

2021 Annual Registration Statement/ Annual Report

(Form 56-1 One Report)



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In case 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 in order to synergize their business expansion and pursue the achievement of operational excellence in each of the core business of the Bank and PHATRA with the aim to combine 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 consists 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 business. The company was listed on the Stock Exchange of Thailand (“SET”) in 1988 before its transformation to a public company in 1993. Eventually, its finance business and securities business were separated in 1999.

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 economic crisis in 1997 in which the company was one of the fifty-seven financial institutions which were forced to temporarily discontinue operation. 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 operation in 1998. The company continued to steadily grow until it was granted permission to upgrade from a financial company to become Kiatnakin Bank Public Company Limited and began to operate as a commercial bank from October 3, 2005 onwards.

PHATRA is a holding company which has been set up since April 1, 2010 as a public company limited under the business restructuring plan of PTSEC to engage directly in the investment business and hold shares in PTSEC.

PTSEC is a broker member of the SET (no. 6). PTSEC has been founded since 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 businesses consist of the securities and derivatives brokerage business for local and foreign institutional clients. PTSEC has BofA Securities (previously Bank of America Merrill Lynch) as its exclusive business partner. For high-net-worth individuals, PTSEC operates the private wealth management business covering several asset classes and focusing on asset allocation, the investment banking business and the investment business.

The Bank completed the additional share purchase of 40% of total KKF shares from the Government Pension Fund on September 28, 2012 when a total of Baht 63 million was settled in exchange for 4.8 million shares of KKF. There was a record of goodwill totaling Baht 19 million from this transaction. Therefore, the Bank held 99.99% of shares in KKF. Thereafter, the Bank transferred shares in KKF and KKS to PHATRA on December 28, 2012 and January 2, 2013 respectively in accordance with the merger plan. Consequently, the Bank holds 99.96% shares in KKS and KKF via PHATRA.

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 from August 1, 2013 onwards.

On July 8, 2016, PHATRA sold a total of 49,999,998 shares or 99.99% in KKTRADE to Yuanta Securities Asia Financial Services Limited. Later, on September 1, 2016, KKTRADE was renamed 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 under the name KKP Dime Company Limited to provide financial and investment services

through digital channels. The Group holds 100% shares of KKP Dime Company Limited through KKP CAP.

1.1.2 Corporate Strategy

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

Vision

To attain business growth along with the success of clients and the society

Mission

To provide resources to clients properly, adequately and proficiently through services beyond expectation and like none other

Principles

Winning attitude, grit, community and market

For the long-term strategy, 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 this, the Group strives to create business innovations, generate synergies within the Group as well as expand into new businesses to enhance its full commercial banking operation capabilities.

The Group plans to increase its service effectiveness and respond to 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 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 business development.

The Group has a policy on organizational development in five main aspects 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 a continuous product and process development in line with the market trend;
4. **Quality:** To be an organization with strong resources in the aspects of employees, capital and information systems; and
5. **Efficiency:** To be an effective organization by keeping its operating cost at a competitive level.

1.1.3 Major Changes and Developments

2019

Development of Products and Service Channels

Phatra Global Investment Service for High-Net-Worth Clients

With an aspiration to become “The Best Global Private Bank for Thais” and continually uplift the leadership in local private banking standard, PTSEC has introduced offshore investment under the name of Phatra Global Investment Service (“GIS”) for high-net-worth clients. With the gradual relaxation of regulations governing offshore investment, this allows PTSEC to offer more investment product varieties to uplift its capabilities in managing clients' wealth through global investment which enhances diversification and investment opportunities to receive higher return.

In 2019, GIS added new services, in addition to the trading platform for global stocks and ETFs introduced since 2012, as below:

- Offshore mutual funds from global fund houses, introduced in April 2019 offering funds from BlackRock Asset Management, J.P. Morgan Asset Management, Wellington Management, Goldman Sachs Asset Management Fund Services Limited, PIMCO and Franklin Templeton Investment;

- Structured notes from global investment banks, launched in August 2019 offering notes from J.P. Morgan, Société Générale and Citigroup; and
- Private markets from elite private equity firm, Kohlberg Kravis Roberts (“KKR”), offering access to a private equity fund for ultra-high-net-worth clients, introduced in August 2019.

With the aforementioned offerings, PTSEC aims to continuously expand product depth and breadth to bring global best practices to Thai clients.

Development of KK e-Banking mobile application

The Bank has developed KK e-Banking mobile application in order to improve convenience for clients. The Bank has implemented the ‘no password’ function that enables clients to log in by using their fingerprint touch ID or face ID and to transfer or make payment not exceeding Baht 10,000 or in accordance with the saved transactions without using OTP. For transactions over Baht 10,000, clients need to use MyPIN as an authorization factor.

The Bank has also supported Thailand's digital ID project by adding KKP NDID service feature on KK e-Banking for digital self-identification via the National Digital ID (“NDID”) Platform in order to carry out any financial transactions.

Development of KK Auto Application

The Bank has improved KK Auto application, which is the application for auto hire purchase clients, by adding on the feature to collect information on clients' mobile phone usage with their consent. Such information has been used to analyze clients' behavior in order for the Bank to better facilitate clients and offer the right financial services at the right time.

Development of Telephone System

The Bank has increased efficiency and safety in using the KK Contact Center by adding the dynamic IVR. After clients identify themselves via the KKP Contact Center, the system will inform only products/services that the client has with the Bank instead of letting clients listen to all menu announcements. This is to reduce clients' waiting time and increase clients' satisfaction.

Furthermore, the automatic dial system has been added to better serve clients. For instance, the system will call out to remind about a loan payment due date for clients with no service fee so clients do not need to memorize the payment due date. Also, the Bank planned to extend this service to credit approval and making appointments.

Development of Deposit and Insurance Products

During 2019, the Bank continued to focus on its clients by providing new deposit and investment products and services, which respond to their needs. For example, the Bank has introduced Foreign Currency Deposit Account (“FCD”) which is a savings account that clients can choose to deposit in six foreign currencies, which are US Dollar (USD), Euro (EUR), Pound (GBP), Japanese Yen (JPY), Hong Kong Dollar (HKD) and Singapore Dollar (SGD). FCD supports several client groups, helps reduce risk from exchange rate fluctuation by saving in foreign currency accounts, facilitates clients when they need to withdraw or use foreign currencies for future expense, as well as easily increases effectiveness in foreign currency management.

