn University 	None	None	Kiattakin Phatra Financial Group		
					2020 - present	Executive Vice President Department Head of Commercial Credit Analysis	Kiattakin Phatra Bank Public Company Limited
					2014 - 2019	Executive Vice President Department Head of Commercial Credit Analysis	
		Training Programs: <ul style="list-style-type: none"> • Business Goal Management (2016) • Kiattakin Bank Public Company Limited 			Other Listed Companies		
					None		
					Non-Listed Companies		
					None		
45. Mr. Romsai Tandakoseya • Executive Vice President ¹ • Department Head of Commercial and Financial Institutions Credit Risk Management	47	<ul style="list-style-type: none"> • Master of Management College of Management Mahidol University • Master of Business (Marketing) University of Technology Sydney, Australia • Bachelor of Commerce (Finance) Deakin University, Melbourne, Australia 	None	None	Kiattakin Phatra Financial Group		
					2017 - Present	Executive Vice President Department Head of Commercial and Financial Institutions Credit Risk Management	Kiattakin Phatra Bank Public Company Limited
					Other Listed Companies		
					2016 - 2017	Executive Vice President Credit Risk Management	Standard Chartered Bank (Vietnam) Plc.
		Training Programs: None					

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Name - Surname/ Present Position/ Date of Appointment	Age:	Education/ Training Programs	Family Relationship with the Executive	KKP shareholding* (shares/ percentage)	Experiences in the Past 5 Years		
					Period	Position	Organization/Company Name
46. Mr. Wanakan Kanjanasoon <div><div><div>• Executive Vice President¹</div><div>• Department head of Retail Business Strategy and Innovation</div></div><div><div>Appointed effective on March 1, 2018</div></div></div>	46	<div><div><div>• Master of science in computer information systems (MSCIS) Assumption University</div><div>• Master of Business Administration (Finance) National Institute of Development Administration</div><div>• Bachelor of Engineering King Mongkut's Institute of Technology Ladkrabang</div></div><div>Training Programs:</div><div><div>• Successful Formulation & Execution the Strategy (2009) Thai Institute of Directors Association</div></div></div>	None	56,500 (0.01)	2013 - 2016	Senior Vice President Credit Risk Management	Standard Chartered Bank (Thai) Public Company Limited
					Non-Listed Companies		
					None		
					Kiathakin Phatra Financial Group		
					2022 - present	Executive Vice President Department head of Retail Business Strategy and Innovation	Kiathakin Phatra Bank Public Company Limited
					2021 - 2022	Executive Vice President Department Head of Retail Strategy, Analytics, and Partnership Development	
					2020 - 2021	Executive Vice President Department Head of Retail Business Strategy	
					2018 - 2019	Executive Vice President Department Head of Marketing and Strategy	
					2016 - 2018	Senior Vice President Department Head of Marketing and Strategy Acting Head of Hire Purchase Business Development	
					2022 - present	Assistant Managing Director Department Head of Consumers & Products	Kiathakin Phatra Securities Public Company Limited
					Other Listed Companies		
					None		
					Non-Listed Companies		
None							

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Name - Surname/ Present Position/ Date of Appointment	Age:	Education/ Training Programs	Family Relationship with the Executive	KKP shareholding* (shares/ percentage)	Experiences in the Past 5 Years		
					Period	Position	Organization/Company Name
47. Mrs. Wandee Srimonthol • Executive Vice President ¹ (Assistant of President) • Executive Office	56	<ul style="list-style-type: none"> • Master of Business Administration (Finance) Dhurakij Pundit University • Bachelor of Accountancy Program University of the Thai Chamber of Commerce 	None	None	Kiattakin Phatra Financial Group		
					2022 - present	Executive Vice President (Assistant of President) Executive Office	Kiattakin Phatra Bank Public Company Limited
					Other Listed Companies		
					2018 - 2021	Executive Vice President Retail Banking Product & Strategy Group	Krung Thai Bank Public Company Limited
48. Dr. Weerawich Roekhammong • Executive Vice President ¹ • Department Head of Product Management and Business Support	44	<ul style="list-style-type: none"> • Ph.D. in Logistics Management Chulalongkorn University • Master of Science Ramkhamhaeng University • Master of Science in Finance Thammasat University • Master of Science in Development Economics and Economic Policy Analysis University of Southampton, UK • Bachelor of Economics Thammasat University 	None	None	Kiattakin Phatra Financial Group		
					2022 - present	Executive Vice President Department Head of Product Management and Business Support	Kiattakin Phatra Bank Public Company Limited
					2017 - 2022	Senior Vice President Product Management and Business Support Department	
					2015 - 2017	Vice President Product Management and Business Support Department	
		Training Programs: <ul style="list-style-type: none"> • Python Programming (Track 1: Introduction) (2022) (Online) • Python for Data Analytic (Track 2: Advanced users) (2022) (Online) 			Other Listed Companies		
					2011 - 2015	Senior Assistant Director Financial Product Development Department Global Markets Group	Bank of Ayudhya Public Company Limited
					2011 - 2011	Senior Manager Financial Planning Department	Kasikornbank Public Company Limited
					Non-Listed Companies		
					2007 - 2011	Manager Bond Pricing & Product Development	The Thai Bond Market Association

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Name - Surname/ Present Position/ Date of Appointment	Age:	Education/ Training Programs	Family Relationship with the Executive	KKP shareholding* (shares/ percentage)	Experiences in the Past 5 Years		
					Period	Position	Organization/Company Name
49. Mr. Somchai Viriyathanit <div><div>• Executive Vice President¹</div><div>• Department Head of Debt Restructuring 1</div><div>• Acting Department Head of Foreclosed Property Management</div></div> <div><div>¹ Appointed effective on March 10, 2023</div></div>	59	<div>• Bachelor of Economics (Cooperatives Economics) Kasetsart University</div> <div>Training Programs: None</div>	None	None	Kiatnakin Phatra Financial Group		
					2023 - Present	Executive Vice President Department Head of Debt Restructuring 1 Acting Department Head of Foreclosed Property Management	Kiatnakin Phatra Bank Public Company Limited
					2022 - 2023	Senior Vice President Department Head of Debt Restructuring 1 Acting Department Head of Foreclosed Property Management	
					2015 - 2022	Senior Vice President Department Head of Debt Restructuring 1	
					2011 - 2014	Vice President Department Head of Debt Restructuring 5	
Other Listed Companies							
None							
Non-Listed Companies							
None							
50. Mr. Sujarus Cherdchamadol <div><div>• Executive Vice President¹</div><div>• Department Head of Capital Market and Technology Legal</div><div>• Acting Department Head of Law and Regulatory Compliance - Capital Market</div></div> <div><div>¹ Appointed effective on April 26, 2023</div></div>	43	<div>• Certificate of Banking and Financial Laws University of Melbourne</div> <div>• Bachelor of International and Comparative Laws Monash University</div> <div>• Bachelor of Laws Thammasat University</div> <div>Training Programs: None</div>	None	25,000 (0.00)	Kiatnakin Phatra Financial Group		
					2023 - Present	Executive Vice President Department Head of Capital Market and Technology Legal Acting Department Head of Law and Regulatory Compliance - Capital Market	Kiatnakin Phatra Bank Public Company Limited
					2021 - 2023	Senior Vice President Department Head of Capital Market and Technology Legal	
					2019 - 2021	Senior Vice President Department Head of Technology and Institutional Client Legal Legal and Compliance Department	

* KKP shareholding includes the share numbers of spouses and minor children.

Name - Surname/ Present Position/ Date of Appointment	Age:	Education/ Training Programs	Family Relationship with the Executive	KKP shareholding* (shares/ percentage)	Experiences in the Past 5 Years				
					Period	Position	Organization/Company Name		
					2019 - 2019	Senior Vice President Department Head of Technology and Institutional Client Legal Legal Consultant Department	Kiatnakin Phatra Bank Public Company Limited		
					2019 - 2021	Vice President Department Head of Technology and Equity Trading Legal Legal Consultant Department			
					2016 - 2019	Vice President Acting Department Head of Technology and Equity Trading Legal Legal and Compliance Department			
					Apr. - Jul. 2023	Head of Compliance Department	KKP Dime Securities Company Limited		
					Other Listed Companies				
					None				
					Non-Listed Companies				
					None				
					Kiatnakin Phatra Financial Group				
					Jun. 2023 - present	Department Head of Treasury	Kiatnakin Phatra Bank Public Company Limited		
2023 - present	Executive Vice President Department Head of Balance Sheet Management and Department Head of Treasury								
2022 - 2023	Senior Vice President Department Head of Balance Sheet Management								
1990 - 2022	Senior Vice President Department Head of Capital Management								
Other Listed Companies									
None									
Non-Listed Companies									
None									

51. Mr. Apiwat Puspakom	47	<div><div>• Master of Arts (Economics) New York University</div><div>• Bachelor of Economics (Quantitative Economics) Chulalongkorn University</div></div> <div>Training Programs: None</div>	None	None	
<div>• Executive Vice President¹</div> <div>• Department Head of Balance Sheet Management and Department Head Of Treasury</div> <div>• Department Head of Treasury</div>					
<div>¹ Appointed effective on March 10, 2023</div>					

* KKP shareholding includes the share numbers of spouses and minor children.





Name - Surname/ Present Position/ Date of Appointment	Age:	Education/ Training Programs	Family Relationship with the Executive	KKP shareholding* (shares/ percentage)	Experiences in the Past 5 Years		
					Period	Position	Organization/Company Name
52. Ms. Pomtip Chuprakhun • Corporate Secretary ¹ • Senior Vice President • Department Head of Corporate Secretariat	55	• Master of Business Administration Assumption University • Bachelor of Arts (Political Science) Kasetsart University	None	59,001 (0.01)	Kiatnakin Phatra Financial Group		
					2011 - present	Senior Vice President Department Head of Corporate Secretariat	Kiatnakin Phatra Bank Public Company Limited
					2010 - present	Corporate Secretary	
					Other Listed Companies		
		Training Programs: • Techniques for Organizing Board Meetings (2023) (Online) Thai Listed Companies Association • Refreshment Training Program (RFP 10/2023): Conflict of interest and Related Parties Transaction: Thai Institute of Directors • "Board Retreat/ NED Meeting" (2023) (Online) Thai Listed Companies Association • Role of the company secretary in driving ESG: Company Secretary Forum 2023 Thai Institute of Directors • Guidelines for Reporting of conflict of interest and insider Trading Policy (2023) (Online) Thai Listed Companies Association • Seminar: PDPA Enforcement Preparation for the Corporate Secretary (2022) (Online) Thai Listed Companies Association • IOD Open House 2022: Guidelines on Reporting and Disclosure (Online) Thai Institute of Directors Association • Seminar: Techniques for minute taking (2022) (Online) Thai Institute of Directors Association • Guidelines to prepare the Conflict of Interest report and the Policy of the internal information usage (2021) (Online) Thai Listed Companies Association • The Role of Corporate Secretary to enhance CG in Anti-Corruption (2021) (Online) Thai Private Sector Collective Action Against Corruption and Thai Listed Companies Association • The correct director nomination process in accordance with CG Principles (2021) (Online) Thai Listed Companies Association • Seminar: Topic: Appointment, Change and Retirement by rotation of a Director, Independence Director and audit member (2020) (Online) Thai Listed Companies Association			Non-Listed Companies		
					None		
¹ Appointed effective on January 13, 2010							

* KKP shareholding includes the share numbers of spouses and minor children.



Name - Surname/ Present Position/ Date of Appointment	Age:	Education/ Training Programs	Family Relationship with the Executive	KKP shareholding* (shares/ percentage)	Experiences in the Past 5 Years	
					Period	Position
		<ul style="list-style-type: none"> • Legal Duties of Directors and Civil and Criminal Liability under Thai Laws (2019) • Tilke & Gibbins International Ltd. • Workshop for Professional Development in Forum "Beyond Regulation: The Evolution of the Company Secretary Role" (2018) • Thai Listed Companies Association • ASEAN Corporate Secretaries Professional Exchange Programme (PEP 2016) • The Hong Kong Institute of Chartered Secretaries • Thai Intelligent Investors Program (TIIP 13/2559) • Thai Investor Association • Compliance Officer (7/2014) • Faculty of Law, Chulalongkorn University • Fundamental Practice for Corporate Secretary (FPCS 23/2011) • Thai Listed Companies Association • Board Reporting Program (BRP 1/2009) • Thai Institute of Directors Association • Company Secretary Program (CSP 17/ 2006) • Thai Institute of Directors Association • Effective Minute Taking (EMT 2/2006) • Thai Institute of Directors Association • Corporate Secretary Development Program (11/2005) • Faculty of Commerce and Accountancy, Chulalongkorn University 				

Remarks: No. 1-32 and 34-51 executives are defined according to the notice of the Bank of Thailand.

No. 11-12, 17-18, 21-24, 26-28, 30-32 executives are defined according to the notice of the Securities and Exchange Commission.

* KKP shareholding includes the share numbers of spouses and minor children.

Duties and Responsibilities of the Corporate Secretary

The Corporate Secretary has duties to facilitate the work of the Board of Directors with respect to regulations, board meetings, and shareholder meetings. The responsibilities and duties of the Corporate Secretary include the following:

1. Advise directors on the basic laws and regulations that they need to know to administer the functions of the Board of Directors.
2. Organize and manage the meetings of shareholders, the Board of Directors, and committees in accordance with laws, the Bank's Articles of Association, good practices, and the charter of each committee. The Corporate Secretary is also responsible for ensuring and monitoring compliance with the resolutions of the shareholders' and Board of Directors' meetings, as well as with laws and relevant regulations.
3. Prepare and maintain key corporate documents and records, including the current registration of directors, notices and minutes of the shareholders' meetings, the annual report, and notices and minutes of the Board of Directors' meetings.
4. Ensure that directors and management prepare reports of interest for themselves and related persons in accordance with the law, keep a record of such reports, and send a copy of such reports to the Chairman of the Board and the Chairperson of the Audit Committee as required by the law.
5. Manage the disclosure of information according to the regulations of the relevant agencies overseeing the Bank.
6. Process all matters pertaining to share registration, such as dividend payments, registered capital increases, etc.
7. Perform any other act as prescribed by the Capital Market Supervisory Board and the Board of Directors.

Name*	Kiatnakin Phatra Bank Public Company Limited	Position																																														
		Subsidiaries & Associated Companies					Related Companies																																									
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44			
32. Mr. Aphichart Chongsanguanpradab	First Executive Vice President Head of Legal and Compliance Group																																															
33. Ms. Nilawan Treekitjamroon	Senior Vice President Department Head of Accounting																																															
34. Mr. Partsakorn Boonyaprasit	Executive Vice President Deputy Head of Information Technology Group																																															
35. Ms. Natjakorn Chainit	Executive Vice President Deputy Head of Legal and Compliance Group																																															
36. Mr. Hirunroj Loutheeravong	Executive Vice President Deputy Head of Consumer Finance Group Acting Department Head of Telemarketing & Cross Sale Acting Department Head of Personal Acquiring 1																																															
37. Mr. Chainarong Rojanasintu	Executive Vice President Department Head of Corporate Lending																																															
38. Mr. Naphat Theodthai	Executive Vice President Department Head of Financial Crime Risk Management																																															
39. Dr. Narong Preedanan	Executive Vice President Head of Internal Audit Office																																															
40. Ms. Tongjai Chartwinyanuyutt	Executive Vice President Consumer Finance Product Head																																															
41. Mr. Techin Dulyanitirong	Executive Vice President Auto Finance Product Head																																															
42. Ms. Nithivadee Tantipoj	Executive Vice President - Executive Office																																															
43. Ms. Pattanai Luangtrakul	Executive Vice President Head of Corporate and Marketing Communication Office																																															
44. Mrs. Pichaya Sotangkur	Executive Vice President Department Head of Commercial Credit Analysis																																															
45. Mr. Romsai Tandakoseya	Executive Vice President Department Head of Commercial and Financial Institutions Credit Risk Management																																															
46. Mr. Wananan Kanjanasoon	Executive Vice President Department Head of Retail Business Strategy and Innovation																																															





Name*	Kiatnakin Phatra Bank Public Company Limited	Subsidiaries & Associated Companies										Position																														Related Companies																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																									
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																						
47. Mrs. Wandee Srimonthol	Executive Vice President Assistant of President - Executive Office																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																		

Remarks: * Information on the names and positions of executive is shown in section 7.4.1

No. 1-32 and 35-51 are executives according to the definition of the Bank of Thailand.

No. 11-12, 17-18, 21-24, 26-28 and 30-32 are executives according to the definition of the Securities and Exchange Commission.

1. X = Chairman / = Director // = Executive Director * = Authorized Director

2. Related Company means Party entity definition may conflict under the Securities and Exchange Commission

- | | | |
|---|---|--|
| 1. KKP Capital Public Company Limited | 16. WHA Industrial Development Public Company Limited | 31. Ruam Wanthana Company Limited |
| 2. Kiatnakin Phatra Securities Public Company Limited | 17. Sub Supabundit Company Limited | 32. Buranburi Security Guard Company Limited |
| 3. Kiatnakin Phatra Asset Management Company Limited | 18. Ocean life Insurance Public Company Limited | 33. Veranda Resort Public Company Limited |
| 4. KKP Tower Company Limited | 19. Eastern Sugar Company Limited | 34. WeEat Company Limited |
| 5. KKP Dime Securities Company Limited | 20. Neo - Sac Company Limited | 35. Squirrel (Thailand) Company Limited |
| 6. Crystal Football Club Company Limited | 21. Noble Development Public Company Limited | 36. Eastern Spectrum Group Company Limited |
| 7. Kruem Company Limited | 22. Bee System Company Limited | 37. Aksorn Education Public Company Limited |
| 8. K S P Square Company Limited | 23. BOT Lease (Thailand) Company Limited | 38. Alpha Absolute Company Limited |
| 9. GMM Grammy Public Company Limited | 24. PTT Public Company Limited | 39. Arkitektura Company Limited |
| 10. Chino Italian Company Limited | 25. Electricity Generating Public Company Limited | 40. SCG Packaging Public Company Limited |
| 11. GMDf Digital Infrastructure Company Limited | 26. Fourgle (Thailand) Company Limited | 41. Advanced Information Technology Public Company Limited |
| 12. Central Pattana Public Company Limited | 27. Paholyothin Suite Company Limited | 42. ASCO Business Promotion Company Limited |
| 13. SET VENTURE HOLDING COMPANY LIMITED | 28. Phuket Suite Pavilion Company Limited | 43. I.C.C. INTERNATIONAL PUBLIC COMPANY LIMITED |
| 14. The Erawan Group Public Company Limited | 29. Muang Thai Insurance Public Company Limited | 44. Lao Telecommunication Public Company |
| 15. WHA Corporation Public Company Limited | 30. Meyer Industries Limited | |



Information on Directors of Subsidiaries

Name - Surname			KKP Capital Public Company Limited	Kiatnakin Phatra Securities Public Company Limited
1.	Mr. Banyong	Pongpanich	X	X
2.	Mr. Suvit	Mapaisansin	/ *	/ *
3.	Dr. Supavud	Saicheua	/	/
4.	Mr. Aphinant	Klewpatinond	/ *	/ *
5.	Mrs. Patchanee	Limapichat	/ *	/ *
6.	Mr. Norachet	Sangruji	/ *	/ *
7.	Ms. Thitinan	Wattanavekin	/	-
8.	Mr. Chavalit	Chindavanig	/	/
9.	Mrs. Patraporn	Milindasuta	/	/
10.	Mr. Krittiya	Veeraburus	/ *	/ *
11.	Mr. Trairak	Tengtrirat	/ *	/ *
12.	Mrs. Kulnan	Tsanthaiwo	/ *	/ *
13.	Mr. Supachoke	Supabundit	/ *	/ *

Remarks: 1. X = Chairman / = Director // = Executive Director * = Authorized Director

2. Subsidiary means a subsidiary with a significant revenue of more than 10% of the consolidated total income of the financial year.

3. Information as of December 31, 2023

Information on Internal Audit Head and Compliance Head

1. Internal Audit Head

1) Name and Position

Dr. Narong Preedanani

Executive Vice President, Internal Audit Office

2) Education

- Doctor of Business Administration (DBA), University of South Australia, Australia
- Master of Business Administration, University of Leicester, UK
- Bachelor of Accountancy, Chulalongkorn University

3) Professional Certificates

- CDPSE (Certified Data Privacy Solutions Engineer, ISACA)
- CFSA (Certified Financial Service Auditor, IIA)
- CCSA (Certification in Control Self Assessment, IIA)
- CRISC (Certified in Risk and Information System Control, ISACA)

4) Work Experiences

2012 - Present	Executive Vice President, Head of Internal Audit Office, Kiatnakin Phatra Bank Public Company Limited
2004 - 2011	Senior Vice President, Group Audit, TMB Bank Public Company Limited
2001 - 2003	Vice President, Financial Markets Audit, DBS Thai Dhanu Bank Public Company Limited
1997 - 2000	Vice President, Head of Internal Audit, Thailand Securities Finance Cooperation (TSFC) Securities Company Limited
1992 - 1996	Senior Manager, Finance One Public Company Limited
1991 - 1992	Management Internal Control, The Chase Manhattan Bank N.A.
1987 - 1990	Audit Officer, Siam Commercial Bank Public Company Limited

5) Training Programs

- Chief Audit Executive (CAE) Forum 2023, organized by The Bank and Financial Institution Internal Auditors Club
- The Future of Finance Summit 2023, organized by the Thai Bankers' Association
- ESG Outlook 2023: Building a Net Zero, Nature-Positive, and Equitable World, organized by PricewaterhouseCoopers ABAS Ltd.
- Guidelines for Managing Corruption Threats from Financial Transactions, organized by the IT Audit sub-committee, The Bank and Financial Institution Internal Auditors Club
- Bloomberg-GPF Sustainability & Climate Finance Forum 2023, organized by the Government Pension Fund and Bloomberg
- Introduction to ESG and Impacts on Banking Business, organized by Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd.
- ESG: Biodiversity, organized by Fair Finance Thailand and the Zoological Society of London
- ESG: A Practical Overview for Internal Audit, organized by Wolters Kluwer
- The Evolution of the New International Professional Practices Framework, organized by PricewaterhouseCoopers ABAS Ltd.
- Embracing the ISSB Standard Connecting Sustainability and Financial Reporting Webinar, organized by KPMG Phoomchai Audit Co., Ltd.
- Unlocking Audit Excellence: The Power of Data-Driven Audits, organized by Wolters Kluwer
- Easy Listening: Accounting Tips That AC Should Not Miss, organized by the SEC
- AI for Business Leader Course, organized by Absolute Alliances (Thailand) Co., Ltd.
- Building a Safe Business Ecosystem with Better Digital Identity, organized by PricewaterhouseCoopers ABAS Ltd. and ForgeRock
- Fraud and Cybersecurity, organized by PricewaterhouseCoopers ABAS Ltd.



- Privacy & Security: The Privacy Imperatives of Consumer Data, organized by the Thai Digital Technology User Group Association
- Integrating Human Rights into Risk Management, organized by PricewaterhouseCoopers ABAS Ltd.
- Privacy & Security Summit 2020, organized by the Ministry of Digital Economy and Society and the Thai Digital Technology User Group Association
- Risk and Compliance under a Digital Transformation, organized by Thomson Reuters
- Director Certification Program (DCP), organized by the IOD
- Director Accreditation Program (DAP), organized by the IOD

2. Compliance Head

1) Name and Position

Mr. Aphichart Chongsanguanpradab

First Executive Vice President, Legal and Compliance Group

2) Education

- Master of Business Administration with Finance Concentration, Eastern Michigan University, U.S.A.
- Bachelor of Accountancy, Chulalongkorn University

3) Professional Certificates

- ASCO Compliance Training Program in 2023, organized by the Compliance Club, the ASCO
- Operational Supervision for Head of Compliance in 2023, organized by the Thai Bankers' Association
- ASCO Compliance Training Program in 2022, organized by the Compliance Club, the ASCO
- Operational Supervision for Head of Compliance in 2021, organized by the Thai Bankers' Association
- ASCO Compliance Training Program in 2021, organized by the Compliance Club, the ASCO
- Operational Supervision for Head of Compliance in 2019, organized by the Thai Bankers' Association
- ASCO Compliance Training Program in 2019, organized by the Compliance Club, the ASCO

- Taxation Law No. 1, organized by Thammasat University
- Compliance Professional Standards in 2018, organized by the ASCO
- Supervision of Insurance Business No. 1/2017, organized by Chula Unisearch, Chulalongkorn University
- Compliance Officer of Commercial Bank, organized by the Bank of Thailand together with the Faculty of Law, Chulalongkorn University, and the Thai Bankers' Association
- Bond Regulatory Update, organized by the Thai Bond Market Association
- Audit Program Development, organized by the Institute of Internal Auditors of Thailand (IIA)

4) Work Experiences

- | | |
|----------------|---|
| 2020 - Present | First Executive Vice President,
Head of Legal and Compliance
Group, Kiatnakin Phatra Bank
Public Company Limited |
| 2019 - 2020 | Executive Vice President, Head of
Legal and Compliance Group,
Kiatnakin Phatra Bank Public
Company Limited |
| 2014 - 2019 | Executive Vice President,
Compliance Office, Kiatnakin Bank
Public Company Limited |
| 2011 - 2014 | Head of Operation Department,
Phatra Securities Public Company
Limited |
| 2010 - 2011 | Compliance Officer, Credit Suisse
(Thailand) Securities Company
Limited |
| 2004 - 2010 | Head of Compliance,
Phatra Securities Public Company
Limited |
| 2003 - 2004 | Compliance Officer, Merrill Lynch
International Bank Limited
(Merchant Bank) (Singapore Branch) |
| 1999 - 2003 | Compliance Officer, Merrill Lynch
Phatra Securities Company Limited |
| 1997 - 1999 | Internal Auditor, Bangkok Bank
Public Company Limited |

5) Training Programs

- Seminar on Transfer Pricing in Thailand Recent Development and Audit Trends 2022 (Online), organized by Baker Mckenzie
- Seminar on What's Next for Banks: A Regional Review of Global Trends (Online), organized by Webinar Invitations
- Seminar on Updating Announcements and Rules Pertaining to Debt Instruments, organized by the SEC
- Seminar on Deep Dive into Sustainability-Linked Bond (Online), organized by the UK Shared Prosperity Fund and EY Corporate Services Limited
- Seminar on CEO Dialogue, organized by the SEC and the Faculty of Law, Chulalongkorn University
- Overview on "ESG Integration Framework" for Investment Analysis (Online), organized by the SEC, the CFA Institute, and the CFA Thailand Association
- Diploma in Taxation Law No. 1, organized by the Faculty of Law, Thammasat University
- Thailand-EU Seminar on E-Commerce and GDPR, organized by the Royal Thai Embassy in Brussels and the Ministry of Digital Economy and Society
- ASEAN Banking Cybersecurity Conference 2019, organized by the Thailand Banking Sector CERT (TB-CERT), the Thai Bankers' Association
- E-KYC for Digital Financial No. 1, organized by the Thai Institute of Banking and Finance Association
- Electronics Law Program No. 4, organized by the Thai Institute of Banking and Finance Association
- Personal Data Protection Act, B.E. 2562, Process and Practice No. 3, organized by Dharmniti
- Seminar on the Latest Debt Collection Act, Announcement of the Office of the Consumer Protection Board 2018, and Hire Purchase and Leasing Guidelines, organized by the Thai Hire-Purchase Association
- The Business Law of New Financial Institution Class 1, organized by the Thai Institute of Banking and Finance Association
- The Law of the Office of the Consumer Protection Board in 2018, Market Conduct of the Bank of Thailand, and the Practices of Hire Purchase and Leasing, organized by the Thai Hire-Purchase Association
- Anti-Money Laundering and Counter Financing of Terrorist (AML/CFT) Training for Transaction Reports under Section 13 and Section 16 Course 1, Class 2, organized by the AMLO
- The Information Technology Risk Supervision of the Financial Institute, organized by the Compliance Club, the Thai Bankers' Association
- Compliance Professional Standards in 2018, organized by the Compliance Club, the ASCO
- Anti-Corruption Working Paper Program No. 3/2018, organized by the Federation of Accounting Professions under the Royal Patronage of His Majesty the King
- Workshop for Customers' Risk Management Framework, organized by the SEC
- Compliance and Compliance Audit Auditing 7.0 CPE Credits, organized by the IIA
- Roundtable Discussion 2018: Driving Business Value & Sustainability through Active Investors, organized by the SEC
- Discussion on Privacy Protection, Big Data, and GDPR in Digital Economy Development, organized by the Bank of Thailand and the College of Local Administration, Khon Kaen University
- Financial Instruments: TFRS 9, organized by the Ministry of Commerce's Department of Business Development
- Insurance Expo 2018: Converging Insurance Business Model with Insurance in Digital Disruption, organized by the OIC
- Re-Inventing Business Models Through a Technological Lens, organized by the SEC and Business Software Alliance (BSA)
- Financial Advisor's Code of Conduct and Working Procedures under the Code of Conduct (Amended), organized by the Investment Banking Club, the ASCO



- Guidelines for the Registration of Secured Transaction Contract of the Department of Business Development, organized by the Ministry of Commerce's Department of Business Development
- Review of Guidelines for the Reporting Entity to Be in Compliance with the AMLO
- The Focus Group: The Industry Utilizes Information Technology to Enhance Regulatory Processes (RegTech), organized by the SEC
- The Standardization of AML/CFT, organized by the AMLO
- The Annual Seminar: Future Banking Evolution or Revolution, organized by the Human Development Club, the Thai Bankers' Association
- The Preparation for the Financial Sector Assessment Program (FSAP), organized by the SEC
- Risk and Compliance, organized by Wells Fargo Bank and the Thai Bankers' Association
- The Market Conduct Guidelines for Commercial Banks, organized by the Compliance Club, the Thai Bankers' Association

6) Roles and Responsibilities

1. Provide Legal and Compliance Group's strategic plan (business, budget, and resource plans) consistent with the organization's direction and strategy.
2. Determine the Legal and Compliance Group's goals and objectives in relation to organizational direction, as well as their management benchmarks.
3. Prepare performance evaluations, conduct monitoring, follow up on guidelines, and perform assessments as such.
4. Determine and approve compliance policies.
5. Develop a conclusive compliance system or process and update relevant laws, as well as distribute notices, guidelines, policies, and manuals, including KM distribution.
6. Advise and provide training in relation to policies, processes, or other matters with respect to relevant laws, rules, and guidelines, especially those in connection with new products or financial transactions, to directors, management, and employees.
7. Assess the sufficiency and effectiveness of processes and provide solutions to other parties to improve processes related to compliance issues.
8. Determine guidelines for record retention of agreements between the Bank and clients, e.g., hire purchase agreements, loan agreements, etc.
9. Determine and assess guidelines for a compliance surveillance program in accordance with applicable laws and regulations enforced on financial institutions, and report any potential regulatory risks.
10. Determine guidelines for the compliance surveillance program with the Bank's policies, notices, processes, and work manuals.
11. Determine guidelines with other parties to improve the work process in relation to regulatory compliance.
12. Monitor, analyze, and investigate transactions for any potentially suspicious transactions, as well as report to the AMLO and collectively consider a mutual resolution.



Assets for Business Operation

Details on the assets for business operations are shown in Section 1.2 of the Form 56-1 One Report.



Corporate Governance Policy

Kiatnakin Phatra Bank Public Company Limited

Introduction

Realizing its responsibility towards all stakeholders, the Board of Directors of Kiatnakin Phatra Bank Public Company Limited has continually run the business in line with corporate governance principles.

The Board of Directors has therefore regularly reviewed and approved the revision of the Bank's Corporate Governance Policy on an annual basis (Latest update on September 28, 2023) in order to maintain practical guidelines in the business operations and improve the standard of the Group's corporate governance to be more comparable with international standards. The Bank's Corporate Governance Policy is comprised of four sections, as follows:

Section 1: Rights of Shareholders and Equitable Treatment of Shareholders

Section 2: Role of Stakeholders and Sustainable Business Development

Section 3: Disclosure and Transparency

Section 4: Board Responsibilities

The Board of Directors strongly believes that good corporate governance will enable the Bank and the Group companies to have a proper management system with efficiency, transparency, accountability, and fairness to all related parties and will allow the Group to build trust and increase competitiveness under a system of good ethics and social responsibility. This will build strong stability and a long-term foundation for the Group. For that reason, the practice of Corporate Governance Policy is one of the prime missions of the Board of Directors, executives, and employees in order to benefit the Bank, the Group, shareholders, clients, stakeholders, the community, and the overall society.

Section 1: Rights of Shareholders and Equitable Treatment of Shareholders

The Board of Directors has realized and emphasized the importance of shareholders' rights and equitable treatment. The statutory rights of shareholders embrace the right to attend and vote in the shareholders' meeting, the right to appoint a third party as a proxy for attending and voting in the shareholders' meeting on his or her behalf, the right to vote on the election or removal of each individual director, the right to vote on directors' remuneration annually, the right to appoint external auditors and fix their remuneration, and the right to obtain information, participate, and vote in the shareholders' meeting if there are any significant corporate changes (capital structure, controlling authority, or major asset transfer of the Bank). In addition, the Bank provides shareholders with the right to express their opinions and raise questions during the shareholders' meeting, the right to perceive the regulations and procedures of the meeting, the right to propose agenda items for the meeting, the right to nominate directors, the right to be involved in improving the Bank's business performance, the right to share in the Bank's profit, and the right to receive sufficient and up-to-date information in a timely manner. Meanwhile, the Board of Directors aims to encourage all shareholders to fully exercise their rights. The Bank will not commit any tort affecting or derogating the rights of shareholders.

Practical Guidelines

In order to protect the shareholders' rights and facilitate the shareholders to exercise of their rights, the Board of Directors establishes the following practical guidelines:

1. Shareholders' meeting

1.1 Meeting schedule and venue

- The Annual General Meeting of Shareholders ("AGM") is held within four months from the end of the Bank's fiscal year or as stipulated by law.

- The Board of Directors may call an Extraordinary General Meeting of Shareholders (“EGM”) to consider a special agenda item. On the other hand, shareholders have the right to submit the joint letter to the Board of Directors to call an EGM at any time as prescribed by the Bank’s Articles of Association. In this case, the Board of Directors will call the meeting within forty-five days from the joint letter submission date.
- The Board of Directors fully facilitates all shareholders, including institutional shareholders, to attend the shareholders’ meetings, which are not held on a commercial bank holiday. The shareholders’ meetings are set up at the Bank’s office or any other places that offer convenience in transportation for shareholders, or as stipulated by law.

1.2 Notice of the shareholders’ meeting

- The notice of the shareholders’ meeting shall clearly indicate the meeting date, time, venue, agendas, facts, and reasons. Moreover, the proposed agendas are clearly identified as either for acknowledgement, approval, or consideration (case by case). The Board of Directors’ opinion is fully presented, along with the criteria and procedures for attending the meeting and voting, in each agenda item.
- The Bank fully endeavors to deliver the notice of the shareholders’ meeting by post to shareholders at least twenty-eight days prior to the shareholders’ meeting date. In addition, the Bank discloses the information on the AGM on its website at least twenty-eight days prior to the shareholders’ meeting date in order for shareholders to have enough time to consider the meeting information in advance prior to receiving the notice of the shareholders’ meeting in hard copy format.
- The notice of the shareholders’ meeting is publicized in daily newspapers not less than three days prior to the shareholders’ meeting date for three consecutive days.

- The Bank also prepares the notice of the shareholders’ meeting in English and publishes it at the same time as the Thai version to facilitate foreign shareholders.

1.3 Granting a proxy to attend the shareholders’ meeting and vote

- The Bank allows shareholders who are unable to attend the shareholders’ meeting to appoint a third party as their proxy and vote on their behalf.
- The Bank encourages shareholders to use the proxy form on which they are able to specify their votes by providing such a form together with the notice of the shareholders’ meeting. Shareholders can also download such a proxy form from the Bank’s website.
- The notice of the shareholders’ meeting clearly informs shareholders of all necessary documents for granting proxies. The Bank avoids requiring any condition that makes proxy granting complicated.
- The Bank proposes at least one independent director as an option for shareholders, who cannot attend the shareholders’ meeting in person, to appoint as their proxies.

1.4 Rights of shareholders in the AGM

- The Bank allows shareholders to submit questions in advance prior to the AGM date and discloses the criteria for submission of questions in advance on its website.
- The Bank facilitates shareholder and proxy attendance at the shareholders’ meeting. On the meeting date, registration will be open not less than two hours before the meeting commences. The Bank gives shareholders and proxies, who show up after the meeting has started, the chance to vote on agenda items still under deliberation.
- The Bank arranges sufficient staff and technology to review each shareholder’s document and encourages the use of technology in the shareholders’ meeting to facilitate the exercise of shareholders’ rights in participating in the meeting and voting.