In addition, KK Smart Corporate is a savings account for corporates which supports the businesses’ savings management plans. It offers more significant benefits than general savings accounts as it offers high interest rate similar to fixed deposit accounts with no intensive minimum deposit requirement for account opening and no limit on transactions. Moreover, clients can conveniently manage their business transactions through Corporate Internet Banking (CIB) without visiting any branch.

The Bank, as a life and non-life insurance broker, also offers consultation and financial planning for clients. The Bank aims to ensure that bancassurance will be part of official solutions to serve clients. Therefore, the Bank has provided life insurance with investment with regular premium, namely KKGEN Wealth Protect Link, and single premium, namely KKGEN Wealth Invest Link. Such insurance products provide clients with life protection and investment return. Clients are able to choose from a variety of funds and switch in accordance with the specified conditions. Furthermore, the Bank has developed a new life insurance product with legacy

planning, namely KKGEN Infinite Wealth 90/5, in which clients pay the premium for only five years and obtain life protection as sum assurance until the age of ninety and accidental protection at a maximum of Baht 50 million.

Additionally, in order to fulfill clients’ health protection needs, the Bank has developed KKGEN Easy Box-Wellness, which protects clients against medical expenses both OPD and IPD, and KKGEN Cancer Protect, which provides coverage for all cancers in every stage.

PhatraX, the Digital Platform to Distribute Analysis and Research Reports of PTSEC

PTSEC has harnessed the latest technology and innovation to develop PhatraX, a digital platform to distribute macroeconomics and equity analysis and research reports. With the digitization of the report distribution process and the introduction of automation, the whole process has been streamlined in order to meet the changing needs of clients and enhance efficiency in the analytical process for parties involved. PhatraX has already been successfully launched but will constantly be updated to provide better services and greater efficiency in the future.

Issuance and Offering of Structured Notes

In 2019, PTSEC issued and offered two new types of structured notes: 1) Foreign ELN, an equity linked note which has foreign security as an underlying asset and 2) Foreign Autocallable Fixed Coupon Note, a yield enhancement note which has foreign security as an underlying asset and offers a high return if the price of the underlying asset is in accordance with the specified conditions. The foreign underlying asset for these two structured notes can be any stock, index or ETF which is listed in a well-established stock exchange around the world, such as the US, Hong Kong and Singapore.

Development of Asset Management Business of PASSET

PASSET has continued to introduce a variety of products to meet investors’ demands by focusing on allocation in various asset classes.

In 2019, PASSET has introduced a variety of products to broaden the scope of investment choices for investors. PASSET launched two additional asset allocation funds, i.e. Phatra Strategic Asset Allocation Fund-Light (PHATRA SG-AA Light) and Phatra Strategic Asset Allocation Fund-Extra (PHATRA SG-AA Extra) to provide investors with more choices, in addition to its existing asset allocation fund which is Phatra Strategic Asset Allocation Fund (PHATRA SG-AA). These new funds assign different weights to strategic asset allocation and possess different levels of risk. PHATRA SG-AA Light is suitable for investors with medium-to-high risk tolerance, while PHATRA SG-AA Extra is suitable for investors with very high-risk tolerance. Both funds follow strategic asset allocation recommendation from their investment advisor-PTSEC.

PASSET has also launched Phatra Passive Global Equity Fund (PHATRA PGE), which is a foreign equity feeder fund investing in iShares MSCI ACWI ETF that seeks to replicate the performance of the MSCI ACWI index through passive strategy. Such index is designed to represent the performance of stocks across developed and emerging markets.

In addition to the developments in PASSET's mutual fund products, PASSET has also continued to introduce private funds that invest in various assets both locally and globally, including private funds that focus on diversifying investments among different asset classes.

PASSET has continued to expand distribution channels in order to increase accessibility to PASSET's funds via selling agents. PASSET has also added more products offered through commercial banks with an open-architecture platform, as well as life insurance companies (unit-linked) and securities companies.

Strategic Investment in iSTOX, a Capital Market Platform for Digitized Securities

The Group invested in Singapore-based ICHX Tech Pte. Ltd. ("ICHX"), the operator of a fully integrated platform offering end-to-end digitized securities service under the name iSTOX. The platform is regulated by the Monetary Authority of Singapore ("MAS"). The Group has become ICHX's major shareholder, joining existing key shareholders including the Singapore Exchange

Limited (SGX) and a subsidiary company of Temasek Holdings. In addition, Mr. Aphinant Klewpatinond, the Group's CEO, has joined ICHX's Board of Directors to help develop iSTOX as part of capital markets to be more transparent and inclusive.

Capital markets are currently subject to complex regulatory frameworks and processes, which incur high costs and limited access to fundraising. The iSTOX platform is designed to take on these challenges by using enabling technologies like blockchain and smart contract to provide increased transparency and reduce transaction costs of both the primary market issuance and secondary trading. The platform will serve both small and large companies seeking to raise capital through a wide range of asset classes, such as equity, fixed income and real estate investment trust. It will also provide ease of access to more choices of investment opportunities for investors including private markets, start-ups and real estate.

2020

The Bank's and the Group Companies' Name Change

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

Development of Products and Service Channels

KKP Launches Savings Account through True Money Wallet Application

The Bank has partnered with True Money Company Limited (True Money), a prominent company which provides a wide range of financial services through its True Money Wallet application ("True Money Wallet"), to offer a savings product under the name KKP Start Saving via the application. Clients who open a KKP Start Saving account will receive an interest of 1.55% per annum. This rate is higher than the regular savings account average rate of 0.25% per annum and clients

can also use such deposits to pay for goods and services through True Money Wallet to promote the cashless economy.

The advantage of the KKP Start Saving account is that clients can open accounts through True Money Wallet's e-KYC without submitting documents which can reduce the time-consuming process of traditional paper-intensive account opening via bank branches. Clients can also check the deposit balance with the daily accrual interest function or the transaction history instantaneously on the application. In addition, clients can earn interest from deposits in this savings account. Paying for products/services or topping up wallet can be done conveniently via the application. This results in a significant increase in the online transaction volume of the Bank.

KKP Smart Growth

In 2020, the Bank has launched a new savings deposit product under the name KKP Smart Growth which is a savings account with investment. It supports and encourages clients to simultaneously save and invest. The investment is made through the mutual funds managed by KKPAM.

Insurance Product Development with Business Partner

The Bank, in partnership with Generali Life Assurance (Thailand) Public Company Limited ("Generali"), has offered new insurance products, namely KKPGEN Wealth Flexi Link (RP) and KKPGEN Global Health Solution.

KKPGEN Wealth Flexi Link (RP) is designed for clients who prefer flexibility to modify coverage and investment to best suit each stage of their lives and for their future investment, for instance retirement plan, children's education plan and inheritance plan. In each stage of life, clients may have different ability to pay insurance premium, need different insurance coverage and expect different rate of financial return. The unique point of this product is that clients can adjust the life coverage from 5 times to 100 times of their main annual insurance premium while receiving special bonus yearly and life protection for the first 5 consecutive years according to the specified conditions.

The funds for KKPGEN Wealth Flexi Link (RP) are screened by using the knowledge and expertise of the Group and Generali for the utmost benefit of clients. The selected funds are full of quality with diverse assets and are not limited to funds under any specific asset management. This is to ensure that clients receive their return in accordance with their preferred risk level.

KKPGEN Global Health Solution, which is a life and health high premium insurance, completely responds to clients' health need. It covers medical expenses both domestic and worldwide with a maximum coverage of Baht 100 million. In addition to treatment, it also covers general health care, such as physical checkup, vaccination, dental care and child delivery, which helps reduce clients' risk and concern under the current circumstances where we are facing climate change and a disease outbreak worldwide. Moreover, medical expense tends to increase by 8 - 10% per year on average. It also responds to the trend of Thai people paying more interest in health.

KKPGEN Global Health Solution offers 7 alternative plans for clients to choose from in accordance with their preferred benefit and area of coverage. Generali, a global insurance brand, has a support unit named Generali Global Health, which has long-term health insurance expertise and experience with the global medical network. In case of emergency/illness in any country or in case clients want to obtain specialized health treatment in any country, clients can access such treatment with no advance payment.

Furthermore, the Bank offers KKPGEN Infinite Wealth 99/2 and 99/10 which are lifetime insurance products to help clients in inheritance planning and financial planning from generation to generation. Also, clients are provided options to pay insurance premiums that best suit them.

Progress of GIS for High-Net-Worth Clients

In 2020, KKPS continued to extend the diversity of the GIS services (offshore mutual funds, structured notes and private markets) by on-boarding more quality products and world class counterparties as follows:

- Eight additional fund houses for offshore mutual funds, namely Capital Group, Columbia Threadneedle Investments, Fidelity International, Janus Henderson Investors, Jupiter Asset Management Limited, Lazard Asset Management, Schroder Investment Management and UBS Asset Management;
- Two structured note issuers, e.g. UBS AG and BNP Paribas. Moreover, KKPS added a new product feature of physical delivery in addition to existing cash settlement option; and
- One more investment firm, Oaktree Capital Management, was added as a private markets product provider. Together with KKR, engaged since 2019, KKPS offers three new private markets funds in 2020 which were popular among clients.

Mandate Service for Offshore Investment through Program Trading

Regarding the onshore investment situation which still underperforms the market compared to offshore investment coupled with the instability of the domestic market, investors may find difficulties in managing their own portfolios to meet their target.

KKPS is aware of this pain point and proposes the new Mandate Service to its clients. Mandate Service is targeted to help clients invest in the offshore market easily through program trading under the concept “Tailored Solutions, Professionally Managed”. Mandate Service is managed by a professional and experienced team which will select the best investment products to construct clients’ portfolios. Not only does the team manage asset allocation, but it also tracks risks and rebalances portfolio strategy periodically by using technology provided by Quantifeed which is the Asian leader in digital wealth solution technology. This technology increases the efficiency of clients’ portfolio management and automatically rebalances and continuously tracks portfolio risks for clients. In addition, with the open-architecture platform, Mandate Service can offer a variety of investment options covering all industries worldwide to meet both short-term and long-term goals for clients.

Updates on the Development of Kiatnakin PhatraX-Digital Platform to Offer Analysis Report Services of KKPS

KKPS has been furthering the development of the Kiatnakin PhatraX digital platform since late 2019 with the initial step being designing a platform which is conducive to mobile device usage and adding new services as well as improving the data and information provided on the platform. This includes 1) consolidating analysis reports released in the past 24 hours under the name KKPS Daily Digest, 2) offering financial models and valuation charts for each listed company’s share and 3) adding new data and information and improving the data offered on each sector and industry as well as economic data for Thailand and other countries in the form of a dashboard for clients’ utmost convenience and benefit.

The next step for the Kiatnakin PhatraX platform is the preparation of the needed infrastructure to link it to other systems within the Group.

Issuance and Offering of Structured Notes

In 2020, KKPS, in collaboration with the Bank, issued and offered a new type of structured notes, namely Bonus Digital Note. It is a principal protected note which is linked to 1 - 5 underlying securities and will pay a fixed return if the prices of all underlying securities close higher than the predetermined prices. The issuance of such note received good response from investors. In addition, KKPS has reduced the minimum subscription amount for some issues of structured notes to Baht 1,000,000 to respond to clients’ need to diversify investment risks in structured notes by using a smaller amount of investment.

Opening 1st Bank Account via KKP Mobile Application

The Bank has facilitated its clients to open their 1st deposit account via KKP mobile application as it has developed a system to connect with the NDID infrastructure, which enables clients to open a deposit account through KYC verification with our partners, such as Advanced Info Service Public Company Limited (AIS), as well as through other mobile banking applications. In addition, the Bank uses facial recognition technology to build confidence in identification and

verification. Such innovation is under the supervision of the Bank of Thailand in the Regulatory Sandbox Project, which makes online transactions more convenient, more secure and faster. This greatly reduces the country's economic cost and also supports the promotion of the digital economy.

In the future, the Bank will expand this service to other types of transactions, e.g. loan subscription, securities accounts opening and mutual fund account opening, buying online life insurance and so on.

1st Time in Thailand with Real-time NCB Credit Score Checking via KKP e-Banking Application

Since fast and secured access to credit information will create efficiency and reduce opportunity costs for the entire economy, therefore, the Bank is the first commercial bank in Thailand to cooperate with the National Credit Bureau Company Limited and NDID to provide credit report and credit score checking services through KKP e-Banking application in real-time. This facility provides clients with the highest secured NDID verification and can protect their data privacy, replacing the credit information request through other channels which probably takes around 7 working days to receive a report.