- Before the meeting commences, shareholders will be informed about the number and ratio of meeting attendants, meeting rules, and voting and vote-counting procedures.
- The Bank treats shareholders equitably for participating in the shareholders' meeting, receiving information, and voting one share for one vote. Shareholders who have a special business stake in any agenda item shall not have the right to vote on such an agenda item.
- Voting cards are used on all voting agendas where a physical shareholders' meeting is held. The Bank utilizes a reliable meeting platform and/or allows an independent person to jointly count or verify the votes in the shareholders' meeting with the Bank's staff.
- Vote-counting for each agenda item in the shareholders' meeting shall be open and within an appropriate time by counting one share for one vote. The majority vote, or a vote required by law for that agenda item, is the resolution. The voting cards will be kept for later inspection for an appropriate period of time.
- In the shareholders' meeting, the Chairman of the meeting will run the meeting in accordance with the agenda items prescribed in the notice of meeting without adding any other agenda items that are not notified to shareholders in advance.
- The Bank allows shareholders to vote for director elections individually, as well as showing the voting results of each director.
- The Bank allows shareholders to consider and approve the directors' remuneration, both in the form of monetary remuneration and other benefits, as well as present the policy and guidelines for fixing directors' remuneration for shareholders' consideration.
- During the meeting, the Chairman will allow shareholders to express their opinions and make inquiries within an appropriate time and request that relevant directors or executives clarify and provide complete information to shareholders.

1.5 Agenda proposal for the shareholders' meeting and director nomination

- The Bank provides an opportunity for shareholders to propose agenda items, which are considered important, for the AGM and nominate qualified candidates to be elected as the Bank's directors to the Nomination and Remuneration Committee and the Board of Directors for consideration.
- The Bank discloses details, criteria, and procedures for proposing the shareholders' meeting agendas and nominating directors, including the required qualifications of directors and independent directors, on its website in order to ensure that shareholders are equitably treated.
- The Bank announces via the SET's channels and its website in advance for at least three months prior to the end of its fiscal year the opportunity to propose the agenda items and nominate directors for the next AGM.
- The Bank will explain to shareholders why the agenda item of the shareholders' meeting or the list of candidates to be elected as the Bank's directors proposed by shareholders are not included.

1.6 Participation of directors and executives in the shareholders' meeting

- The Board of Directors places importance on the shareholders' meeting. Thus, it encourages directors, the Chairman and members of the sub-committees, executives, related head departments, and the auditor to attend the shareholders' meeting to answer questions from shareholders.

1.7 Resolution and minute of the shareholders' meeting

- A comprehensive minute of the shareholders' meeting is recorded. It includes the names, numbers, and proportion of attending directors, the names, numbers, and proportion of non-attending directors (if any), voting and vote-counting procedures, key discussion issues, questions raised, clarifications, comments, resolution results, and complete voting results (for approve, against, abstaining, and voided cards (if any)) of each agenda item.

- The Bank discloses the resolutions of the shareholders' meeting with voting results within the following business day of the shareholders' meeting date through the SET's channel and on its website.
- The Bank ensures that minutes of the shareholders' meetings are submitted to regulators within a specified period of time and encourages the disclosure of the minutes of the shareholders' meetings on its website within fourteen days from the meeting date so that shareholders can review them.

2. Dividend payment

- The Board of Directors establishes the dividend payment policy by considering its financial position, business trends, industry outlook, and demand for capital usage. Dividends will be paid out from the net profit after deducting all capital reserves under relevant laws. The dividend payment policy includes the annual dividend and interim dividend and can be changed based on the capital plan or other necessities and appropriations in the future.
- For the dividend agenda, the Bank will present to shareholders its dividend payment policy, proposed dividend amount, supporting reasons, and other information for consideration. In the event that the dividend is proposed to be omitted, the Bank shall also disclose the reasons and information for consideration.
- The Bank will rapidly notify shareholders of the resolution of the shareholders' meeting or the Board of Directors' meeting regarding a dividend payment through the SET's channel and on its website and make a dividend payment within thirty days from the date on which the shareholders or the Board of Directors have approved it.

3. Appointment of an auditor

- The AGM appoints auditors and approves their remuneration annually. The auditors and auditors' remuneration, proposed to the shareholders' meeting for approval, must be pre-approved by the Audit Committee and the Board of Directors.
- The Bank shall disclose complete details of proposed auditors, such as auditors' names, audit firms, and backgrounds, as well as the audit

and non-audit fees the Bank and its subsidiaries paid to auditors, in order for shareholders to consider their competency and appropriateness.

4. Request for the Bank's information

- The Bank provides channels for shareholders to contact and request information about the Bank directly from the Bank's corporate secretary or investor relations officer.

5. Share repurchase

- The Bank will comply with related regulations on share repurchase and conduct the share repurchase (if any) in a transparent manner.

6. Communications among shareholders

- The Bank will not obstruct or block any communications among shareholders.

Section 2: Equitable Treatment of Shareholders and Sustainable Business Development

The Board of Directors is beholden to shareholders. Each director is considered a representative of shareholders in the administration of the Bank and the Group by being independent and free from bias, ensuring the benefits of shareholders. In its operations, there are many stakeholders, namely the shareholders, clients, employees, counterparties, competitors, and creditors, as well as the community, society, and environment. Every group of stakeholders shall be justly treated and fairly receive treatment according to their statutory rights and agreements.

Practical Guidelines

1. The Bank's and the Group's websites have been developed so that they can become channels through which stakeholders can participate to enhance the operation of the Bank and the Group. Stakeholders can make suggestions and give advice through the websites. This promotes cooperation among the Bank, the Group, and its stakeholders to create financial stability and sustainability for the business.
2. The Bank has arranged for reporting channels for whistleblowers, e.g., reports on the inaccuracy of financial reports, deficient internal controls, any illegal or unethical activities, or any suspected



corruption or improper behavior of all employees. Employees and other stakeholders can communicate these actions or report any misconduct to the Bank or the Group companies by sending a letter or email to the Group or submitting an online form through its website, as specified in the Group's Whistleblowing Policy.

The Group will protect whistleblowers who act in good faith and will not commit any unfair treatment to all employees, temporary staff, or contract staff who report any suspected acts. The Group also realizes the importance of keeping whistleblowers' information and evidence confidential. Such information will be acknowledged only among the responsible parties or only disclosed by law as stipulated. In addition, whistleblowers can submit a complaint both openly and secretly. The Group will handle complaints according to the whistleblowing process as well as investigation and disciplinary regulations.

3. To ensure all stakeholders are well and fairly treated according to their statutory rights and agreements, the Board of Directors has defined treatment guidelines for various stakeholder groups as follows:

3.1 Role, practice, and responsibilities of the Group towards shareholders

The Group strives to conduct business in a careful and cautious manner so as to obtain good performance, competitive capability, and steady and sustainable growth and takes into account current and future risks in order to add value to shareholders in the long term. The Group has duties to operate businesses, disclose information transparently and fairly to all shareholders for the utmost benefit of shareholders as a whole, and try its best to protect the assets and reputation of the Group.

3.2 Role, practice, and responsibilities of the Group towards employees

All employees are valued resources and a key success factor in the business's operation. Therefore, the Board of Directors has defined guidelines for employee treatment as follows:

- Training is continually provided on a regular basis throughout the organization to encourage

the development of knowledge, skills, and working capabilities among employees. The Group also supports employee participation in external trainings and seminars arranged by specialists.

- The Group arranges for a system of remuneration and benefits according to and equivalent to the standards of other firms in the same industry and also provides retirement compensation adequate for a secure life.
- The Group has in place a system of appointment and transfer as well as rewards and punishments based on the knowledge, capability, and suitability of employees.
- The Group respects the rights of every employee by treating each employee and individual with dignity and maintaining secrecy over personal information. The Group does not tolerate discrimination on the grounds of race, nationality, religion, gender, age, disability, sexual orientation, or any other form of illegal maltreatment.
- The Group supervises, manages, and justly treats all employees with kindness, politeness, and respect and provides working opportunities for employees at every level. Also, the Group strives to develop a positive corporate culture and working atmosphere.
- In terms of safety and health, the Group sets up a working environment that takes safety, health, and an environment suitable for employees to work into account. The Group provides all employees with medical care and a yearly health checkup with accident and medical insurance coverage.
- The Group sets up the Guidelines for Business Conduct Policy, prescribing the framework for employees in business dealings so as to obtain the best value as required by the Group and set standards of behavior with a sense of honesty. The Group arranges for the dissemination of the Guidelines for Business Conduct Policy to be used in conjunction with the employees' rules and regulations, whose compliance is to be reviewed periodically.

- The Group communicates with employees about its objectives, goals, culture, and strategies so that they have the same goal of creating corporate value.
- The Group sets up regulations and procedures in connection with complaints from employees.

3.3 Role, practice, and responsibilities of the Group towards clients

The Board of Directors realizes that clients' satisfaction and trust in the Bank and the Group are essential; therefore, the Board of Directors has defined guidelines for client treatment as follows:

- The Group strives to initiate innovation in product and service development, including process improvement, to provide the best-quality products and services to clients while keeping in mind their needs and benefits.
- The Group provides complete and accurate information about products and services without any distortion of fact, bearing in mind the clients' benefits.
- The Group does advertising and public relations activities responsibly, without misrepresentation or exploitation of clients' misunderstandings, to avoid promoting undesirable behaviors.
- The Group implements market conduct without any practice that is unjust and ensures that clients are consistently treated in accordance with the terms agreed upon with care and honesty.
- The Group respects clients' information privacy and does not release client information to third parties, except upon clients' authorization or when permitted or required by law. The Group will not make a profit by selling clients' personal information. Employees do not discuss their clients with any other employees not related to the matter. Furthermore, the Group abides by all legal regulations and additional rules with regard to clients' information. In the event of doubt, employees must consult with their direct supervisors or the Legal and Compliance Group.

3.4 Role, practice, and responsibilities of the Group towards counterparties

- The Group carries out client satisfaction surveys, monitors their results, and welcomes clients' complaints about products and services. Upon receipt, such complaints are investigated, and remedial actions are provided.
- The Group treats all counterparties equally and justly in all transactions.
- The Group shall strictly adhere to all terms of any agreement. In the event that the Bank or the Group companies fail to do so, the counterparties will be informed immediately in order to find a reasonable and mutually acceptable solution.
- The Bank and the Group companies have their own procurement policies and implement a procurement system in which the selection process for sellers, counterparties, and consultants must be based on the premise that the Bank or the Group will receive maximum benefit. This is done in a transparent manner, free from any bias, and is able to be audited. Employees are not allowed to receive any benefit from parties entering the bidding process. If there is evidence of a dishonest request or benefit receipt, counterparties will be informed so the problem can be fairly solved in a timely manner.
- The Group has in place an audit system that will not permit the disclosure of any information about counterparties or the use of such information for conducting business in any illegal manner.
- The Group uses a proper form of agreement for each case. This is to be administered and reviewed to ensure that all conditions of the agreement have been met.
- The Group does not cooperate with or encourage any person or entity related to illegal conduct, a threat to society and the security of the nation, or any activity connected with corruption.

3.5 Role, practice, and responsibilities of the Group towards competitors

The Bank and the Group companies conduct business ethically and in accordance with



rules and regulations. The Bank and the Group companies avoid any search for confidential information about business competitors by dishonest or improper means and refrain from tarnishing competitors' reputations without any truth.

3.6 Role, practice, and responsibilities of the Group towards creditors, including creditor guarantees

- The Bank and the Group companies strictly abide by all terms and conditions as stipulated in agreements with creditors and creditor guarantees with respect to the purpose and utilization of loans, repayment, and proper maintenance of collateral in compliance with related laws and regulations.
- The Bank and the Group companies provide correct and honest status and financial reports to creditors periodically, and in the event that the Bank or the Group companies are unable to comply with any conditions of agreement, the Bank or the Group companies will immediately inform the creditor so as to find a reasonable and mutually acceptable solution. The Bank and the Group companies strive to maintain good relationships and mutual trust with creditors.
- The Group has established a strategy in the treasury function to promote security and strength in capital management to prevent the Group from experiencing difficulties in repaying creditors. There is also liquidity management on debt repayment to meet the maturity in a timely manner.
- The Risk Oversight Committee is responsible for planning, monitoring, and controlling the Group's capital to ensure its sufficiency while considering the Group's position and business activities. In doing so, the Group has an appropriate Internal Capital Adequacy Assessment Process (ICAAP), which is able to cover the Group's significant risks under normal circumstances or in crisis and is in accordance with the capital management standards under Pillar II of the Bank of Thailand (BOT).

3.7 Role, practice, and responsibilities of the Group towards the community, society, and environment

The Board of Directors places importance on responsibility for the community, society, and environment; therefore, the following guidelines are defined:

- The Group acts as a responsible citizen, supporting democracy under the demo-monarchy system and remaining unbiased in politics. Employees are permitted to exercise their rights and political freedom, which is an individual right, but are not permitted to do so under the name of the Bank or the Group companies.
- The Group strictly conducts its business under relevant laws and regulations.
- The Group will not take part in any activity that causes harm to the community, society, or environment and will not partake in any profit that can arise from burdening society.
- The Group stands firm in its commitment to the synergy of the organization, employees, clients, and shareholders with the economic development and financial and capital markets of Thailand. The Group strives to keep growing together with Thailand's financial and capital markets.
- The Group tries to assist the financial, capital, and securities markets to steadily grow.
- The Group supports the use of the knowledge and expertise of the Bank, the Group companies, and its employees in different fields, such as management, financial and investment management, system implementation, law, etc., for the benefit of society and the community.
- The Group supports employees at every level in developing their skills with periodic training seminars to instill a sense of responsibility towards the community, society, and the environment. The Group promotes and creates awareness among employees of the need for natural resources and energy conservation and how to use them wisely.

- The Group supports and encourages employees to volunteer and participate in social activities and charity work.
 - The Group sets aside an appropriate budget for community, social, and charity work without being limited to projects that can only be used for tax reduction purposes.
 - The Group supports projects that help maintain culture and traditions as well as promote religious activities.
 - The Group supports the strengthening of the community in which it is located as well as other communities so that they can become self-reliant, help each other, improve the quality of life, and live with happiness.
4. The Bank and the Group companies have implemented internal policies and guidelines ensuring stakeholders and society, in which the Bank and the Group companies are conducting businesses, are fairly treated, such as:

4.1 Prevention of the use of internal information of the Bank for illegal purposes, their own personal gain, or others

- The Group has issued a written directive forbidding the use of internal information for personal or others' gain, which will be taking advantage of others. The Group forbids directors, executives, employees, and related persons, including spouses, children, and adopted children who are under the legal age, to use any undisclosed information that can affect the change in the value of the shares or for securities trading of the Bank.
- The Bank forbids any directors, executives, and employees who are aware of the important information and financial statements to trade the Bank's shares during fourteen days prior to the end of the quarter until at least one trading session has elapsed after the Bank's financial statements have been made available to the public.
- Directors, executives, and employees who can access such undisclosed information must ask for approval prior to trading shares of the Bank for at least one day, and the approval is

valid from the next business day until the end of the third business day.

- Reports on the changes in the Bank's shares and derivatives holdings of directors and executives are presented to the Board of Directors' meetings at least quarterly.
- The Group continually provides information on the protection of the usage of internal information among directors, executives, and employees at all levels throughout the entire organization so that they are aware of their duties and responsibilities as defined.

4.2 Protection against conflicts of interest

- "Conflict of interest" occurs when an individual's private interests interfere in any way with or even appear to interfere with the interests of the Group as a whole.
- Directors, executives, and employees of the Group must avoid activities, interests, or associations that may interfere with the independent exercise of their judgment or the best interests of the Group, clients, shareholders, or the public, or activities that are unethical or can damage the Group's good reputation.
- The Group puts in place and thoroughly communicates measures to protect against any conflict of interest that may arise by creating awareness so that directors, executives, and employees of the Group avoid any contacts with individuals who may cause a conflict of Interest with the Group. Directors, executives, and employees are required to obtain approval before conducting business activities outside the Bank or the Group companies. However, the Group may not be able to foresee all circumstances, and in the event that incidents do occur, the matter shall be conducted with ethics and responsibility.

4.3 Connected transactions

- The Group does not encourage any transactions entered into between the Group and directors, executives, major shareholders, or related persons. This is to avoid any potential conflict of interest. However, in the course of doing



business, it may be necessary for the Group to enter into such transactions. This is to be done within the procedures and framework of regulations governing such matters.

- The Group has established guidelines relating to connected transactions and reports on strategic shareholders. In order for the Group to enter into any connected transaction where there is the possibility of a conflict of interest, this transaction must go through a rigorous process of consideration that must be clear, free from bias, and within the boundaries of good ethical practices, keeping in mind the importance of its being beneficial to both the Group and overall shareholders.
- Directors and executives who have an interest in any transaction or matter affecting the Group, are required to report such interest and not participate in the decision-making process on such an issue for the utmost benefit of the Group.
- The Bank's Audit Committee has the authority to consider and disclose connected transactions or transactions that may lead to a conflict of interest to ensure that they are in compliance with the laws and the SET's regulations, reasonable, and for the highest benefit of the Group.

4.4 Securities trading by directors, executives, and employees of the Group

- Directors, executives, and employees of the Group have to maintain their securities trading accounts with the securities companies in the Group, unless they are exempted under the specified regulations. Securities trading transactions with directors and executives must be on an arm's-length basis without taking unfair advantage of anyone through unethical or illegal means. The transactions must be entered into in the ordinary course of business on substantially the same terms as those prevailing at the time for comparable transactions with other similarly situated clients.

4.5 Engaging in business outside the Bank or the Group companies

- Directors, executives, and employees may engage in any outside business of the Bank or the Group companies. Outside business activities and interests include serving as a partner or shareholder in another business, an officer in a family-owned corporation, or an outside director of another company. The appropriateness of engaging in these and other types of outside business activities depends on several factors, such as the nature and extent of the outside interest, the relationship between the Bank or the Group companies and the outside entities, and the duties involved.
- Prior to taking up a post as director or executive in any other business, directors, executives, and employees must receive written approval from the unit assigned by the Bank and be in accordance with the Bank's regulations.
- Directors, executives, and employees must strictly abide by the policy and regulations governing outside interests, for instance, obtaining approval before conducting all of their outside business dealings, including partnerships or shareholdings in other companies, with the Bank or the Group companies in order to consider any conflict of interest that may arise.

4.6 Respect intellectual property

- The Group respects the intellectual property of other parties and complies with intellectual property laws.
- The unauthorized use of another party's patented, trademarked, or copyrighted (audio, video, or text) materials is strictly prohibited, regardless of their sources. In addition, the Group does not permit the use of software or other devices whose primary purpose is the circumvention or violation of another's intellectual property rights.