Hence, the Bank can streamline its traditional loan approval process to take less time and paperwork, as well as extend it to other business models, e.g. risk-based pricing by scoring. For instance, in case of good credit, loan applicants will be granted a lower interest rate, which helps reduce their cost of fund. In the meantime, this supports everyone to have financial discipline in order to maintain his/her credit score.

Development of Asset Management Business of KKPAM

In 2020, KKPAM introduced a variety of products to meet investors' evolving demand, covering several types of funds including foreign investment funds ("FIF"), thematic funds, passive strategy funds and asset allocation funds. These funds include:

- KKP Global Infrastructure Equity Fund-Hedged which is a feeder fund investing in master fund-Lazard Global Listed Infrastructure Equity

Fund-which primarily invests in equities of infrastructure companies globally.

- KKP Expanded Tech Fund-Hedged which is a feeder fund investing in master fund-iShares Expanded Tech Sector ETF-with the investment objective of tracking the performance of the S&P North American Expanded Technology Sector Index, using passive investment strategy. The index is designed to measure the performance of U.S. traded stocks from the technology sector and select technology-related companies from the communication services and consumer discretionary sectors in the U.S. and Canada.
- KKP SET50 ESG Fund which mainly invests in stocks of listed companies on the SET that are the component of the SET50 index. The stocks are selected based on the criteria set out by KKPAM, for instance, fundamentals, environmental, social and governance (ESG) aspects.
- KKP Strategic Asset Allocation Fund-Ultra Light which is an asset allocation fund investing in fixed income, equity and alternative investments, both domestically and globally. This is to provide investors with more choices in addition to KKPAM's three existing asset allocation funds, which are suitable for investors with different levels of risk tolerance. The fund follows strategic asset allocation recommendation from its investment advisor-KKPS.

In addition, KKPAM also offers tax-deductible funds, including Super Saving Fund (SSF) and Super Saving Fund Extra (SSFX) 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 has also continued to introduce private funds that invest in various assets both locally and globally.

KKPAM has continued to expand distribution channels in order to increase accessibility to KKPAM's funds via selling agents. KKPAM also added more products offered through commercial banks with the open-architecture platform, as well as life insurance companies (unit-linked) and securities companies.

Progress of iSTOX, Capital Markets Platform for Digitized Securities

The digitized capital markets platform iSTOX achieved a key milestone in February 2020 when it graduated from the MAS' FinTech Regulatory Sandbox. This graduation implies the elimination of restrictions for iSTOX, including previous limitations and constraints on the size of issuances and investors. Throughout the year, iSTOX has taken huge initiatives to prepare for expansion in investor acquisition, public relations, brand strengthening and investor education toward digitized assets. In 2020, iSTOX catered to digitized fund listing and trading with a total of five issuances including hedge funds and unicorn funds, supporting multiple currencies from USD, EUR and SGD.

Going forward, iSTOX has started working on the infrastructure for B2B2C connectivity and expanded by collaborating with brokers, private banks and external asset managers including expanding network of partnership in key strategic countries, such as China and Japan. iSTOX also planned to add products, such as equity, fixed income and structured products, to expand the market attention to a wider range of issuers and investors.

2021 Development of Products and Service Channels

Development of KKP Mobile Application

KKP mobile application, which is a mobile banking application for retail clients, has been revamped since 2020 and started its full launch of the new version since April 2021. It reflects the Bank's commitment to develop digital service channels focusing on the development of digital infrastructure and the constant improvement in 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 be more available and improved the efficiency of KKP mobile application to enable clients to make transactions anywhere and anytime. Key features are digital savings account called KKP Savvy opening, loan related services including loan information enquiry,

loan service request and payment, insurance renewal and reminder to ensure that client benefits and coverage are continued, and card-less withdrawal aiming to add touch points for clients to get cash via ATM or CDM of SCB nationwide without the requirement to have ATM or debit card subscription.

Going forward, the Bank will continue to expand products and services of KKP mobile application to serve new trends and new clients' demands ensuring that the application has comparable features with those of industry leading players. For loan related services, the Bank plans to provide a new feature of online loan request and improve end-to-end loan services on mobile, such as digitized document process and providing online debt relief measures, via KKP Mobile Application. For investment services, the Bank will enhance the application to be Super Application to serve clients of the Bank and the capital market business. In addition to new features for each financial service type and personalized offers and best deals will be available on mobile application which is leveraged from the Bank's ongoing effort of investing in client analytic and campaign platform to provide the right offer to the right segment and at the right time.

Development of Online Deposit and FCD 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 can open accounts; transfer money; and make payment and bill payment by themselves, without having to visit any branch.

Moreover, the Bank launched FCD deposit products, including savings and fixed deposits, in four foreign currencies-USD, GBP, HKD and SGD-to increase savings options and reduce the risk of foreign exchange fluctuation for clients, both individual and juristic.

Insurance Product Development with Business Partner

In 2021, the Bank collaborated with Generali to develop and offer various types of insurance products, consisting of: 1) KKPGEN Wealth 15/5 (Par) which helps in short-term financial planning and has low risk with long-term return, dividend payment within the specified



period of time as well as tax deductible benefit; 2) KKPGEN CI Care Plus which helps prevent health care risk, reduces anxiety and expense burden, as well as supports financial planning in case of illnesses and medical expense for future critical illnesses and 3) KKPGEN HB Care Plus which is an additional contract supporting the daily compensation in case of hospitalization that covers medical expenses for both OPD and IPD.

In addition, due to the COVID-19 outbreak, the Bank has offered insurance products for COVID-19 infections and vaccine allergy, which help reduce clients' concerns and increase protection for clients during the crisis.

Introduction of KKP Cash Now through Online Channel

The Bank has expanded cooperation with True Money and Ascend Nano Company Limited, 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 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 staffs or branches.

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

Progress of GIS for High-Net-Worth Clients

In 2021, KKPS continued to expand its GIS offerings (offshore mutual funds, structured notes and private markets) by on-boarding 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 fund platform provider;

- KKPS added European stocks as underlying of physical delivery in addition to the existing cash settlement option; and
- In addition to the partnership with 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 over subscription demand for all three new offering funds in 2021. Consequently, KKPS has offered seven private markets funds altogether since the inception of GIS.

Issuance and Offering of Structured Notes

In 2021, KKPS's structured note offerings continued to gain popularity from investors. The issuance amount has improved over the previous year and Autocallable Fixed Coupon Note and Bonus Digital Note are among the main products offered. Other business developments this year include the enhancement of the features of structured notes whose payoff is linked to foreign underlying securities. Risk management frameworks have been established and have already obtained approval from regulators. KKPS expects to offer the new products with enhanced features in 2022. In addition, the internal process and systems have been enhanced in order to gain more efficiency and facilitate the operation on documentations that are also updated with information required by the latest regulations in a more reader-friendly format.

Development of Asset Management Business of KKPAM

In 2021, KKPAM introduced a variety of products to meet investors' evolving demand, covering several types of funds including FIFs, thematic funds and passive strategy funds. These funds include:

- KKP Global Thematic Opportunities Fund-Hedged which is a fund of funds investing in foreign mutual

funds, such as ETF, with more than 80% of NAV. The invested mutual funds may have investment strategy and/or investment policy that focuses on a specific sector/sub-sector or a group of sectors/sub-sectors and/or thematic investment, and/or global equity instruments that are relevant to the changes in the trends of several factors, such as technology, political economy, geopolitical science, etc.

- KKP Global High Yield Bond Fund-Hedged Not For Retail Investors which is a feeder fund investing in master fund-Janus Henderson Horizon Global High Yield Bond Fund-that primarily invests in high-yield corporate bonds (sub investment grade) with credit rating equivalent to “BB+” or lower.
- KKP Semiconductor Fund-Hedged which is a feeder fund investing in master fund-iShares Semiconductor ETF-with the investment objective of tracking the performance of the ICE Semiconductor Index using a passive investment strategy. The index is designed to measure the performance of U.S. listed securities in the semiconductor business.

- KKP Global Impact Fund-Hedged which is a feeder fund investing in 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.
- Tax-deductible funds: KKPAM offers two retirement mutual funds (“RMF”), namely KKP Expanded Tech Fund RMF-Hedged and KKP Passive Global Equity Fund RMF-Hedged, and also 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 has 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. More KKPAM funds have been offered through banks with the open-architecture platform, as well as life insurance companies via their unit-linked products and securities companies.

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 share, with par value of Baht 10 per share (As of December 31, 2021)
Authorized Share Capital	Baht 8,467,511,090
Issued and Fully Paid-up Share Capital	Baht 8,467,511,090 (As of December 31, 2021)
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.kkpfg.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 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 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 upon 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 goals are building efficiencies, creating standards and identifying new alternative channels to reach targeted client segments while maintaining an 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 yield 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' distribution channels and clientele. Lastly, the area of 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, 2019 - 2021 is as follows:

	2019		2020		2021	
	Baht Million	%	Baht Million	%	Baht Million	%
Interest income	18,036	94.1	19,584	92.2	19,489	80.4
Interest expense	5,720	29.8	4,905	23.1	3,788	15.6
Net Interest Income	12,316	64.3	14,679	69.1	15,701	64.8
Fees and services income	5,202	27.1	5,107	24.1	6,974	28.8
Commercial banking business	2,142	11.2	1,958	9.2	2,329	9.6
Capital market business	3,060	16.0	3,150	14.8	4,644	19.2
Fees and services expense	598	3.1	771	3.6	900	3.7
Net Fees and Services Income	4,604	24.0	4,336	20.4	6,074	25.1
Gain on financial instruments measured at fair value through profit or loss, net	-	-	1,079	5.1	(158)	(0.7)
Gain on trading and foreign exchange transactions, net	277	1.4	-	-	-	-
Gain on financial liabilities designated at fair value through profit or loss, net	286	1.5	-	-	-	-

	2019		2020		2021	
	Baht Million	%	Baht Million	%	Baht Million	%
Gain (loss) on investment, net	568	3.0	50	0.2	(10)	0.0
Dividend income and profit sharing	576	3.0	389	1.8	1,329	5.5
Other operating incomes	541	2.8	700	3.3	1,309	5.4
Total operating income	19,168	100.0	21,233	100.0	24,246	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**

In the ever-changing and rapid technological change environment, the Bank continues to launch auto hire purchase products and develop services to best serve clients during the digital disruption. Gathering and analyzing relevant data instantly is now possible, enabling the Bank to be able to offer tailor-made products for each client. Access to financial products is easier and seamless while the transaction cost, process and time of lending process have significantly decreased. The Bank takes into account the quality and fair financial services in accordance with the market conduct regulations, as well as the security of personal data.

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 pick-up truck, for individuals and corporate entities. Clients can choose the payment scheme which best suits their needs. The auto hire purchase products offer clients the choice of equal installments, unequal installments (flexi-payment) or low installments at the beginning of the term (balloon payment) to best suit clients' 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, annual motor vehicle tax and other related automobile

taxes payment services. The Bank's services cover all provincial areas and provide options to respond to clients' needs.

In 2021, auto sales continued to be plagued as a consequence of the new wave of COVID-19 outbreak and semiconductor shortage, which impacted the production of automobiles around the world. As a result, new domestic car sales in 2021 were at 759,119 units, a 4.2% decrease YoY. Pick-up and passenger cars, which accounted for 85% of all new vehicle sales, shrank. In contrast, pick-up passenger vehicle (PPV) was more in demand because of its multi-purpose usage, fitting the current lifestyle of consumers.

Used car sales were less affected and continued to perform well during the uncertain period of reduced incomes and health concerns. This was because used car prices were more appropriate for consumers' purchasing power which had not yet fully recovered. Consumers were still careful about their spending. At the same time, they needed their own vehicles for work and travel to replace public transportation to maintain social distancing.

As of the end of December 2021, auto hire purchase loans accounted for 49.7% of the Bank's total lending portfolio and the ratio of new to used cars stood at 40% to 60%. The Bank will continue to grow the auto hire purchase business by considering the market, economic conditions and the competition landscape so that the business operation is suitable for the circumstance. Strong emphasis will be placed on fast and efficient services, prudent credit controls and responsible lending in accordance with the sustainable banking guideline.



- **CarQuickCash**

The Bank also offers multi-purpose loans to car owners (both under financing and freehold) through the CarQuickCash (“CQC”) product for use in case of financial emergencies or addressing everyday needs. The car ownership has to be transferred to the Bank as collateral while the car remains in the client’s possession for everyday usage. Clients pay equal installments with fixed interest rate.

- **Car Title Loan**

Car Title Loan is another multi-purpose loan offered to car owners. Clients can enjoy lower interest rate than personal loan and there is no need to transfer the ownership of the vehicle to the Bank. By simply pledging the car title with the Bank, clients can enjoy the benefit of flexible and early repayments while maintaining the possession of the car for everyday usage.