4.7 Anti-corruption and anti-bribery

- The Group intends and is committed to taking a stand against corruption in any form by adhering to the Anti-corruption Policy, Guidelines for Business Conduct, and regulations according to laws on anti-corruption.

- The Group discloses its Anti-corruption Policy to the public and will not cooperate with or support any person or entity involved in illegal activity, corruption, or a threat to society or a nation-state.
- The Group communicates its Anti-corruption Policy and regulations with employees and regularly arranges training courses for directors, executives, and employees to reiterate on anti-corruption.
- The Group arranges for reporting channels for complaints and whistleblowing on any suspected corruption or improper behavior of employees of the Bank and the Group companies. The Group also sets up the whistleblower protection process in order to avoid being harassed, intimidated, or engaging in any other behaviors that may be unfavorable to the whistleblowers. The Group realizes the importance of keeping reported information and evidence confidential, as specified in its Whistleblowing Policy.

Section 3: Disclosure and Transparency

The Board of Directors realizes the importance of important information disclosure, both financial and non-financial. The information disclosure must be conducted properly, accurately, transparently, and promptly through channels that are easily accessible and trustworthy and under the regulations of the SEC, the SET, and the BOT.

Practical Guidelines

In order to ensure that important information will be disclosed completely, with transparency, and promptly, the Board of Directors has defined the following guidelines:

1. All important information, both financial and non-financial, is disclosed correctly, accurately, on a timely basis, and in a transparent manner through the SET's channel, the annual registration statement/ annual report (Form 56-1 One Report), the website in both Thai and English, as well as through public media (in some circumstances) so that shareholders can equally receive information.
2. The information disclosure will not cause damage to the relationship between clients and the Bank or the Group or in any way infringe on the right to secrecy of the clients, shareholders, or other stakeholders.
3. In discharging his or her duty with respect to the communication of confidential information, every employee must follow the regulations.
4. The Bank publicizes the Corporate Governance Policy and the guidelines and policies on conducting business with social responsibility, including its practices, through various channels, such as the Form 56-1 One Report, the sustainability report, the website, etc.
5. The Bank discloses the responsibility of the Board of Directors for the financial report, which is signed by the Chairman of the Board of Directors and the CEO, together with a report from the auditor, in the Form 56-1 One Report.
6. The Bank ensures that its Form 56-1 One Report and management discussion and analysis (MD&A) reflect its financial status and performance adequately and encourages the disclosure of MD&A on a quarterly basis together with the disclosure of financial statements.
7. The Bank discloses the duties and responsibilities of the Board of Directors and sub-committees, the number of meetings, attendant records, opinions on performing duties, and reports of sub-committees in the Form 56-1 One Report.
8. The Bank discloses the process, criteria, and result of the Board of Directors' and sub-committees' performance evaluation in the Form 56-1 One Report.
9. If any advisor to the Nomination and Remuneration Committee is appointed, its independence will be disclosed in the Form 56-1 One Report.
10. The Bank discloses in its Form 56-1 One Report the remuneration policy and guidelines for the Board of Directors and executives, which reflect their duties and responsibilities, directors' remuneration structure, directors' remuneration received from holding directorship at subsidiaries, audit and non-audit fees, related party transactions, the shareholding structure of the Group, guidelines and process on selecting directors and executives, and other information about directors and executives,



such as direct and indirect shareholding, directorship in other listed companies, trainings, etc.

11. The Bank discloses the duties, responsibilities, and experiences of the Bank's corporate secretary in the Form 56-1 One Report.
12. The Bank discloses important information on corporate governance and information relating to compliance with good corporate governance in accordance with nationally or internationally recognized standards to shareholders and the public in the Form 56-1 One Report in order to promote and demonstrate its commitment to good corporate governance.
13. The Bank discloses in its Form 56-1 One Report and/or sustainability report the information relating to its stakeholders in the business value chain, material ESG topics that are in line with the corporate strategy and stakeholders' expectations, guidelines for managing such material topics, as well as policy and practices relating to the environmental management of the Bank and the Group companies. This is to reflect the commitment to reduce negative impacts on various environmental issues, such as energy, water, garbage, waste, pollution, and mitigation of greenhouse gas problems (if any).
14. The Bank discloses in its Form 56-1 One Report the information relating to important changes and major developments of the Group, as well as the developments of innovation in work processes, products, and/or services (if any), in order to demonstrate the continuing development to serve the needs of stakeholders and prepare for economic, social, and environmental changes.
15. The Bank discloses in its Form 56-1 One Report the risk management policies and plans to demonstrate that the Bank monitors and assesses the risks affecting the achievement of its vision, objectives, goals, or business strategies. Current and emerging risk factors and ESG risk factors, including measures for controlling such risks at an acceptable level, are also disclosed.
16. The Bank discloses in its Form 56-1 One Report and/or on the website of the Bank or the Group information relating to policies and guidelines about complaint handling, channels for reporting

complaints or whistleblowing, as well as the whistleblower protection process.

17. All disclosed Information, as well as that made public to shareholders and investors, is disseminated through the website of the Bank or the Group, which is upgraded, regularly updated, and made bilingual to benefit shareholders.
18. The CEO, the President, and any other personnel that have been assigned as investor relations officers will be responsible for the relationship with investors and providing information to shareholders, securities analysts, and others with an interest in shares of the Bank. This is another channel through which investors and shareholders may communicate with the Bank. The Bank and the Group companies have set proper protocols for information disclosure that must be followed in both normal and urgent circumstances.
19. The CEO, the President, and any other personnel who have been authorized by the CEO or the President have the authority to issue press releases or publicize important information about the Bank or the Group. However, the CEO or President may assign executives of each business group to disclose information relevant to their particular business.
20. The Group ensures that its staff, who are responsible for arranging and disclosing information about the Bank and the Group, such as high-level executives in accounting and finance, investor relations officers, and corporate secretaries, possess proper knowledge and are sufficient in number.

Section 4: Board Responsibilities

The Board of Directors has an important role in determining directions, administering, and governing the Bank and the Group Companies to operate sustainably. The proper structure and well-defined duties of the Board of Directors are essential to their performance. The elected directors of the Bank must be faithful to their duties, visionary, skilled, and willing to devote their time so as to perform their duties to the fullest extent. They must also be independent and free to make their own decisions in order to benefit the Bank, the Group, and the shareholders. Furthermore, to obtain the best performance from the Board of Directors, the Bank

has set up sub-committees to assist in administering, studying, and scrutinizing the work as needed.

Practical Guidelines

In order for the structure of the Board of Directors to be appropriate for the nature, size, complexity, and risks of business operations, including long-term strategies and operations, and for the Board of Directors to have a working framework and clear authorities, duties, and responsibilities that benefit their performance, the Board of Directors has defined the following guidelines:

1. Board structure

1.1. Board composition

- The Bank's Board of Directors is comprised of no less than five directors, and no less than half must have a domicile in Thailand.
- The ratio of independent directors to the total number of directors on the board should be at least 1:3, with no less than three independent directors. Also, at least half of the board members must be independent directors or non-executive directors.
- The Chairman of the Board of Directors must be an independent or non-executive director. The Chairman of the Board of Directors and the CEO of the Bank are not the same person.
- The board members must be varied in skills, knowledge, competencies, specialized experiences, gender, age, etc., which are commensurate with the size, complexity, business nature, risks, and strategies of the Group. There must be at least one non-executive director who has experience in the main business of the Bank and at least one director on the board who has knowledge or experience in the IT field.

1.2 Director qualifications

- Directors need to have proper knowledge, capabilities, and experiences that are in line with the business strategies in order to deal with the ever-increasing challenges and changing business environments, understand the business obstacles that can arise, be capable of performing their duties proficiently and in accordance with both short- and

long-term business strategies, be able to make decisions independently, and be able to offer a different perspective relating to important risks. These factors will benefit the Bank and the Group and create a competitive advantage in the industry.

- Directors must have ethics and be honest, truthful, and accountable to stakeholders, with no conflict of interest. They must not seek personal benefits, make any discrimination, or favor their own partisans, but must protect the overall interest of the organization by not limiting it to any group of shareholders, making decisions or voting when there is sufficient and reasonable information, and ensuring that there is no interference in any decision-making that may cause more risks to the business operation.
- Directors must have these abovementioned attributes and none of the characters considered illegible under the regulations governing listed companies, the securities and exchange law, as well as the notifications of the government agencies. In the case of independent directors, they must have qualifications that meet those of the Bank, the BOT, and those set by the Capital Market Supervisory Board.
- Directors must devote time to the Bank and the Group, be flexible in working proactively, continue to develop their knowledge and skills to keep up with the new changes and risks, be able to assess the situation by considering the potential risks and impacts that may arise, and be prepared to deal with them in a timely manner. Directors must prepare to attend all meetings of the Bank, unless with reasonable grounds or necessity.

1.3 Term of directorship

- At every AGM, at least one-third (1/3) of the directors shall be retired from their positions. Should the number of directors not be divisible into three equal parts, the nearest number to one-third shall retire from office. Directors retiring by rotation can be re-elected as directors.



- Independent directors can hold their positions for no more than nine consecutive years. Any independent director who has held the position for nine years and wants to be re-appointed as an independent director must have been discharged from the position at least two years before the day the appointment request is submitted to the BOT.
- For any independent director who has held the position for less than nine years, if he or she has been discharged from the position, such an independent director may be re-appointed as an independent director. Yet, the term of the directorship of such an independent director must be counted.

1.4 Director nomination

- Through the Bank's website, the Bank allows shareholders to nominate persons to be elected as the Bank's directors to the Nomination and Remuneration Committee and discloses the required qualifications for the directors and independent directors so shareholders can propose candidates with complete qualifications as specified.
- The Nomination and Remuneration Committee is responsible for selecting and determining appropriate persons with experiences, knowledge, and competencies beneficial to the Bank and the Group to be nominated as the Bank's directors, independent directors, or Audit Committee members and to be proposed to the Board of Directors or the shareholders' meeting in accordance with the Bank's Articles of Association.
- In the event that the Nomination and Remuneration Committee nominates the existing director to be re-elected, the previous performance of such a director should also be considered.
- For nominating new directors, the Bank prepares the board skill matrix or may use a consulting firm or a director pool to determine the qualifications of new directors by considering competencies, skills, and experiences that are necessary but still lacking for the Board of Directors and are in

line with the Bank's and the Group's business strategies.

- When the term of an independent director of the Bank is complete or there is a need for a new election, the Nomination and Remuneration Committee will recruit the appropriate candidate based on experiences, knowledge, and competencies beneficial to the Bank and the Group and the Bank's required qualifications and propose them to the Board of Directors' or the shareholders' meeting for consideration and election in accordance with the Bank's Articles of Association.
- In the event that any directorship becomes vacant prior to the completion of the term and the remaining term is no less than two months, the Nomination and Remuneration Committee may nominate a candidate with the required qualifications and without any legal provisions to the Board of Directors for consideration. The resolution to appoint a director requires the votes of not less than three-fourths of the remaining number of directors, and such a director will be in the post for the remaining term of the directorship that is vacated.

1.5 Directorship in other companies of directors

- The Bank is well aware of the value of the experience the directors will gain by being directors of other agencies. Nevertheless, in order to allow executive directors to have sufficient time to perform their duties to the fullest extent, the positions held at other agencies must be under the condition that they will not have an adverse effect on the performance of their duties as directors of the Bank.
- The Bank's directors may hold the position of Chairman of the Board or executive director, or one or more of these positions, in no more than three business groups. If the company in which a director holds a title is a single company, then it will be counted as one group. If the company is acquired through debt restructuring, it will be considered part of the same group as the Bank.

- The Bank's directors can serve as directors of other listed companies on the SET and overseas stock exchanges for no more than four companies, excluding listed companies on the SET acquired through debt restructuring.
- The Bank's executive directors shall be directors of no more than two listed companies outside the Group.
- The Bank's directors may not be partners or directors in any private or public company that operates in the same industry and is considered to be in direct competition with the Bank, unless the shareholders' meeting has been informed prior to being elected.
- Prior to taking up the post of director, officer, or employee in any other business, the Bank's executive director must receive approval from the Bank. If the Bank's executive director wishes to take up a post as a director in a listed company in Thailand or overseas, he or she must receive pre-approval from the Executive Committee of the Bank. This is in order to prevent any conflict of interest that may arise.
- All new directors must disclose all activities and interests outside the Bank or the Group, and all directors are duty-bound to disclose any changes to the status of their interests outside the Bank or the Group to the Bank.

2. Roles, duties, and responsibilities of the Board of Directors

- 2.1 Determine short and long-term business directions and strategic goals of the Group for both financial and non-financial aspects; efficiently allocate significant resources within the Group to ensure objectives and goals are achieved; consider and approve the Group's business plans; and revise such a business plan by taking into account the concept of sustainability banking that focuses on environmental, social, and governance factors, as well as the changes in the ecosystem and factors proposed by the Executive Committee.
- 2.2 Define and approve policies and significant business transactions that are required by laws and regulators, and oversee and monitor the implementation of those policies through the Executive Committee to ensure that they are carried out efficiently and effectively in order to protect the benefits of the Group and its shareholders and for business sustainability.
- 2.3 Oversee the adequate and efficient allocation of significant resources, for instance, capital investment, personnel, technology, etc., and promote the utilization of innovation to create business opportunities, improve business operations and risk management, and enable the Group to achieve key business objectives and goals. The Board of Directors shall also define the proper remuneration structure to incentivize employees to fully perform their duties with honesty and in accordance with its risk culture. The Board of Directors may delegate the authority to other committees or designated persons to carry out the task and report the result to the Board of Directors as appropriate.
- 2.4 Ensure that the Bank's Guidelines for Business Conduct, including business ethics and ethics for directors, persons with management authority, and employees, are in place and adopted as practice guidelines in the organization, as well as encourage fair services to clients (market conduct) in a concrete and effective manner.
- 2.5 Define or approve a good and effective risk governance framework to support business operations in accordance with the specified directions and objectives in the rapidly changing business environment. The Board of Directors shall define the appropriate risk appetite level for business operation, monitor the business so it is operated within such a specified risk appetite level, ensure that the system and risk management process can address the overall and significant risks (a comprehensive risk management policy and process), and provide a mechanism to report on risk management in order to prevent or correct critical problems (preventive and corrective action) in a timely manner. The Board of Directors shall also ensure that the Risk Oversight Committee establishes policies, procedures, and controls relating to risk management that, at the minimum, shall include



credit risk, market risk, investment risk, liquidity risk, operational risk, reputational risk, legal risk, strategic risk, and information technology risk, as well as risks that may arise from the launch of new products and certain significant business changes and risks that may occur in the future. The Board of Directors shall approve such policies and review them regularly or immediately after any significant changes, along with the review of actual operational strategies. Furthermore, the Board of Directors has the duty to drive a risk culture (tone from the top), oversee the Group's risks, ensure that the Group's business is operated within specified risk management policies and strategies, support the building of risk culture, encourage and ensure the management adopts a risk culture throughout the organization, constantly monitor and assess whether the risk culture is in line with the expectation and there is any point to be concerned or need further development, as well as ensure the communication of such policies and strategies throughout the organization in order to assure the Group's business is conducted with appropriate risks in the rapidly changing environments.

- 2.6 Ensure that the Bank and the Group companies have effective control, oversight, and audit mechanisms (three lines of defense), adequate and proper internal control and internal audit systems that cover various business activities and can abruptly detect any error, as well as an organizational structure that promotes independent and effective control, oversight, and audit functions to make certain that transactions are made efficiently and in accordance with the specified policy and system and relevant laws and regulations. The Board of Directors shall regularly review and assess the internal control system to ensure that it is efficient and appropriate for the Bank's and Group companies' operations.
- 2.7 Study and understand the shareholder structure and relationship, which may affect business management and operation, and oversee that the checks and balances of power between the

management and/or major shareholders are suitable. This should be done with an emphasis on creating a good proportion of independent directors among board members.

- 2.8 Appoint and specify the roles, duties, and responsibilities of committees as appropriate with the size, business operation, risks, business direction, and corporate strategy to lessen the burden, increase efficiency and effectiveness in performing the duties of the Board of Directors, and support its oversight responsibility, such as the Audit Committee, Nomination and Remuneration Committee, Risk Oversight Committee, Compliance and Governance Committee, and Executive Committee. The Board of Directors shall regularly follow up on significant reports from such committees to improve operations if any problem arises and regularly review the committees' roles, duties, and responsibilities at least once a year.
- 2.9 Ensure that committees require the management to define and implement a system for the Bank's corporate governance in accordance with applicable laws and its business nature. Consider and approve the corporate governance system, including monitoring its effectiveness and providing advice on further improvement.
- 2.10 Ensure that the management informs the Board of Directors on any important matters affecting the Bank and the Group and has a reporting process so that the Board of Directors has timely and sufficient information to be able to perform its roles and carry out its duties and responsibilities efficiently.
- 2.11 Approve the annual financial reports, which are audited by an external auditor and reviewed by the Executive Committee and Audit Committee, prior to proposing them to the shareholders' meeting for approval. In addition, the Board of Directors shall receive recommendations through the management letter provided by an external auditor and recommendations provided by the Executive Committee.
- 2.12 Define policy for risk assessment, capital adequacy, and liquidity of the Bank, and strategy and guidelines to maintain the Bank's capital

consistent with the approved risk appetite level. Define a stress test policy that is in line with the Bank's transactions and material risks.

- 2.13 Appoint the CEO nominated by the Nomination and Remuneration Committee and determine the performance evaluation criteria for the CEO that align with his or her performance. Perform or delegate authority to the Nomination and Remuneration Committee to perform the annual performance evaluation of the CEO and approve the remuneration according to the pre-determined criteria. Such remuneration should incentivize competency to perform duties to achieve the Group's long-term key objectives and goals.
- 2.14 Appoint and specify the authorities and duties of the Bank's executives and the highest-level executive of KKP Capital Public Company Limited as recommended by the Nomination and Remuneration Committee, as well as oversee a succession plan in order for the Group to conduct business unceasingly.
- 2.15 Appoint, transfer, remove, and assess the efficiency and effectiveness of the performance of the head of the risk management unit, the head of the compliance unit, and the head of the internal audit unit. The Board of Directors may assign committees to perform such duties on its behalf as are deemed appropriate for the aforementioned persons to act independently.
- 2.16 Ensure that the Bank has policies on loans and investments with related parties in place.
- 2.17 Review and approve, through committees, the management's proposal relating to the authorization of lending, investments, commitments, or any transactions with loan-like characteristics, as well as purchasing and management expenditures. This is for the benefit of the Bank and in compliance with related laws and regulations.
- 2.18 Regularly review the Board of Directors' roles and responsibilities at least once a year to be in line with the changing business environment, industry, relevant factors, regulations, and laws, as well as enable the Bank to adapt in an appropriate and timely manner. Perform an annual performance evaluation of the Board of Directors.