- **Personal Loan**

Personal loans are multi-purpose loans which do not require collateral. The Bank currently offers two kinds of personal loans:

- 1) Term installment loan which is an unsecured loan with a scheduled repayment plan; and
- 2) Revolving loan (under 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.

The Bank has continuously developed its services and underwriting processes through both traditional process and online to better serve clients’ needs while offering interest rates that suit the market situation and target clients to elevate the Bank’s competitiveness.

- **Housing Loan**

Housing loans are credit extended to finance homebuyers for the purchase of new and used houses, including housing loan refinancing. In addition, under 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. The Bank has also focused on improving the loan approval process to shorten its turn-around time with flexibility in pricing schemes that match each target client’s needs.

- **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 finance individuals or corporate entities conducting small businesses, which include the service industry and the retail and wholesale business sectors. SME loan solutions include a range of products to respond to clients’ needs, such as a business working capital line, O/D and business expansion loans, etc. Different types of collaterals can be used, such as real estate, cars and even no collateral.

- **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 and mutual funds and private funds managed by KKPAM, etc. There are two types of loan terms available - flexible term (less than twelve months) and fixed term (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 to increase financial liquidity as an asset owner for investment in financial assets through KKPS or for multi-purpose loans. Clients can use land, land with building which 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), property funds, REITS, infrastructure funds, mutual funds and private funds managed by KKPAM, etc., as collateral. In addition, the Bank plans to allow additional types of financial assets to be placed as collateral in the future.

• **Retail Deposit and Investment**

With the ongoing COVID-19 outbreak, the Bank offers online savings accounts, KKP Savvy and KKP Start Saving, which allow clients to perform remote deposits and transfer money anywhere. KKP Smart Settlement and KKP Smart Growth accounts are investment accounts which help clients to organize and optimize their investment with KKPS with ease and convenience.

Moreover, the Bank offers FCD for individual and business clients to help manage their foreign currencies efficiently. In addition to foreign currency savings deposit account, in 2021 the Bank launched foreign currency account time deposit as an alternative to enhance cash flow management with fixed interest rate term. Furthermore, the Bank now offers foreign exchange service through telecom communication channel by financial consultants for added convenience.

• **Bancassurance**

The Bank aims to ensure that bancassurance will become part of financial solutions to help serve the Bank's clients and to ensure that products will be beneficial for clients for the mitigation of potential risk and damage which may be incurred in the future. The Bank, as a life and non-life insurance broker, provides advice and financial planning service 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:

- Unit linked insurance product, which is one of the flagship insurance products. Clients receive protection and return on investment. Clients can select payment period for 1 year, 3 years or long-term installments. The Bank provides market information, services and policy portfolio on a monthly and quarterly basis;
- Savings insurance product - KKPGEN Wealth 15/5 (Par): The product provides low-risk financial planning for a short period but provides long-term returns with the opportunity to receive dividends

and tax deduction benefits with the option to pay insurance premiums that suit clients;

- Critical illness insurance product - KKPGEN CI Care Plus: To reduce cost burden and strengthen financial planning with health coverage from critical illness the Bank offers clients to purchase insurance coverage as needed. Clients can renew coverage according to the insured period of the main life insurance policy;
- Hospital compensation benefit insurance product - KKPGEN HB Care Plus: To alleviate concerns and compensate for expenses when hospitalized, the Bank offers clients to purchase insurance coverage as needed. Clients can renew coverage according to the insured period of the main life insurance policy;
- Loan protection insurance - This product offers debt obligation coverage to help reduce financial burden arising from unexpected accidental events for auto hire purchase loans; and
- COVID-19 insurance and vaccination protection products: These products help relieve anxiety and increase protection for the Bank's clients to have a peace of mind during the crisis.

• **Priority Banking**

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 products covering all types of mutual funds - fixed income funds, equity funds, bonds, structured notes and bancassurance, namely savings, annuity, life insurance, and unit linked products. There are also services providing family wealth management and 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 KK Phatra Smart Settlement (KKPSS), a savings account for investors, in order to facilitate investment transactions made through



KKPS to increase opportunities for higher return, and FCD offering greater convenience when making cross-borders transactions;

- Investment - provides advice on clients' investment plan 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: 1) Kiatnakin Phatra Wealth Management is offered for clients with a portfolio value of Baht 30 million and greater who are interested in diversified investments. The Group's financial experts provide advice on appropriate asset allocation to ensure the 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 while 2) 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 investment allocation strategy and appropriate risk management scheme via local and foreign financial products; and
- 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 provides online services through e-Banking and mobile banking/ investment for greater convenience in 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 our clients, such as KKP Focus Forum - an update on worldwide investment situations - together with providing investment advice

and NeXtGen Program: From Study to Success which is a serial yearly seminar which aims to prepare clients' business successor and to further strengthen and advance their business. Events are held both online and on-site to best fit with the situation and convenience of clients.

• Corporate Banking

The Corporate Banking Group was formed after the merger with KKP CAP. 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 of which KKPS is providing investment banking, financial consultancy services and 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 line, project finance, loan syndication, loan for business expansion and other credit products which evolve with the financial and capital markets. The Group coordinates closely with KKPS's team, the Financial Markets Group and other departments under the Wholesale & Investment Banking Group 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, especially in respect to strategic risk and concentration risk of the Bank's credit portfolio. As of December 31, 2021, the outstanding corporate banking loan portfolio has increased sharply to Baht 43,167 million, or an increase of 30.4% YoY, thanks to the continuous acquiring of new clients mainly driven by utilizing the KKP group network and increasing existing clients' wallet size.

- **Commercial Lending**

The Commercial Lending Group provides services to the following five sectors in which the Bank has expertise comprising: 1) real estate lending, 2) apartment and hotel lending, 3) logistics lending, 4) commercial and industrial lending and 5) 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 sales of real estate project development. 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 which 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 which can provide client support on project management. These supports 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 which 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 the entrepreneurs such as long-term loans for both new construction projects and renovation projects, working capital, Aval and LG limits, etc.

3. Logistics Lending

Logistics lending is credit extended to finance logistics activities, which include transportation of container boxes, automobiles and 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. Other facilities for logistics lending are term loans for land purchase and building construction and working capital facilities, Aval and LG limits, etc.

4. Commercial and Industrial Lending

Commercial and industrial lending focuses on lending to finance various manufacturing businesses, for example the packaging business and the manufacturing of auto parts, spare parts, electrical appliances, communications equipment/telecommunication and hardware. The Bank also provides lending to the food and healthcare industries. The Bank's lending products include long-term loans for factory expansion and machinery purchase, secured revolving facilities, credit for refinancing, Aval and LG limits.

5. Construction Materials and Machinery Lending

Construction materials and machinery lending provides support for 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 purchase, 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 make sure the clients' business can grow sustainably.

- **Special Asset Management (SAM)**

Special asset management or distressed asset management business is 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 liquidation process from the Legal Execution Department. In 2010, the Bank acquired unit trusts in the Gamma Capital Fund and the Bangkok Capital Fund,



both of which operate mutual fund operation which is a similar line of business to those operated by the Bank's subsidiaries. Presently, the Bank holds total unit trusts in six mutual funds, all of which are under liquidation process.

The special asset management business is managed by the Special Asset Management Group comprising of the Debt Restructuring Department, which is responsible for handling debt restructuring negotiation, and the Foreclosed Property Management Department, which is responsible for sales of foreclosed assets. The details of assets for sale, such as property type, location, size and price range are provided at <https://bank.kkpfg.com/th/kkproperty> for viewing by clients and interested parties.

- **Financial Markets**

The Financial Markets Group offers a full range of financial products and services, including foreign exchange ("FX") transactions, primary and secondary bonds, structured notes, financial derivatives whose payoff depends on FX, interest rate, debt and equity. Collaboration within the Group allows the Financial Markets Group to support multiple clients comprise of juristic person and high-net-worth clients for their businesses, investments, and/or hedging purpose.

Regarding the operating performance in 2021, the Financial Markets Group managed to meet the financial target. Service on debt securities investment saw growth double in trading volume compared to last year resulting in an improvement of market share and dealer ranking. The revenue from the FX business continuously contributed to overall performance as a result of the increase of activities in foreign investment following the relaxation of FX regulations on investment abroad from the Bank of Thailand. In addition to regular FX transactions for investment offshore with GIS, the Bank established the FX hedging platform for GIS clients this year.

The Financial Markets Group also plays a key role in fundraising in debt markets both in terms of short - and long-term maturity. New product development this year included the issuance of euro currency debenture and floating rate debenture linked to the Thai Overnight Repurchase Rate (THOR). This floating rate debenture transaction indicated the readiness to support the development of the Thai financial market. Besides, the

Financial Market Groups has also improved fundraising channels through structured notes whose payoff relied on FX and foreign underlying assets this year.

Another key highlight in 2021 was the new treasury system project with an aim to enhance the quality of system to global standards and support both current and future businesses. The vendor selection process has been completed and the Bank will continue to test the system throughout 2022 with the target to successfully go-live with the new system in early 2023.

The goal in 2022 remains to utilize the expertise to offer high standard of product and service solutions to meet clients' requirements and market development. Key examples of business projects include the preparation of derivatives product on shelf to support the event of London Interbank Offered Rate (LIBOR) discontinuation, the enhancement and development of structured notes features, the development of the FX platform to serve FX investment activities and be well-prepared for financial service transformation in the digital age and raising our services to global standards to support the Group's businesses.

In addition to products and services offerings, the Bank also places great importance in enhancing internal efficiencies through support groups with development programs as follows:

- **Personnel**

The Bank has continuously placed great emphasis on the development of employees and leaders with the belief that efficient personnel and leadership are the key success to drive the Group's short- and long-term strategies for achieving the mission and vision and ensuring sustainable business growth. The Bank recognizes the importance of its employees and strives to create a supportive working environment under the common corporate principles, which underline employee participation, respect and professionalism, as well as recognizes individuals who exhibit dedication and create innovations for the organization.

The Bank aims to be a "Great Place to Work" organization by creating an impressive experience for both employees and potential employee candidates throughout the employee journey (Employee & Candidate Experience), such as searching for qualified candidates through the KKP Principle Base Selection

interview technique through various channels to gain access to the most qualified personnel, effective performance management system to drive the goal of being a performance-driven organization, fair and competitive compensation to be comparable to leading business groups in the same industry, as well as providing the right welfare & benefits that are suitable for the changing economy to ensure good living conditions and security for all employees, creating opportunities for internal career moves and providing a wide range of training and knowledge to become a learning organization supporting the theme of “Freedom to Learn and Freedom to Grow”. The Bank promotes employees’ health through the Happiness Inside program comprising of four dimensions of happiness, i.e. 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. The Bank also provides opportunities for employees to participate in various innovation programs. Additionally, the Bank 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 experience throughout their journey.

- **Operation**

In the midst of the dynamics of constant changes at an increasingly faster pace which continuously affects the business environment, the ability to adjust the business to keep up with the changes is therefore a challenge. As such, the management of business operations with agility in response to business changes is considered the heart of the operation. In order to reach the ultimate operational efficiency, the Bank aims to enhance service quality coupled with effective risk management. This is the Bank’s strategy for excellence in operational services. The success of various developments in the business operating systems is a result of continuous operational innovation and utilizing information technology in various operational services and processes (digitalizing the operation process). In parallel, the development in personnel to adapt to the changing environment is crucial in order to harness the power of innovations according to the business objectives.

As such, the continuous development of change management is an important foundation for the Group to have a competent business operating system that responds to business needs. The Operations Group is committed to delivering reliability in both quality and efficiency to achieve sustainability and excellence in operation services.

The Bank attaches great importance on the development of the payment system to be more stable to support the competitiveness of the Bank and service clients’ transactions. The Bank has focused on structuring its systems to accommodate the ever-increasing volume of payment transactions including the ability to manage in the event of an emergency. In addition, new service capabilities have continually been developed to meet the needs of corporate and retail clients, such as the development of payment systems for corporate clients through KKP BIZ e-Banking, payment gateway, e-Withholding tax and online payment connection with FinNet Innovation Network Co., Ltd. (FinNet), a subsidiary of the SET that acts as a payment intermediary for transactions in capital markets. This will allow clients who have an account with the Bank to conveniently make payment transactions with ease. For retail clients, the Bank also enhances client journey through card-less ATM withdrawal via mobile banking with the partner bank, Siam Commercial Bank PCL as the first partner, and will expand with other banks for better coverage for clients.