2.19 Oversee that the Bank discloses important corporate governance information at the shareholders' meeting and to the public accurately, completely, transparently, and timely according to the duty of disclosure.

2.20 Ensure that each individual director participates in no less than 75% of all Board of Directors' meetings held in a year, unless with reasonable grounds or necessity.

Furthermore, the Board of Directors may seek further professional opinion from external consultants on the operations of the Bank and the Group companies, with the expenses borne by the Bank or the Group companies.

In order to separate out the responsibilities and duties of the Board of Directors from those of the management, the Chairman of the Board of Directors and the CEO will not be the same individual.

The Board of Directors provides recommendations in relation to planning, proposes strategies, and provides oversight of the administration of the management, ensuring that the appropriate policies and procedures are being used in a proficient manner. Its duties also include administering the performance of the management with due care and honesty, providing the best benefits for the Bank and stakeholders, and increasing the economic value of the Bank and the Group.

The Chairman of the Board of Directors is responsible for leading the board. The Chairman's duties shall at least cover the following aspects:

- (1) Oversee, monitor, and ensure that the Board of Directors efficiently carries out its duties to achieve its objectives and main goal;
- (2) Ensure that all directors contribute to the Bank's ethical culture and good corporate governance;
- (3) Set the board meeting agendas by discussing them with the CEO and ensuring that important matters are included;
- (4) Allocate sufficient time for management to propose topics and for directors to debate important matters thoroughly. Promote a culture of openness to provide directors the freedom to discuss, debate, and express



their opinions in a constructive, independent, and transparent manner; and

- (5) Ensure constructive relations between executives and non-executive directors and between the board and management.

The management, under the supervision of the CEO, has the duties and responsibilities to manage the day-to-day operations of the Bank and the Group companies.

The Board of Directors will not interfere in the performance of these duties. The relationship between the Board of Directors and the management is one of collaboration.

The Executive Committee is responsible for presenting the direction and the overall strategic goals of the Bank and the Group companies to the Board of Directors for approval. The Executive Committee reviews the policies and plan as proposed by the CEO prior to proposing them to the Board of Directors and ensures that the CEO's performance is efficient and according to the approved policies.

3. Leadership and Vision

The Board of Directors shall be ethical and perform for the benefit of the Bank and the Group by considering stakeholders and their impact on society and the environment. Directors should be independent in making decisions and expressing opinions and understand and be aware of their duties and responsibilities as the leaders of the organization in order to manage the sustainable business of the Bank and the Group and appropriately adapt to changes, which will create value for the Bank, the Group, and the shareholders in the long term.

4. Board meeting

- Each year, the Bank schedules regular meeting dates and agendas for the Board of Directors' meetings in advance, and the corporate secretary will inform the board members of those meeting schedules and agendas for the coming year. Each director must have at least 75% attendance at all board meetings held in a year, unless there is reasonable ground or necessity.
- The number of board meetings shall be consistent with the duties and responsibilities of the Board of Directors and no less than six times per year. In the event that there is no monthly meeting,

non-executive directors may request a monthly performance report from the management or the corporate secretary so that they can monitor the performance of the management continually and promptly.

- In the event that any director is not able to attend a meeting, the corporate secretary is to be notified prior to the meeting of the reason for the absence so that the minutes of the meeting may be forwarded to the absent director.
- The Chairman of the Board of Directors and the CEO will jointly be responsible for compiling the important and necessary agendas to be discussed during the meeting. However, any director may freely request to add any agenda item for consideration.
- In case of convening the meeting, the Chairman of the Board or the person assigned is required to deliver notice of the meeting not less than seven days prior to the meeting date so that they will have ample time to review them in detail. The exemption is made to cases of the necessity and urgency to preserve the right or benefit of the Bank. The notification of the appointment of the meeting may be made by other methods and designation on earlier date of the meeting.
- In order to get the most benefit from the board meetings, the meeting agendas are prioritized as matters to be followed through (sequel), matters for consideration, and finally matters to be acknowledged. The Chairman of the Board of Directors will arrange for ample time so that directors may use it at their discretion and debate the important problems cautiously. Directors are able to exchange ideas and independently arrive at their decisions.
- The quorum of the board meeting, while making the decision at the meeting, must consist of no less than two-thirds of the total number of directors of the Bank. The meeting's resolutions must be passed by a majority vote of the board members attending the meeting. In case the votes are equal, the Chairman of the meeting is required to make additional votes of one vote as final judgment.
- The Board of Directors encourages the CEO to invite senior executives to attend the board meetings to

present additional information and get acquainted with the board members so that they can use it when considering a succession plan.

- Directors may meet with management of the Bank and the Group companies as deemed appropriate, request information and reports directly, or ask the corporate secretary to coordinate or contact the persons concerned. Furthermore, directors may seek further professional opinions from independent consultants, with expenses borne by the Bank.
- In the event that any director has a conflict of interest in any matter, directly or indirectly, he or she must disclose it to the Board of Directors before that matter is considered and must not take part in the decision-making process of such a matter, and it will be recorded in the minutes of the meeting.
- Non-executive directors may meet at least once a year or as deemed appropriate to discuss among themselves matters relating to the management of the Bank or the Group companies without the presence of the management and report the results of the meeting to the Board of Directors.
- The corporate secretary is responsible for recording the minutes of the meeting, which encompass important queries, answers, and opinions of each director, in a clear manner. Especially in the case where any director is not in agreement with the decision of the meeting, such a director may request the corporate secretary to record his or her objection in the minutes of the meeting.

5. Reports of the Board of Directors

The Board of Directors is well aware of its duties and responsibilities to arrange for the annual financial statements to be presented to the shareholders' meeting, accompanied by the report from the auditor, in Form 56-1 One Report, so that stakeholders can be assured that the financial reports are in accordance with the regulations of the SET and relevant laws.

The Board of Directors has assigned the Audit Committee to oversee the accuracy and adequacy of its financial reports and correctly disclose any connected transactions or transactions that may have a conflict of interest.

6. Performance evaluation of the Board of Directors and sub-committees

- The Bank arranges for a performance evaluation of the Board of Directors, as a whole and individually, and sub-committees once every year. The results will be reported to the Board of Directors and used for their self-improvement.
- The Bank is in agreement with the use of the performance evaluation form as collated by the Nomination and Remuneration Committee for the Board of Directors. The evaluation of the Board of Directors and sub-committees can be done as a whole and/or on specific matters.
- The Board of Directors encourages self-assessment as an individual through both self-evaluation and cross-evaluation.
- The Nomination and Remuneration Committee may use the services of external consultants to provide guidelines and point out certain criteria in the performance evaluation of the Board of Directors and sub-committees as deemed appropriate.

7. Remuneration of directors and executives

- The Nomination and Remuneration Committee has the duty to initially review the remuneration packages of directors prior to proposing them to the Board of Directors for consideration and to the AGM for approval. The directors' remuneration is reviewed by considering the duties, responsibilities, related risks, performance of the directors, and financial status of the Bank and shall be comparable with that of other companies in the same industry.
- The Nomination and Remuneration Committee has the duty to review the remuneration and benefits of the CEO and present them to the Board of Directors. Also, the Nomination and Remuneration Committee shall define the remuneration policy for other senior executives, from the level of Executive Vice President and above, as a guideline for the Human Resource Management Committee to determine the executives' remuneration and benefits.

8. Development of directors and executives and succession plan

- The Bank encourages its directors and executives to participate in seminars and training courses



relating to their duties so that they will continuously improve their performance.

- Upon taking up a position as a director of the Bank, each director will be briefed on important information related to the Bank and the Group and the framework of authorities, duties, and responsibilities of the Board of Directors of the Bank. Directors will receive advice on legal issues, regulations, and other conditions of being a director of a listed company in the SET, as well as information on the Bank's and the Group's businesses.
- The Nomination and Remuneration Committee has been assigned the duty of succession planning and recruiting candidates for the position of Executive Vice President and above for recommendation to the Board of Directors.
- The management development and succession plan is periodically reported to the Board of Directors as deemed appropriate.

9. Director protection

- To enhance the performance quality of directors, the Bank offers them protection so long as they act in good faith without any misconduct or undue negligence.

10. Directorship in other companies of executives

- The Bank is well aware of the value of the experiences the CEO and President of the Bank will gain by being directors of other agencies. Nevertheless, the positions held at other agencies must be under the condition that they will not have an adverse effect on the performance of their duties. The CEO and the President of the Bank must not serve as full-time employees of other organizations unless the BOT considers that it does not affect the effectiveness of their duties at the Bank.
- The CEO and the President of the Bank may hold the position of Chairman of the Board or executive director, or one or more of these positions, in no more than three business groups. If the company in which they hold a title is a single company, then it will be counted as one group. If the company is acquired through debt restructuring, it will be considered part of the company in the same group as the Bank.

- The CEO and the President of the Bank can serve as directors of other listed companies on the SET and overseas stock exchanges for no more than four companies, excluding listed companies on the SET acquired through debt restructuring.
- The CEO and the President of the Bank may not be partners or directors in any private or public company that operates in the same industry and is considered to be in direct competition with the Bank.
- The CEO of the Bank may not be an employee or executive in any other organization, unless there is reasonable ground or necessity, and must obtain approval from the BOT on a case-by-case basis. Senior executives of the Bank, excluding the CEO, are not allowed to perform their duties as employees or executives in any other organizations without prior approval from the BOT. However, executives of the Bank who are assigned to perform their duties in the Group companies on a full-time basis while maintaining their current positions at the Bank (secondment) need no approval from the BOT.
- Prior to taking up the post of director, officer, or employee of any other business, the CEO and the President of the Bank must receive written approval from the Legal and Compliance Group. In the case where the CEO or President of the Bank takes up the post of director in a listed company in Thailand or overseas, he or she must be pre-approved by the Executive Committee of the Bank in order to avoid any conflict of interest that may arise.
- Upon entering employment with the Bank, all senior executives must disclose all activities and interests outside the Bank or the Group and are duty-bound to inform the Bank of any changes in status of interests outside the Bank or the Group.

11. Executive performance evaluation

- The Bank conducts a performance evaluation of the CEO at least once a year, and the result will be taken into account in determining the CEO's remuneration. The result will also serve as feedback to the CEO, reflecting the need to review strategies, policies, and management approaches to improve management effectiveness and efficiency.



- The evaluation result shall be shared with the CEO by the Chairman of the Board of Directors to establish a mutual understanding of the expectations of the Board of Directors.

12. Corporate secretary

- The Bank has appointed the corporate secretary to facilitate the work of the Board of Directors with respect to laws and regulations that they need to know and ensure that the resolutions of the Board of Directors have been carried out.

- The corporate secretary must have appropriate qualifications and experience to perform his or her duties. He or she may have a degree in law or accounting or have undergone a training course for corporate secretary. Such qualifications and experiences of the corporate secretary shall be revealed in the Form 56-1 One Report.
- The Bank encourages the corporate secretary to continually undergo further training in law, accounting, or the duties of the corporate secretary.



Guidelines for Business Conduct

Kiatnakin Phatra Financial Group

Introduction

Kiatnakin Phatra Financial Group ("the Group") realizes the importance of our good reputation. Maintaining our tradition of trust with clients, colleagues, shareholders, regulators and the general public is the obligation of every director, management, officer and employee. We must comply with laws, rules and regulations and policies that govern or apply to our businesses, adhere to high professional standards of integrity, ability, prudence and discretion and to key principles of business conduct in the performance of our duties. This is because our business is predicated on trust and respect of clients and general public.

These guidelines set key principles for the performance of our duties. We recognize that no set of policies and procedures, however, can be all encompassing, and employees are encouraged to consult Compliance or senior management for advice. Nevertheless, in many instances, you must rely on your own personal ethical standards in assessing difficult situations. Consider the following questions:

- Is the proposed action legal?
- Does it endanger anyone's financial stability, life, health or safety?
- Is it consistent with the Capital Market Business Group policy?
- Will it enhance the Capital Market Business Group's reputation?
- Would we lose clients if this action were known to them?
- Would you like to see it become a general industry or public practice?
- Would you be embarrassed if all the details were known by your manager, peers, subordinates, family or friends, or if they were published in a newspaper?
- Could this action in any way be interpreted as, or appear to be, inappropriate behavior?
- What would you think of your manager, peers or subordinates if any of them behaved similarly?

- Does the action you are considering make you feel uncomfortable?
- Are you compromising your own personal ethics in any way?

Honest mistakes made in the course of business may occur, but the Group will not tolerate violations of law or regulation or lapses in ethics or integrity since the improper behavior is just as damaging to the trust and respect of our clients.

All of us should always recognize that by adhering to exemplary standards and conducting our business with excellence and integrity, we enhance our good reputation and cultivate the sustainable growth of our business.

Conflicts of Interest

The Group's directors and employees must avoid engaging in any outside business or other activities that might create a conflict of interest, create a perception of impropriety or jeopardize the Bank's integrity or reputation. Every director and employee must avoid activities, interests or associations that might interfere or even appear to interfere with the independent exercise of good judgment in the conduct of his or her duties or with the best interests of our group, clients, shareholders or the public. Also, all directors and employees must be sensitive to potential conflicts and avoid them where possible.

Business Activities; Ownership of Securities

All employees and directors of the Group must strictly comply with Outside Interest Policy. For instance, they must report all outside business activities, including ownership of privately held stock and limited partnership interests, to the Group so a review for potential conflicts of interest can be conducted. Outside business activities and interests include serving as a partner or a stockholder in another business, as an officer in a family-owned corporation or as an outside director of another company. The appropriateness of engaging in these and other types of outside business activities,

interests or investment opportunities depends on many factors, including the nature and extent of the outside interest, the potential for conflicts of interest, and the relationship between the Group and the outside entities and the duties involved.

Service as a director or employee of any other corporation or business running for a political office or taking on a formal role in someone else's campaign for political office must not be on behalf of the Group and must be authorized in writing by the Group. Unless approved in writing by the Group, no employee or director may serve as a director of a publicly traded company.

Transactions with Related Persons

The Group does not encourage any transaction entered into between the Group and any member of the Board, management, major shareholders or its related persons ("Related Transaction"). This is to avoid any potential conflict of interest among the Group and those persons. However, from time to time, to the extent permitted by relevant laws and regulations and in connection with operation of the Group's business, the Group may need to engage in any Related Transaction.

Corporate Opportunities

Every director and employee owes a duty to the Group to advance the Group's legitimate interests to the best of their abilities whenever the opportunity arises and must not take for themselves personally opportunities they discover through the use of the Group's property, information or position in violation of the Group's policies. In addition, the Group's property, information or position must not be used for personal gain. No director or employee may compete with the Group.

Confidentiality Obligations

Nonpublic Information

The Group's directors and employees must maintain the confidentiality of information entrusted to them by the Group and provided by our clients and vendors. In the conduct of its business, the Group receives a great deal of nonpublic information. Much of this information may be sensitive, with the potential to affect market conditions, negotiations, strategic positioning and relationships with clients, competitors or vendors. The Group's directors and employees must exercise

care not to misuse nonpublic information obtained during their employment, including disclose such information to other persons, either directly or indirectly and by any means, to exploit such information for trading securities, either for the benefit of oneself or other persons. The obligation to maintain the confidentiality of information may be subject to legal or regulatory requirements to disclose that information.

Media, Publishing and Public Appearances

The Group's directors and employees must not provide nonpublic corporate information to persons outside the Group, including the media, unless authorized to do so. In all cases, directors and employees must refer media inquiries to Corporate Communications. Only designated spokespersons of the Group may provide comments to the media.

Before publishing, making speeches or giving interviews, employees must get pre-approval from their managers. If a publication, speech, interview or appearance may be of public interest and may reflect on the Group, employees must receive pre-approval from Corporate Communications. In addition, if such publication, speech or interview involve or appear to involve regulatory issue, pre-approval from Compliance is required.

Client Information Privacy

The Group protects the confidentiality and security of client information. The Group does not sell or rent clients' personal information or release client information to third parties, except upon a client's authorization or when permitted or required by law. Employees of the Group may not discuss the business affairs of any client with any other person, except on a strict need-to-know basis. Third-party service providers and vendors with access to client information are required to keep client information confidential and use it only to provide services to or for the Group.

Fair Dealing

Providing Suitable Products and Services to Clients

The Group emphasizes the provision of suitable products and services to meet clients' demand and capability. Product and service information of the Group including any relevant conditions and risks shall be disclosed to ensure that our clients obtain sufficient



data to make their decisions. In addition, advertising and publication must be communicated transparently and clearly without misleading phrases.

Unethical Behavior; Relationships with Competitors, Clients and Partners

The Group seeks to excel and outperform our competitors honestly and fairly. Competitive advantage must result from superior performance, not unethical or illegal business dealings.

The Group fairly treats all partners with business ethics and strictly complies with agreements or conditions mutually agreed upon. In case of non-compliance with any conditions, the Group will notify partners immediately to jointly seek solutions on a rationality basis.

Every employee must deal fairly with the Group's clients, vendors, competitors and fellow employees. No employee may take unfair advantage of anyone through unethical or illegal measures, such as manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair dealing practices, such as setting purchasing and selling prices or conditions on services that are unfair to clients. It is improper, and may be illegal, to hire competitors' employees for the purpose of obtaining trade secrets or other proprietary information. In addition, the Group shall handle dispute solution or mediation in appropriate manners.

It is also against the Group's policy to seek increased sales by disparaging the products and services of other banks or companies. Our goal is to increase business by offering superior products and services. Accordingly, all advertisements of the Group must be truthful, not deceptive and in full compliance with applicable laws, regulations and the Bank's policies. The Group shall not obstruct our clients from switching to use other competitors' services.

Gifts, Gratuities and Other Payments Related to The Group's Business

No director, employee or member of their families may, directly or indirectly, accept or receive gifts, frequent or excessive entertainment, or any similar form of consideration that is of more than nominal value from any person or entity with which the Group does, or seeks to do, business.

The Group's policy forbids bribes, payoffs or payments of any kind to any person, government official

or entity for the purpose of improperly obtaining or retaining business or influencing consideration of any business activity. This policy covers all types of payments that may or may not be considered legal under the circumstances. Special rules may apply to payments or gifts (including entertainment) to officers, directors, employees or other affiliates of government owned or controlled entities.

Customer Complaints

Complaints or disagreement with clients must be reported promptly to Compliant Handling Center or responsible business units as designated by each company within the Group so that necessary investigations can be conducted, remedial actions are taken and regulatory reporting obligations are met. The complaints must be dealt with fairly and promptly.

Respect for the Individual

The Group strives, on a personal level, to treat each individual with dignity, consideration and respect. All directors and employees of the Group should be honest and fair with others, share the credit when credit is due, avoid public criticism of one another and encourage an atmosphere in which openness, cooperation and consultation are the norms. Internal relationships with fellow employees should be based on the same high standards of integrity and ethical responsibility that are observed with the Group's clients, shareholders and the public.

The Group is committed to promoting diversity within our workforce; achieving it is an important competitive advantage in the marketplace. The Group has a strict policy of equal opportunity in hiring, developing, promoting and compensating employees. The Group seeks to attract, retain and reward employees who perform their works to the highest standards, basing promotions on qualification and merit.

Discrimination is not tolerated on the grounds of race, national origin, religion, gender, age, disability and sexual orientation as the Group does not tolerate illegal discrimination in any form and at any level of the Group. Employees who experience or observe work-related discrimination, harassment or similar problems are urged to report it to their department manager, Human Resources or relevant compliance

unit(s) of each company within the Group so that further investigations and disciplinary actions shall be conducted.

Indebtedness between employees should be best avoided and must not reach a level that may compromise the objectivity essential in manager-employee relationships or in the discharge of job-related responsibilities.

Safeguarding the Group's Information, Assets and Property

Business Use

The Group's assets include our capital, facilities, equipment, proprietary information, technology, business plans, ideas for new products and services, trade secrets, inventions, copyrightable materials and client lists. Employees must protect the Group's assets and ensure their efficient uses. Employees may only use the Group's property for legitimate business purposes. Any suspected fraud or theft of the Group's property must be reported for investigation immediately.

Proprietary Information and Intellectual Property

The obligation to protect the Group's assets applies to our Group's proprietary information. Proprietary information includes business, marketing and service plans, unpublished financial data and reports, databases, customer information and salary and bonus information as well as intellectual property such as trade secrets, patents, trademarks and copyrights. Unauthorized use or distribution of this material is a violation of the Group's policy. It may also be illegal and result in civil and criminal penalties.

Intellectual property refers to the Group's intangible assets, such as the Group's business methods, inventions, trademarks and publications. All inventions and copyrightable materials conceived by an employee within the scope of his or her employment are the exclusive property of the Group.

It is the responsibility of every employee to protect the Group's intellectual property. In the meantime, the Group also respects the intellectual property of other parties. The unauthorized use of another party's patented, trademarked or copyrighted (audio, video, text) materials is strictly prohibited, regardless of their sources. In addition, the Group does not permit the use of software or other

devices whose primary purpose is the circumvention or violation of another's intellectual property rights.

Compliance with Internal Controls

The Group maintains a system of internal controls to safeguard and preserve the information and assets of our Group, clients and shareholders. These controls are designed to ensure that business transactions are properly authorized and carried out, and that all reporting is truthful and accurate.

All business transactions require authorization at an appropriate management level. Any director or employee who is responsible for the acquisition or disposition of assets for the Group, or who is authorized to incur liabilities on the Group's behalf, must act prudently in exercising this authority and must be careful not to exceed his or her authority. Equally important, every director and employee must help ensure that all business transactions are executed as authorized.

Transactions must be properly reflected on the Group's books and records. It is important that all reporting be done honestly and accurately and that employees cooperate fully with both internal and independent audits.

The Group's Written and Electronic Communications

Access to the Internet

The Group has strict policies on Internet access. Only authorized connections are permitted and access to the Internet must be accomplished via an approved security gateway. Furthermore, employees are not permitted to link to the Internet from the Group's office via modem dial-up services or other external service providers without the Group's approval. Employees of the Group are reminded to be sure that their system passwords are secure. Additionally, employees should exercise good judgment when using the Internet during business hours for personal, non-business purposes.

Written and E-Mail Communications

Electronic communications should be treated with the same care as any other business communication. Any communication relating to the Group's business must be of an appropriate nature and must not violate the legal rights of the Group, any employee or third party. All written communications, including those



electronically delivered, should be clear, concise and professional in tone and content.

Communications Monitoring

All electronic communications relating to the Group's business must be made through the Group's network unless the Group has expressly authorized another means. Electronic communications, including e-mails and connections to Internet using the Group's computing or network resources, are the property of the Group and are subject to monitoring and surveillance to the extent permissible by applicable laws and regulations.

Compliance with Law

The Group actively promotes compliance with the laws, rules and regulations that govern our Group's business. Obeying both the letter and spirit of the law is one of the foundations of the Group's ethical standards. While no one is expected to be an expert on every detail of all the laws that govern our business, employees are expected to understand the laws and regulations applicable to their duties at the Group and to understand the regulatory environment within which the Group operates well enough to know when to seek advice from the manager or from Compliance.

These Guidelines have been written to promote compliance with law. However, should compliance with the Guidelines bring you into conflict with applicable law, you must obey the law and notify your manager of the conflict as soon as possible. When you have questions or concerns about practices or policies that might violate the Guidelines or if at any time you find yourself in a situation you believe is or may be a violation of the Group's policies, you must bring them to the attention of your manager, Compliance or senior management, as appropriate.

Compliance with Investigations

It is our policy to cooperate with government investigators and law enforcement officials. Every employee must also cooperate with investigations by non-governmental regulators with oversight of our business as well as with our internal investigations.

Specific Policies and Regulations Affecting the Group

The Group actively promotes compliance with the laws, rules and regulations that govern our business.

We will take appropriate disciplinary action, including termination of employment against an employee for any violations of laws and regulations governing our business.

Certain significant policies and regulations are highlighted below. This is not meant to be an exhaustive review of these policies and regulations. Nor does it constitute a complete listing of the laws, rules, regulations and policies that must be adhered to by every employee in the conduct of his or her duties at the Group.

- **Employee Accounts and Insider Trading**

In order to supervise and prevent our directors, executives and employees who may access to inside information or material non-public information derived from their positions, duties or works for personal gain or other benefits from exploiting such inside information, directors, executives and employees must comply with relevant policies or rules as designated by the Group.

Our policy prohibits every Person from acting upon material non-public information to benefit themselves or others. Information is "material" if there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision, or it could reasonably be expected to affect the price of an issuer's securities.

Those having access to confidential or nonpublic information must not use or share that information except in connection with the legitimate conduct of our business. We strive to prevent the misuse of material non-public information by, among other things, limiting access to confidential information and limiting and monitoring communications between some areas. In addition to civil and criminal penalties, misuse of confidential information or engaging in insider trading will result in disciplinary action, including termination.

- **Money Laundering: Antiterrorism Laws**

We comply fully with Anti-Money Laundering Act B.E. 2542 (1999) (as amended), (the "AML Act") and Counter-Terrorism and Proliferation of Weapon of Mass Destruction Financing Act



B.E. 2559 (2016) (as amended), the processing of Know Your Customer (KYC) and Customer Due Diligence, screening customer information using sanctions lists and watch lists that are announced or provided by AMLO, as well as using other sanctions lists or additional lists under the AML/CFT Act and relevant laws, or lists that are announced or provided by AMLO in the future to determine client risk levels on money laundering and terrorism financing prior to any transactions and continuous review customer information and transaction. Any suspicious transaction by customer in accordance with AML/CFT laws shall be reported to the Anti Money Laundering Office.

- **Improper and Corrupt Payments; Anti-Bribery Law Violations**

The Group comply strictly with the Thai anti-bribery laws. If you suspect that any activity you are involved in may violate the anti-corruption laws, or if you become aware of such activity by any Persons, you must notify relevant compliance unit(s) immediately.

In addition, the Capital Market Business Group of the Group is committed to full compliance with the U.S. Foreign Corrupt Practices Act (FCPA) which prohibits providing money or anything else of value to government officials, political parties or public employees for the purpose of improperly influencing their actions in order to obtain or retain business.

- **Proper Record-Keeping and Disclosure Requirements**

We require honest and accurate accounting and recording of financial and other information in order to make responsible business decisions and provide an accurate account of our performance to shareholders and regulators. It is a violation of law and the Group policy for any Person to attempt to improperly influence or mislead any accountant engaged in preparing our audit. We are committed to full compliance with all requirements applicable to our disclosures. We require that our financial and other reporting fairly present the financial condition, results

of operations and cash flow of the Group and that we comply in all respects with applicable law, rules and regulations, including generally accepted accounting principles (GAAP) and applicable rules of the Securities and Exchange Commission (the "SEC").

- **Document Retention and Destruction**

Without exception, all employees must fully comply with the Group's relevant Record Retention Guidelines. Destruction of documents may result in legal regulatory sanction. If you are aware of litigation or potential litigation or a regulatory inquiry related to a client's assets/ transactions or other relevant information that the Group may possess, documents related to such client must not be destroyed until after the litigation or inquiry is completely settled. Relevant compliance unit(s) must be consulted in these circumstances. Failure to comply with this policy, as well as industry regulations and laws, is subject to termination and may also face criminal or civil prosecution, with possible fines and prison terms.

Commitment to Promoting Ethical Conduct

Protecting the Group's reputation is everyone's duty. Every director and employee has an obligation to question situations that may violate the Group's standards of business conduct and report violations of law, rules, regulations and the code of ethics through each company's channel immediately. Waivers of any provision of the Guidelines will only be given when deemed absolutely appropriate under the circumstances and then strictly in accordance with the procedures established by the Guidelines and other policies of the Group. The Group shall not tolerate retaliation against those reporting violation or possible violation of Guidelines in good faith. Relevant reports and evidences are deemed confidential. The group shall investigate allegations of potential wrongdoing in accordance with complaint procedures. Disciplinary actions may be taken against employees who breach laws, rules and regulations on the extent of their wrongdoing and on a fair basis. Furthermore, the Group shall conduct periodic audits of compliance with the Guideline.



Summary of the Anti-corruption Policy

Kiatnakin Phatra Financial Group

Purpose

Kiatnakin Phatra Financial Group (“the Group”) intends and is committed to taking a stand against corruption in any form by adhering to the Group’s Guidelines for Business Conduct and Corporate Governance Principles, as well as regulations according to the laws on anti-corruption, which are to be strictly followed. The Group has defined this Anti-corruption Policy to be used by its directors, executives, and employees as guidelines to perform their duties in a transparent manner against corruption, paving the way to building a mutual attitude towards anti-corruption and a sustainable organization.

Principle

The Group’s policy forbids its directors, executives, and employees from giving any bribes, payoffs, or payments of any kind to any person, government official, or entity for the purpose of improperly obtaining or retaining business or influencing consideration of any business activity, as well as, directly or indirectly, requesting or accepting gifts, frequent or excessive entertainment, or any similar form of consideration that is of more than nominal value from any person or entity with which the Group does, or seeks to do, business. Also, the Group will not cooperate with or support any activities that are illegal, involve corruption, or are a threat to society and national security.

The Group will not demote or take disciplinary action against anybody who refuses to be involved in a corruption scheme, even though it may have made the Group lose a business opportunity.

Political Contributions

“Political contributions” mean giving financial or in-kind support or participating in an event, as well as encouraging employees to participate in political activities on behalf of the Group. This does not include directors’, executives’, and employees’ participation in activities according to their personal rights.

The Group has a policy of conducting business with impartiality. It does not pay attention to any politics, political parties, or politicians affiliated with any political party and will not provide capital or assistance in any other form for political contributions as defined in the first paragraph.

Sponsorships

“Sponsorships” mean money, assets, or any other benefits given for the purpose of the business, brand, or reputation of the Group, such as the presentation of the Group’s logo, being named in an opening or closing speech, receiving tickets to attend the event, etc.

The Group does not have a policy of providing financial support to third parties or making promises or offers to provide financial support to third parties in order for the Group to gain an improper competitive advantage or for other unlawful purposes that can damage the Group’s reputation.

Charitable Contributions

The Group donates to or supports the budget by focusing on creating benefits for society or for the purpose of clearly promoting the development of communities, society, and the environment in a transparent manner that is not contrary to the requirements of the law. There must be no donations of any kind made to evade or cover up corruption.

Receiving and Giving Gifts, Hospitality, and Other Benefits

Receiving gifts, hospitality, and other benefits must not, directly or indirectly, affect the decision-making or the performance of duties in a way that impairs the ability to use neutral judgment in decision-making or leads to inappropriate benefits or conflicts of interest.

Giving gifts, hospitality, and other benefits must proceed with caution and prudence and have no characteristic that leads to corruption, whether directly or indirectly, or that leads to biased discretion in performing duties in a favorable manner.

Receiving and giving gifts, hospitality, and other benefits must be of reasonable value and not contrary to the requirements of the law. It must not be different, have a frequency beyond the normal practice of general people, or not be according to the customs and traditions in society. It must be consistent with the business principles of the Group and not cause damage to the Group's reputation.

Facilitation Payments

"Facilitation payments" mean any money, item, or benefit given to government officials, whether directly or indirectly, to reduce steps or speed up operations according to the work process that government officials already have a duty to perform.

The Group has no policy to pay facilitation payments in any case.

Conflict of Interest

The Group has a policy on the prevention of conflicts of interest, about which the Group is careful because conflicts of interest can lead to corruption.

Revolving Door

The Group may hire or appoint government officials or former government officials to work for or hold positions in the Group, in accordance with the relevant laws. Such employment or appointment must not create a conflict of interest between the Group's interests and the public interest or government benefits, and it must not give the Group an unfair advantage or affect the independence of government officials. The Group will disclose information on compliance with such a policy to the public.

Procurement of Goods and Services

The procurement of goods and services by the Group must be based on the principle that the Group must get the most benefit from the selection process of vendors, contractors, or consultants that is transparent, honest, unbiased, and verifiable. Directors, executives, and employees are strictly prohibited from receiving any benefits from those who participate in the selection process. The Group will notify the seller, contractor, or

consultant of its Anti-corruption Policy, and they must comply with the anti-corruption laws of Thailand as well as the Group's Anti-corruption Policy and procurement regulations specified by each company in the Group.

Human Resources Management

The Group has established a human resources management process that reflects its anti-corruption commitment, ranging from establishing an efficient organizational structure that strengthens the Group's transparency to establishing a human resources management process that reflects its anti-corruption commitment. There is a separation of duties and responsibilities. The working process of each department must have a clear chain of command in order to maintain an appropriate balance of power. It includes recruitment or selection of personnel for promotion, training, employee performance appraisal, and compensation; determining appropriate procedures to penalize employees who do not comply with the Anti-corruption Policy; internal communication to directors, executives, and employees of the Bank and the Group companies for their acknowledgment, understanding, and awareness of compliance with such an anti-corruption policy; and encouraging executives to communicate with employees to understand business operations and supervise the operations under their responsibility to be in accordance with the policy set by the Group.

Communication and Channels for Complaints and Whistleblowing

Communication

The Group has arranged the dissemination of its Anti-corruption Policy. This is one of the key principles in the Group's business ethics. Directors, executives, and employees of the Group must generally be aware of such a policy and use it as a practical guideline along with regulations and operational regulations.

In addition, the Group has arranged to communicate its Anti-corruption Policy to business partners of the Group, companies that the Group has control over as business agents, and stakeholders through email, the Group's website, the annual report, the sustainability report, as well as its various public relations media.



Channels for Complaints and Whistleblowing

Directors, executives, and employees of the Group must not neglect or ignore when they see or have doubts about actions that may be considered corrupt. The whistleblowing must be reported through the channels specified by the Group, and the whistleblower must cooperate in the investigation of various facts. Failure to cooperate in the investigation of various facts may lead to a presumption of their participation in such acts.

In order to facilitate complaints or whistleblowing for people within the Group and outsiders, the Group has provided channels for complaints or whistleblowing by referring to the details of the whistleblowing channel in the Whistleblowing Policy of the Group.

In this regard, the Group will protect whistleblowers and information providers acting in good faith (such as acting fairly without intent to bully, etc.). The information and evidence will be kept confidential and will only be known to the people assigned and involved. This includes not taking disciplinary action or punishing those who deny corruption. The Group will proceed according to the complaint handling process, investigate the facts, and consider disciplinary actions as specified by the Group.

Internal Control and Risk Assessment

Internal Control

The Group has established internal controls covering finance, accounting, record-keeping, and other processes within the Group related to anti-corruption practices.

There are internal control and internal audit systems that are appropriate and effective, namely: 1) control of the environment, such as organizational structure with segregation of duties, checks and balances, policy and business ethics formulation, and personnel readiness; 2) risk assessment; 3) control activities, such as ensuring the completeness and accuracy of financial reports and storing supporting documents; 4) information and communication systems; and 5) monitoring and evaluation.

Risk Assessment

The Group has set up operational risk management, which creates and improves risk assessment tools that can be used by the Bank and the Group companies. All units are required to identify and carry out risk control self-assessment (RCSA), which includes evaluating risks that could lead to corruption in line with the risk management unit's policies, rules, regulations, and tools. They should then report the risk assessment results to the Bank's Operational Risk Management Department on a regular basis so as to review, analyze, and prepare reports for submission to the Bank's Risk Oversight Committee and senior executives to be able to effectively monitor and control operational risks under acceptable risk levels and be prepared to handle risks that may occur in the future. This includes reviewing and recommending policies, rules, regulations, and operational risk management practices for the Bank and the Group companies to manage the risk of corruption through the Risk Management Group.

Board of Directors Charter

Kiatnakin Phatra Bank Public Company Limited

Roles, Duties, and Responsibilities

As the representative of shareholders, the Board of Directors has roles, duties, and responsibilities to conduct business with integrity to achieve stability and good returns with full capacity as a professional and independence due to the duty of loyalty and the duty of care. The Board of Directors should refrain from having any conflicts of interest, discrimination, or favoring its allies and carefully protect the interests of the overall organization. The scope of authority and duties of the Board of Directors are as follows:

1. Determine short- and long-term business directions and strategic goals of the Group for both financial and non-financial aspects; efficiently allocate significant resources within the Group to ensure objectives and goals are achieved; consider and approve the Group's business plan; and revise such a business plan by taking into account the concept of sustainable banking that focuses on environmental, social, and governance factors, as well as the changes in the ecosystem and factors proposed by the Executive Committee.
2. Define and approve policies and significant business transactions that are required by laws and regulators and oversee and monitor the implementation of those policies through the Executive Committee to ensure that they are carried out efficiently and effectively in order to protect the benefits of the Group and its shareholders and for business sustainability.
3. Oversee the adequate and efficient allocation of significant resources, for instance, capital investment, personnel, technology, etc., and promote the utilization of innovation to create business opportunities, improve business operation and risk management, and enable the Group to achieve key business objectives and goals. The Board of Directors shall also define the proper remuneration structure to incentivize employees to fully perform their

duties with honesty and in accordance with its risk culture. The Board of Directors may delegate the authority to other committees or designated persons to carry out the task and report the result to the Board of Directors as appropriate.

4. Ensure that the Bank's Guidelines for Business Conduct, including business ethics and ethics for directors, persons with management authority, and employees, are in place and adopted as practice guidelines in the organization, as well as encourage fair services to clients (market conduct) in a concrete and effective manner.
5. Define or approve a good and effective risk governance framework to support business operations in accordance with the specified directions and objectives in the rapidly changing business environment. The Board of Directors shall define the appropriate risk appetite level for business operation, monitor the business so it is operated within such a specified risk appetite level, ensure that the system and risk management process can address the overall and significant risks (a comprehensive risk management policy and process), and provide a mechanism to report on risk management in order to prevent or correct critical problems (preventive and corrective action) in a timely manner. The Board of Directors shall also ensure that the Risk Oversight Committee establishes policies, procedures, and controls relating to risk management that, at the minimum, shall include credit risk, market risk, investment risk, liquidity risk, operational risk, reputational risk, legal risk, strategic risk, and information technology risk, as well as risks that may arise from the launch of new products and certain significant business changes and risks that may occur in the future. The Board of Directors shall approve such policies and review them regularly or immediately after any significant changes,



along with the review of actual operational strategies. Furthermore, the Board of Directors has the duty to drive a risk culture (tone from the top), oversee the Group's risks, ensure that the Group's business is operated within specified risk management policies and strategies, support the building of risk culture, encourage and ensure the management adopts a risk culture throughout the organization, constantly monitor and assess whether the risk culture is in line with the expectation and there is any point to be concerned or need further development, as well as ensure the communication of such policies and strategies throughout the organization in order to assure the Group's business is conducted with appropriate risks in the rapidly changing environment.

6. Ensure that the Bank and the Group companies have effective control, oversight, and audit mechanisms (three lines of defense), adequate and proper internal control and internal audit systems that cover various business activities and can abruptly detect any error, as well as an organizational structure that promotes independent and effective control, oversight, and audit functions to make certain that transactions are made efficiently and in accordance with the specified policy and system and relevant laws and regulations. The Board of Directors shall regularly review and assess the internal control system to ensure that it is efficient and appropriate for the Bank's and the Group companies' operations.
7. Study and understand the shareholder structure and relationship, which may affect business management and operation, and oversee that the checks and balances of power between the management and/or major shareholders are suitable. This should be done with an emphasis on creating a good proportion of independent directors among board members.
8. Appoint and specify the roles, duties, and responsibilities of committees as appropriate with the size, business operation, risks, business direction, and corporate strategy to lessen the

burden, increase efficiency and effectiveness in performing the duties of the Board of Directors, and support its oversight responsibility, such as the Audit Committee, Nomination and Remuneration Committee, Risk Oversight Committee, Compliance and Governance Committee, and Executive Committee. The Board of Directors shall regularly follow up on significant reports from such committees to improve operations if any problem arises and regularly review the committees' roles, duties, and responsibilities at least once a year.

9. Ensure that committees require the management to define and implement a system for the Bank's corporate governance in accordance with applicable laws and its business nature. Consider and approve the corporate governance system, including monitoring its effectiveness and providing advice on further improvement.
10. Ensure that the management informs the Board of Directors on any important matters affecting the Bank and the Group and has a reporting process so that the Board of Directors has timely and sufficient information to be able to perform its roles and carry out its duties and responsibilities efficiently.
11. Approve the annual financial reports, which are audited by an external auditor and reviewed by the Executive Committee and Audit Committee, prior to proposing them to the shareholders' meeting for approval. In addition, the Board of Directors shall receive recommendations through the management letter provided by an external auditor and recommendations provided by the Executive Committee.
12. Define policy for risk assessment, capital adequacy, and liquidity of the Bank, and strategy and guidelines to maintain the Bank's capital consistent with the approved risk appetite level. Define a stress test policy that is in line with the Bank's transactions and material risks.
13. Appoint the CEO nominated by the Nomination and Remuneration Committee and determine the performance evaluation criteria for the CEO that align with his or her performance.

Perform or delegate authority to the Nomination and Remuneration Committee to perform the annual performance evaluation of the CEO and approve the remuneration according to the pre-determined criteria. Such remuneration should incentivize competency to perform duties to achieve the Group's long-term key objectives and goals.

14. Appoint and specify the authorities and duties of the Bank's executives and the highest-level executive of KKP CAP as recommended by the Nomination and Remuneration Committee, as well as oversee a succession plan in order for the Group to conduct business unceasingly.
15. Appoint, transfer, remove, and assess the efficiency and effectiveness of the performance of the head of the risk management unit, the head of the compliance unit, and the head of the internal audit unit. The Board of Directors may assign committees to perform such duties on its behalf as is deemed appropriate for the aforementioned persons to act independently.
16. Ensure that the Bank has policies on loans and investments with related parties in place.
17. Review and approve, through committees, the management's proposal relating to the authorization of lending, investments, commitments, or any transactions with loan-like characteristics, as well as purchasing and management expenditures. This is for the benefit of the Bank and in compliance with related laws and regulations.
18. Regularly review the Board of Directors' roles and responsibilities at least once a year to be in line with the changing business environment, industry, relevant factors, regulations, and laws, as well as enable the Bank to adapt in an appropriate and timely manner. Perform an annual performance evaluation of the Board of Directors.
19. Oversee that the Bank discloses important corporate governance information at the shareholders' meeting and to the public accurately, completely, transparently, and timely according to the duty of disclosure.

20. Ensure that each individual director participates in no less than 75% of all Board of Directors' meetings held in a year, unless with reasonable grounds or necessity.

Furthermore, the Board of Directors may seek further professional opinion from external consultants on the operation of the Bank and the Group companies, with the expenses borne by the Bank or the Group companies.

The Chairman of the Board of Directors must be an independent or non-executive director. The Board of Directors should meet at least once every three months or more often as deemed appropriate with the duties and responsibilities of the Board of Directors and no less than six times per year. The quorum for the Board of Directors' meetings must consist of at least two-thirds (2/3) of the board members. At the time of the Board of Directors' voting, there must be at least two-thirds (2/3) of the total number of directors.

All meeting resolutions must be passed by a majority vote of the board members attending the meeting. One director is entitled to one vote in casting the votes. The exemption is made so that directors having an interest in any matter shall not be entitled to vote on such a matter. In the event that the votes are equal, the Chairman of the meeting is required to make an additional vote of one vote as a final judgment.

Matters under the Authority of the Board of Directors of the Bank

The Board of Directors of the Bank has responsibility for the administration of all activities of the Bank and is empowered to proceed under the provisions of law, the Bank's Articles of Association, and the resolution of the shareholders' meeting. These matters, which are under the authority of the Bank's Board of Directors, consist of the following:

1. To determine the business direction and overall strategic goal of the Group.
2. To approve the Group's business plan and annual budget as proposed by the Executive Committee.
3. To define and approve the policies as required by laws or regulatory agencies, including the main policies for operating businesses.



4. To approve the Corporate Governance Policy and the Guidelines for Business Conduct Policy for the Bank and the Group companies as proposed by the Compliance and Governance Committee.
5. To appoint, remove, and define the authorities and duties for the committees under its supervision, including the Bank's senior executives from the First Executive Vice President level and higher.
6. To approve the remuneration and other benefits for high-level executives of the Bank.
7. To appoint and remove the Corporate Secretary.
8. To approve the payment and omission of the interim dividend for shareholders.
9. To propose an increase or reduction in capital or change of share value and the amendment or alteration of the Memorandum of Association, Articles of Association, and/or objectives of the Bank to shareholders.
10. To approve or cancel loans, credit guarantees, or credit limits in excess of the Executive Committee's authorized limit.
11. To approve the granting of loans or credit guarantees for companies that have a business relationship with the Bank as shareholders.
12. To approve the incorporation, merger, or termination of subsidiary companies.
13. To approve the modification, demolition, and writing off of fixed assets and intangible assets that deteriorate or are decommissioned, out of order, lost, damaged, or outdated and are no longer usable, with book values exceeding the Executive Committee's authorized limit.
14. To sell or mortgage any immovable property of the Bank or any rental of immovable property of the Bank for a period exceeding three years.
16. To approve the acquisition or disposal of assets and connected transactions in accordance with the notifications of the Capital Market Supervisory Board.

Audit Committee Charter

Kiatnakin Phatra Bank Public Company Limited

Roles, Duties, and Responsibilities

The Audit Committee has the following roles, duties, and responsibilities as assigned by the Board of Directors:

Financial reporting and auditors

1. Review the Group's financial reporting to ensure its accuracy and adequacy and receive information about improper transactions in financial statements or other issues from employees.
2. Consider, select, and nominate an independent person to be the Group's auditor; propose remuneration for the auditor; and attend a non-management meeting with the auditor at least once a year.
3. Consider the plan or scope of the audit to ensure that it has covered all substantive risks and financial reporting requirements. Monitor and ensure that the issues found by the auditor are corrected appropriately and in a timely manner.
4. Consider the Group's policy relating to non-audit services provided by the auditor and review it to ensure that the use of such services does not interfere with the auditor's independence.

Internal control system and internal audit

5. Review the Group's internal controls, including information technology security and control, to ensure that they are suitable and effective.
6. Determine the internal audit unit's independence; review the Group's internal audit to ensure that it is suitable and efficient; and approve the appointment, transfer, and dismissal, as well as the performance efficiency and effectiveness of the chief of the internal audit unit or any other unit in charge of an internal audit.
7. Review the implementation of remedial actions on the audit issues raised by the regulators, external auditors, and internal auditors.

Compliance with laws and regulations

8. Review the performance of the Group companies to ensure compliance with the laws pertaining

to financial institutions, the law on securities and exchange, the SET's regulations, the Bank of Thailand's regulations, other laws and regulations relating to financial institutions and securities businesses, and any other laws, such as the Anti-Money Laundering and Counter-Terrorism and Proliferation of Weapon of Mass Destruction Financing (AML/CTPF), requirements of the OIC, the Personal Data Protection Act, etc.

9. Review to ensure that the Group companies follow the Group's policies.

Connected transactions or transactions that may have conflicts of interest

10. Review the connected transactions or the transactions that may lead to a conflict of interest and the disclosure thereof to ensure that they are in compliance with the laws and the SET's regulations, are reasonable, and are for the highest benefit.

Reporting

11. Report on the committee's performance to the Bank's Board of Directors at least once every quarter.
12. Prepare and disclose the following information in the Group's annual report and the Audit Committee's report that must be signed by the Audit Committee's Chairperson:
 - (a) opinion on the accuracy, completeness, and credibility of the Group's financial report;
 - (b) opinion on the adequacy of the Group's internal control system;
 - (c) opinion on the compliance with the laws pertaining to financial institutions, the law on securities and exchange, the SET's regulations, the Bank of Thailand's regulations, other laws and regulations relating to financial institutions and securities businesses, and any other laws, such as the Anti-Money Laundering and Counter-Terrorism and Proliferation of



Weapon of Mass Destruction Financing (AML/CTPF), requirements of the OIC, the Personal Data Protection Act, etc.;

- (d) opinion on the suitability of the auditor;
 - (e) opinion on the transactions that may lead to a conflict of interest;
 - (f) the number of the Audit Committee's meetings and the attendance of such meetings by each committee member;
 - (g) opinion or overview comment received by the Audit Committee from its performance of duties in accordance with the charter; and
 - (h) other transactions that, according to the Audit Committee's opinion, should be known to shareholders and general investors and subject to the scope of duties and responsibilities assigned by the Bank's Board of Directors.
13. Report to the Bank's Board of Directors so that remedial actions can be taken within the timeframe that the Audit Committee deems appropriate in case the Audit Committee finds or suspects any misconduct as follows:
- (a) Any transaction that causes a conflict of interest;
 - (b) Any fraud, irregularity, or material defect in an internal control system; or
 - (c) Any violation of the laws pertaining to financial institutions, the law on securities and exchange, the SET's regulations, the Bank of Thailand's regulations, other laws and regulations related to financial institutions and securities businesses, and any other laws, such as the Anti-Money Laundering and Counter-Terrorism and Proliferation of Weapon of Mass Destruction Financing (AML/CTPF), requirements of the OIC, the Personal Data Protection Act, etc. If the Bank's Board of Directors or the management fails to rectify the matter within the period specified by the Audit Committee, the Audit Committee shall disclose such transaction or act in the annual report and report to the Bank of Thailand, the SEC, or the SET accordingly.

Others

- 14. Investigate immediately when receiving information from the auditor pursuant to Section 89/25 of the Securities and Exchange Act, about suspicious circumstances that the director, manager, or any person responsible for the operation of the Group commits an offense under Section 281/2 paragraph two, Section 305, Section 306, Section 308, Section 309, Section 310, Section 311, Section 312, or Section 313 and report the preliminary investigation result to the SEC and auditor within thirty days from the notification date.
- 15. Inspect or question any relevant personnel regarding any related issues within the Group. The Audit Committee is authorized to hire or bring in specialists to assist with the auditing process, as deemed appropriate.
- 16. If necessary, the Audit Committee may invite the management or any relevant person(s) to join the meeting to give additional information related to the matter being audited.
- 17. Consult and exchange views with the Risk Oversight Committee in order to assess if the risk management policies and strategies cover all existing and emerging risks and if the implementations of such policies and strategies are effective and efficient.
- 18. Review the accuracy of the Anti-corruption Self-evaluation Report and reference documents, which are prepared and audited by the Legal and Compliance Group and the Internal Audit Office, respectively, in accordance with the review period as prescribed by CAC.
- 19. Perform any other act as assigned by the Bank's Board of Directors and accepted by the Audit Committee.
- 20. Perform any other act as the law prescribes under the authority of the Audit Committee.

The Audit Committee shall meet at least once every quarter or as often as it deems appropriate and also meet with the Audit Committee of the Group companies at least twice a year. The Chairperson of the Audit Committee may set up the committee meeting via an electronic channel. The quorum for the Audit



committee's meetings must consist of no less than half of the Audit Committee members. The meeting resolution is passed by a majority vote of the committee members attending the meeting. The Audit Committee may adopt a resolution without holding a meeting if the Chairperson of the Audit Committee approves and all committee members sign their names on a copy

of the text of such a resolution and such a resolution shall have the same force and effect as if it had been adopted at a duly convened meeting of the Audit Committee. The Chairperson of the Audit Committee or the committee member who has been assigned to act as the Chairperson of the meeting has the casting vote.



Nomination and Remuneration Committee Charter

Kiatnakin Phatra Bank Public Company Limited

Roles, Duties, and Responsibilities

The Nomination and Remuneration Committee has the following roles, duties, and responsibilities as assigned by the Board of Directors:

1. Establish policy, criteria, and process for nominating directors and persons with management authority for the Bank and the Group companies in order to propose them to the Bank's Board of Directors; select and propose qualified persons to be board members, members of sub-committees directly reporting to the Board of Directors, persons with management authority, advisors of the Bank and the highest-level executive of KKP CAP to the Bank's Board of Directors for consideration; and give consent to the directors and persons with management authority of the Group companies prior to being proposed for appointment. The Nomination and Remuneration Committee can consider appointing qualified persons as persons with management authority and advisors of the Bank who act equivalently to persons with management authority. The Nomination and Remuneration Committee shall report to the Bank's Board of Directors after the appointment's approval.
2. Consider the size and composition of the Board of Directors of the Bank and the Group companies, which are appropriate to the changing circumstances. Oversee that the Group has a mechanism or tool to support the process for selecting and nominating director candidates to ensure that the Board of Directors of the Bank and Group companies consist of qualified individuals with a wide range of knowledge, capabilities, and experiences favorable to long-term business growth and the directions and strategies of the Group, such as developing a skill matrix that is necessary for the Bank's Board of Directors, etc.
3. Ensure that the board members and persons with management authority of the Bank and the Group companies receive remuneration and benefits that are commensurate with their duties and responsibilities. Consider the remuneration and other benefits for board members and the CEO of the Bank that reflect the objectives, duties, and responsibilities, and relevant risks¹ prior to proposing them to the Board of Directors. In addition, the committee shall establish a transparent payment policy for remuneration and other benefits for other persons with management authority as a guideline for consideration by the Human Resource Management Committee or the Capital Market Human Resources Management Committee. The committee may also consult with the Risk Oversight Committee to ensure that the remuneration can reflect important risks.
4. Consider and establish guidelines for the performance evaluation of board members and the CEO of the Bank to propose for the Board of Directors' consideration. The evaluation of the board members should be in the form of both self-evaluation and cross-evaluation or third-party evaluation. The committee shall also establish guidelines for the performance evaluation of the persons with management

¹ The remuneration should not relate too much to short-term profits or targets and must not create incentives for entering into risky transactions that can affect the Group's stability.



authority for the Human Resource Management Committee. These guidelines will assist the Human Resource Management Committee in considering the annual remuneration by taking into account the roles and responsibilities, the related risks, the management of business in accordance with the organization's goals and strategies, and the increasing value of shareholders' proportion in the long term.

5. Oversee the disclosure of the policy and process for the selection of directors and persons with management authority of the Bank, the remuneration policy, and various forms of benefits, as well as prepare the committee's report in the Bank's annual report.
6. Oversee that the Bank has a succession plan for executives in place to ensure planning and preparation for critical positions.
7. Report on the committee's performance to the Board of Directors at least once a year.

The Nomination and Remuneration Committee shall meet at least twice a year or as often as it deems appropriate. The Chairman of the Nomination and Remuneration Committee may set up the committee meeting via an electronic channel. The quorum for the Nomination and Remuneration Committee's meetings must consist of no less than half of the Nomination and Remuneration Committee members. The meeting resolution is passed by a majority vote of the committee members attending the meeting. The Nomination and Remuneration Committee may adopt a resolution without holding a meeting if the Chairman of the Nomination and Remuneration Committee approves and all committee members sign their names on a copy of the text of such a resolution and such a resolution shall have the same force and effect as if it had been adopted at a duly convened meeting of the Nomination and Remuneration Committee. The Chairman of the Nomination and Remuneration Committee or the committee member who has been assigned to act as the Chairperson of the meeting has a casting vote.



Compliance and Governance Committee Charter

Kiatnakin Phatra Bank Public Company Limited

Roles, Duties, and Responsibilities

The Compliance and Governance Committee has the following roles, duties, and responsibilities as assigned by the Board of Directors:

Compliance

To ensure that the Bank and the Group companies comply with laws, regulations, rules, standards, and practices applicable to various transactions, as well as policies related to the Bank's and the Group companies' operations. The roles, duties, and responsibilities of the Compliance and Governance Committee regarding oversight in terms of adhering to laws and various regulations are as follows:

1. Approve the Annual Compliance Plan of the compliance unit; acknowledge the report on the operations of the compliance unit; and provide advice in relation thereto to ensure that the annual plan is fully implemented and achieves its objectives.
2. Provide an opinion on the Annual Compliance Report and report it to the Board of Directors.
3. Acknowledge the audit reports from regulatory bodies such as the Bank of Thailand, the SEC, etc.
4. Acknowledge and ensure that the Bank has a process to address the issues identified by regulatory audits and the issues discovered by the compliance unit.
5. Review, endorse, and/or approve working processes, policies, guidelines, and rules related to core compliance applied to the Group, particularly the Group's guidelines for business conduct, as assigned by the Board of Directors, and consider, endorse, and/or approve non-significant changes and report to the Board of Directors once a year.
6. Endorse the appointment, transfer, dismissal, and performance evaluation of the top executive of the compliance unit.

7. Acknowledge the risk framework in terms of legal and regulatory compliance and the results of the risk assessment based on such a framework, as well as review the outcomes from the evaluation of the adequacy and effectiveness of the risk framework of the Group in terms of compliance, whereby there are significant changes every year.
8. Provide guidance on compliance with the regulations and/or issues that have been presented with the aim of enhancing business operational efficiency.
9. Report on the committee's performance to the Board of Directors at least once a year and immediately if there is any significant incompliance with the rules of the regulators, the Bank, and/or the Group companies.

Corporate governance

To ensure that the Group has an effective and independent corporate governance system by specifying policies and operational procedures suitable for the business operations. The roles, duties, and responsibilities of the Compliance and Governance Committee, particularly on corporate governance in compliance with the standards and in good governance, are as follows:

10. Regularly review the corporate governance principles of the Bank and the Group companies and their compliance with international standards and suggestions of regulators; consider the assessment result of the Bank's and Group companies' corporate governance carried out by external entities; and recommend the development of the Bank's corporate governance principles to the Board of Directors for approval.
11. Review, endorse, and/or approve policies, guidelines, and regulations related to good governance in line with governance principles as assigned by the Board of Directors, as

well as consider, endorse, and/or approve amendments regarding minor changes, and report to the Board of Directors once a year.

12. Review and endorse the scope of duties of the committees appointed by the Board of Directors to align with the responsibilities assigned by the Board of Directors and the relevant laws and regulations, and review the roles and duties in relation thereto at least once a year to seek approval from the Board of Directors.
13. Provide guidance on compliance with the regulations and/or issues that have been presented with the aim of enhancing business operational efficiency.

Sustainability development (ESG) governance

To oversee execution in accordance with the law and international regulations and guidelines based on sustainability principles and practices, or as determined by the Board of Directors. The roles, duties, and responsibilities of the Compliance and Governance Committee on environmental, social, and governance (ESG) or sustainability are as follows:

14. Endorse and provide guidance on the corporate sustainability goals as well as the strategic direction and policies regarding ESG, risks, and impacts, including climate-related matters affecting stakeholders from the Bank's and the Group companies' business operations, for the Board of Directors' approval.
15. Acknowledge and provide recommendations on progress reports and sustainability performance, as well as provide advice on business opportunities, particularly on sustainability and climate-related matters.
16. Endorse and approve the sustainability report and propose it to the Board of Directors for acknowledgment.
17. Acknowledge the framework of risk rising from ESG impacts, along with the results of ESG risk assessment, provide opinions and recommendations on the effectiveness of

the ESG risk assessment outcome within the operations of the Bank and the Group companies, and provide opinions on matters concerning risk management and sustainability impacts to the Board of Directors or the Risk Oversight Committee.

18. Acknowledge the sustainability performance report, including initiative projects related to environmental sustainability, climate-related concerns, human rights, responsible investment and lending, and other relevant subjects, and provide opinions and recommendations for appropriate adjustments and enhancements. Present a performance report to the Board of Directors at least once a year and promptly report significant concerns.
19. Provide guidance on compliance with the law, regulations, and/or issues that have been presented for the Bank and the Group companies with the aim of enhancing business operational efficiency.

The Compliance and Governance Committee shall meet at least once every quarter or as often as it deems appropriate. The Chairman of the Compliance and Governance Committee may set up the committee meeting via an electronic channel. The quorum for the Compliance and Governance Committee's meetings must consist of no less than half of the Compliance and Governance Committee members. The meeting resolution is passed by a majority vote of the committee members attending the meeting. The Compliance and Governance Committee may adopt a resolution without holding a meeting if the Chairman of the Compliance and Governance Committee approves and all committee members sign their names on a copy of the text of such a resolution and such a resolution shall have the same force and effect as if it had been adopted at a duly convened meeting of the Compliance and Governance Committee. The Chairman of the Compliance and Governance Committee or the committee member who has been assigned to act as the Chairperson of the meeting has a casting vote.



Executive Committee Charter

Kiatnakin Phatra Bank Public Company Limited

Roles, Duties, and Responsibilities

The Executive Committee has the following roles, duties, and responsibilities as assigned by the Board of Directors:

1. Determine the short- and long-term business directions and strategic goals of the Group for both financial and non-financial aspects by analyzing the ecosystem and factors prior to proposing them to the Board of Directors for consideration.
2. Consider the policy and operating plan of the Bank and the Group companies, as proposed by the CEO, prior to proposing them to the Board of Directors for consideration, emphasizing adequate and efficient allocation of key resources, and ensuring that the CEO operates the business in accordance with the approved policy effectively and efficiently.
3. Consider and approve the policies, guidelines, and working rules of the Bank and the Group companies.
4. Oversee the business operations of the Bank and the Group companies in order to carry out business in accordance with the laws and approved policies, as well as assign operating matters of the Bank and the Group companies to the CEO and sub-committees in order to propose them to the Board of Directors for consideration.
5. Establish the overall organizational structure in accordance with the business directions and goals, as well as give consent to any revision to the Bank's organizational structure at the group level (in the case of setting up a new business or dismissing any business) prior to proposing it to the Board of Directors for consideration. Meanwhile, the CEO and President are authorized to approve the revision of the organizational structure at the departmental or group level (excluding setting up a new business or dismissing any business) according to line authority as deemed appropriate.
6. Supervise the performance and establish the roles and responsibilities of the CEO, sub-committees, and executives who are assigned by the Executive Committee to be responsible for a specific matter.
7. Consider and approve loans, restructuring loans, and sales of main foreclosed property; set the asset price to be purchased from auctions; exercise the right to object in accordance with the specified limit; approve the legal expenses and litigation against debtors; and approve the securities underwriting and securities commitment of the Bank or the Group companies within the specified limit and propose it to the Board of Directors for acknowledgement.
8. Approve the unreviewed or unaudited financial statements in order to disclose them to the SET and relevant supervisory agencies and consider the reviewed or audited financial statements before proposing them to the Board of Directors for approval.

The Executive Committee shall meet at least once a month or as often as it deems appropriate. The Chairman of the Executive Committee may set up the committee meeting via an electronic channel. The quorum for the Executive Committee's meetings must consist of no less than half of the Executive Committee members. The meeting resolution is passed by a majority vote of the committee members attending the meeting. In cases where unanimity is not reached, the committee member may propose such an agenda to the Board of Directors for consideration. The Executive Committee may adopt a resolution without holding a meeting if the Chairman of the Executive Committee approves and all committee members sign their names on a copy of the text of such a resolution and such a resolution shall have the same force and effect as if it had been adopted at a duly convened meeting of the Executive Committee.

Risk Oversight Committee Charter

Kiatnakin Phatra Bank Public Company Limited

Roles, Duties, and Responsibilities

The Risk Oversight Committee has the following roles, duties, and responsibilities as assigned by the Board of Directors:

1. Set up the overall policy on risk management for the Bank and the Group companies and propose it to the Board of Directors for consideration. This includes major policies on credit risk, market risk, liquidity risk, operational risk, including IT risk, risk appetite, and any other risk that could adversely affect the Bank's and the Group companies' reputations.
2. Develop strategies that are consistent with the Bank's risk management policy. The strategies should enable the committee to assess, monitor, and control risks at acceptable levels. Additionally, it is the responsibility of the committee to set up criteria for considering reserves for asset classification.
3. Consider and approve criteria relating to lending, commitments, and any transactions with loan-like characteristics that are within the risk management framework set by a regulatory agency or the Bank. It is the committee's responsibility to consider and establish credit policies in order to propose them to the Board of Directors for approval.
4. Oversee the risk management of the Bank and the Group companies and report to the Board of Directors.
5. Give suggestions to the Board of Directors about the financial institution's risk management framework.
6. Report to the Audit Committee and/or the Compliance and Governance Committee to acknowledge the issues that need to be improved to be consistent with the risk management policies and guidelines.
7. Oversee that senior executives, including the Head of Risk Management Group, comply with the risk management policies and strategies as well as the specified risk appetite.
8. Oversee that strategies on capital and liquidity management for absorbing various types of risks at the financial institution are in line with the approved risk appetite.
9. Revisit and review the sufficiency and effectiveness of the overall risk management policies and strategies as well as risk appetite at least once a year or when there is any significant change, where the Risk Oversight Committee should consult and exchange views with the Audit Committee in order to assess if the risk management policies and strategies cover all existing and new types of risks and if the implementation of such policies and strategies is effective and efficient.
10. Report the committee's performance to the Board of Directors at least once a year. And also report the following to the Board of Directors: risk exposures, effectiveness of risk management, progress on the implementation of risk culture, important factors and problems, and the required revisions to meet the risk management policies and strategies. Review the adequacy of the risk management policies and systems as well as the effectiveness of such systems and their implementation according to specified policies.
11. Express an opinion or take part in the evaluation of the effectiveness and efficiency of the Head of Risk Management Group.

The Risk Oversight Committee shall meet at least once every quarter or as often as it deems appropriate. The Chairman of the Risk Oversight Committee may set up the committee meeting via an electronic channel.



The quorum for the Risk Oversight Committee's meetings must consist of no less than half of the Risk Oversight Committee members. The meeting resolution is passed by a majority vote of the committee members attending the meeting. The Risk Oversight Committee may adopt a resolution without holding a meeting if the Chairman of the Risk Oversight Committee approves and all committee members sign their names on a copy of the text of such a resolution and such a resolution shall have

the same force and effect as if it had been adopted at a duly convened meeting of the Risk Oversight Committee. The Chairman of the Risk Oversight Committee has the casting vote.

The Chairman of the Risk Oversight Committee must be an independent director or non-executive director. At least half of the committee members must be independent directors or non-executive directors.

Report of the Audit Committee

The Audit Committee of Kiatnakin Phatra Bank Public Company Limited (the “committee”) comprises the following three independent directors, each of whom possesses extensive knowledge and experience in finance, accounting, economics, and organization management.

- January 1 - January 25, 2023: consists of Mrs. Dayana Bunnag as chairperson, with Mr. Chalee Chantanayingyong as member.
- January 26 - December 31, 2023: consists of Mrs. Dayana Bunnag as chairperson, with Mr. Chalee Chantanayingyong and Assoc. Prof. Dr. Chayodom Sabbasri as members.

In 2023, the committee had eighteen meetings, with the attendance record of each committee member reported under Section 8.2 (Performance of the Audit Committee in the Previous Year) in the Form 56-1 One Report, to perform duties in accordance with the role set forth in the committee’s charter, in summary:

- In each quarter, the committee reviewed the financial reports through a meeting with executives of the Finance and Budgeting Group and external auditors to consider all comments made during the auditing and reviewing of financial statements, including the changes in policies of the Group related to the development of the new treasury system to ensure compliance with relevant accounting standards and best practices in the majority of the commercial banking industry. In this regard, the committee discussed with auditors and management the appropriateness of the expected credit loss allowance and any additional expected credit loss by management overlay. In addition, on a half-yearly basis, the committee and external auditors had meetings arranged without the attendance of the executives.
- By working together with the internal auditors and external auditors, the committee reviewed the internal control system, including information technology security and control as well as cyber security, to assess the efficiency and sufficiency

of these systems. The committee was of the opinion that the Group had sufficient and appropriate internal control systems. In the past year, the Bank and its subsidiaries had some deficiencies in the internal control systems, and management gave serious attention to these issues in order to correct and improve the performance of the systems. However, the Audit Committee believed that the Group should further enhance its internal control system to adapt to various changes, such as regulatory changes, the increasing shift towards digital business models, technological advancements, and economic challenges expected in the upcoming year. The external auditors did not make any remarks that could be deemed to have any significance for the Group’s internal controls. Moreover, in 2023, the Bank’s management was engaged in assessing the adequacy of internal control using the SEC’s checklist, which was developed under the COSO 2013 framework. The committee and the Board of Directors reviewed the assessment results to exchange views and develop a mutual understanding of the state of internal controls in order to determine appropriate actions.

- The committee reviewed and approved the annual internal audit plan. In this regard, the committee recommended that the Internal Audit Office consider a plan for investing in the development of audit capabilities related to information technology and digital aspects, covering both tools and human resources. This includes allocating the necessary budget for these initiatives. Additionally, internal auditors should remain vigilant and adopt a forward-looking perspective to stay abreast of evolving trends. Furthermore, the committee determined the independence of the internal audit function and reviewed the annual performance of the Head of the Internal Audit Office.



- The committee reviewed the Group's risk management system and measures as reported by the risk management function. These included the key risk factors and the management response to address those risks in line with the Group's policies, strategies, and plans. The committee emphasized the significance of addressing the issues where fraudsters misuse the clients' accounts (ghost accounts) to receive and transfer funds acquired through illicit activities. This has become a widespread problem, affecting the general public and commercial banks. The Bank has undertaken measures to combat financial fraud activities, including enhancing operational processes and implementing various technologies for prevention and detection. These efforts have resulted in a significant reduction in the number of ghost accounts associated with the Bank.
- The committee reviewed related-party transactions or transactions that may lead to a conflict of interest, including the disclosure thereon, to ensure that they were in compliance with the laws and regulations imposed by the SET and were reasonable and for the highest benefit of the Group.
- On a quarterly basis, the committee reviewed the internal audit's report to assess whether disclosure and appropriate surveillance and monitoring programs were in place. This was to ensure compliance with the laws and regulations relating to the Group's business, including those imposed by the Bank of Thailand, the SEC, the OIC, the AMLO, etc.
- The committee reviewed the performance of the Bank's external auditors on their duties over the year. The committee was of the opinion that the auditors of PricewaterhouseCoopers ABAS Ltd. were independent, possessed great skill and knowledge about international auditing standards,

demonstrated a high level of proficiency in auditing banking and capital markets businesses, and had sufficient resources. As a result, the committee considered and re-nominated PricewaterhouseCoopers ABAS Ltd. as the auditors of the Bank for the year 2024 and submitted its recommendation on the appointment and remuneration of the Bank's external auditors to the Board of Directors to be proposed to the shareholders' meeting for approval.

- The committee considered the Group's policy on non-audit services provided by the Bank's external auditors and reviewed such services to ensure that non-audit engagement did not impair the independence of the Bank's external auditors.
- The committee arranged meetings with other audit committees within the Group to exchange views and opinions regarding the role of the audit committees in accordance with the good governance, risk, and control (GRC) framework so as to allow all committee members to be able to assess the overall picture of the Group's internal control.

According to a self-assessment carried out in 2023, the results suggested that the committee has satisfactorily discharged its duties in accordance with the requirements set out in the committee's charter.

In summary, the committee has performed its duties independently and has been open in expressing its opinions for the best benefit of the Bank. The committee is of the opinion that the Bank has appropriate and efficient risk management and sound internal controls in place to undertake transactions with related parties and monitor compliance with the rules and policies as well as for other bank operations. The financial statements of the Bank are reliable, have been constructed with sufficient control systems, and are in accordance with Thai financial reporting standards.



The committee has recommended to the Board of Directors that communication be continuously made to all staff that the Group emphasizes the importance of observing good business conduct and that fraudulent behavior is unacceptable (Zero Tolerance to Fraud Policy). In the year 2023, the Bank arranged for an independent expert from outside the organization to assess the

appropriateness and completeness of its code of conduct. This includes evaluating the adherence to the specified principles. The committee and the Board of Directors have received the report on the results of this assessment. The Bank will use the assessment findings to make improvements going forward.

As of January 9, 2024
On behalf of the Audit Committee

(Mrs. Dayana Bunnag)
Chairperson of the Audit Committee



Report of the Board of Directors' Responsibility for Financial Statements

The Board of Directors of Kiatnakin Phatra Bank Public Company Limited is accountable for the consolidated financial statements of the Bank and its subsidiaries, the separate financial statement of the Bank, as well as other financial information as presented in the Form 56-1 One Report. The financial statements have been prepared in accordance with financial reporting standards, with appropriate accounting policies applied on a consistent basis, careful consideration, and reasonable estimations. Adequate disclosures have been made in the notes to the financial statements. These are transparent and reasonable presentations that reflect a true and fair financial position and performance, which is useful to all shareholders and investors. An independent certified public accountant has audited these financial statements and stated unqualified opinions therein.

The Board of Directors has adopted and maintained appropriate and effective systems of risk management, internal control, internal audit, and compliance to ensure that all accounting records are accurate, complete, and sufficient. These systems facilitate the Bank's maintenance of all of its assets as well as preventing any damage from other significant irregularities in the Bank's operations.

In this respect, the Board of Directors has appointed the Audit Committee, consisting of independent directors, to be responsible for the following duties: ensuring the accuracy and sufficiency of the Bank's financial reports; overseeing and cross-examining the Bank's internal control system as well as its internal audit; and reviewing all disclosures of the Bank's related transactions or conflicts of interest for the greatest accuracy and completeness. The Report of the Audit Committee section of the Form 56-1 One Report states the opinion of the Audit Committee regarding these matters.

The Board of Directors is of the opinion that the overall internal control system of the Bank is sufficient, well-managed, and satisfactory to provide reasonable confidence in the reliability of the consolidated financial statements of the Bank and its subsidiaries and the separate financial statements of the Bank for the year ended December 31, 2023.

(Mr. Supol Wattanavekin)
Chairman

(Mr. Aphinant Klewpatinond)
Chief Executive Officer



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