The Bank also realizes the importance of developing services to serve the Group business transactions, therefore, a unit to oversee the services of securities business operations has been set up to cover the role of custodian for both domestic and foreign institutional investors. This includes expanding its services as a custodian for the crowdfunding platform. For agency services, the Bank also established the capability to act as a debenture holders’ representative, finance and securities agent, paying agent, and escrow account operation. With the development of a new system with international standards, the Bank can expand its services to asset management companies by providing the fund accounting outsourcing function. The Bank also applied for a license to act as a mutual fund supervisor and to act as a securities registrar, which is expected to be approved in early 2022.



Apart from quality and efficiency in providing services, the Bank also recognizes and attaches importance to crisis management with a proper crisis management plan. In the case of unexpected business disruptions, critical business functions must be able to perform continuously or resume at the appropriate time in accordance with the guidelines of the Bank of Thailand. Moreover, to raise awareness for employees and to deal with emergency situations effectively, the Bank has scheduled tests for the performance of the crisis management plan on a regular basis to ensure that relevant parties and staffs understand their roles and responsibilities and are ready to provide services in the event of an emergency.

During 2021, in response to the ongoing COVID-19 situation, the Bank regularly monitored news and surveillance of COVID-19 transmission from government agencies. To manage the situation effectively, the business continuity plan for a pandemic situation was updated to align with the current situation. In addition, a war room of top management and COVID-19 working group was set up to monitor the situation and define the necessary policies according to the guidelines issued by the Bank of Thailand and the Ministry of Public Health.

The Bank recognizes impacts in four key areas: 1) personnel, 2) premises, 3) information systems and work processes and 4) business related persons. Important measures were put in place to respond to the COVID-19 situation in a timely manner as follows:

- Split working teams into team A and team B to separate locations for their operations and arrange for employees to work from home;
- Updated the call tree chart of all units;
- Prepared BCP sites to be ready for activation anytime;
- Defined key critical staff for business support as backup information;
- Established social distancing measures in all areas, including not allowing visitors to enter the working area unnecessarily;
- Announced COVID-19 measures regularly so employees and other stakeholders could acknowledge and follow them properly as a preventive measure; and

- Coordinated and acquired COVID-19 vaccines for employees to receive both dose 1 and 2 vaccinations and booster doses, as well as contacted hospitals and hospitals for infected employees for proper treatment in a timely manner.

In addition, the Bank has established a new normal working environment in the case of a prolonged pandemic situation, such as

- Work from Home Policy establishment;
- Maintaining health and safety measures in both the working space/BCP sites, preparing sufficient protection equipment, as well as maintaining social distancing measures continuously;
- Focusing on technology to serve clients in a new normal way while ensuring effectiveness in serving clients' needs;
- Information technology preparation to support the new normal way of work, etc.

- **Information Technology**

For the year 2021, the Bank continued the commitment to create innovation, improve IT platform and provide new tools to upgrade products and services with leading technology in response to the rapidly changing working environment and consumer behavior accelerated by the pandemic and global trend in order to deliver good client experience. In addition to the consistent effort in modernizing the core IT platform, enhancing data intelligence, upgrading digital sale and service tools and adopting automation, the Bank also invested more in the cyber security area to uplift detection and protection capabilities and minimize potential risk. The Bank's key initiatives for each area can be summarized as follows:

- Modernizing IT Platform and Automation

In response to digital transformation initiatives, the Bank has upgraded the internal working platform both for the office and enterprise packages of the organization to Software as a Service (SaaS), which could ensure access to the latest technology. The IT infrastructure environment has been redesigned and modernized to provide more flexibility and support the agile working approach and at the same time conform to the highest security standards to support the remote mode of software development, testing and deployment and to enable

seamless access of internal staff to the system from outside the office. Efforts to expedite time to market and quickly respond to the dynamic demand and business environment have been done in many areas, such as outsourcing some services and adopting new tools including Low Code, a new software development tool to speed up the development.

Automation and electronic transactions have been implemented to improve operational efficiency and provide alternative service options for clients. In 2021, e-Withholding tax was launched to support corporate clients, partners and suppliers and would expand to support the capital market business in 2022. Key systems are being upgraded with the latest technology from the leading provider to increase automation and add more smart features to better serve business needs. Ongoing key project developments are new collection automation to improve efficiency and financial result of debt collection, new treasury system to remarkably uplift system competency to offer more variety of financial products and loan origination improvement with built-in data insight and business rule integration.

- Digital Infrastructure and Platform

The Bank has pursued activities in two areas which are 1) strengthening digital infrastructure such as Application Programming Interface (API) and 2) acquiring tools and system to enhance digital experience and reduce time-consuming processes. Dedicated teams and resources have been set up to build the API ecosystem focusing on the actions to centralize and standardize API which will improve efficiency and delivery lead time for service and process redundancy reduction. With open banking financial gateway, the Bank can improve time to service and collaborate with partners to provide KKP financial services on partners' platforms, such as the collaboration with True Money in which the Bank offered e-Savings (KKP Start Saving) and digital lending (KKP Cash Now) to True Money clients and gained decent result. For digital lending, clients will have end-to-end experience from request to approval on mobile and access to essential financial services including balance enquiry, statement request and payment service that is most secure anytime and anywhere.

In addition, the NDID (National Digital ID) platform for digital identity verification has been launched to support online service activation including opening a bank account which is available on KKP mobile application and partner tool, AIS (Advanced Info Service) smart Kiosk. The aim is to expand the number of touch points to serve clients to perform identity verification (e-KYC) and access digital products and services with ease of use.

Furthermore, the Bank has launched the new version of KKP mobile banking with a new design and increasing capabilities of credit products integrated from another mobile application which is currently used to serve the auto lending segment. This will enable retail clients to have seamless experience on a single mobile application with new features developed for the main application, such as new loan related services, online credit bureau information request, etc.

- Data Intelligence

A new enterprise data platform (EDP) has been developed since 2020 and continued to release deliverables from 2021 onwards. The aggregation of all bank data into a single source and the availability of a data analytic tool and dashboard will allow end users of the organization to access insight efficiently and build on advance analytic capabilities to enhance competitive edge in adapting more effectively to changing market conditions, seize new opportunities and offer precise products and services to the target client segment. Decision analytic and campaign tools are being developed to enhance predictive behaviors and deliver products to different client risk profiles at the right time and right context with improved client engagement. Furthermore, PDPA and consent management system have been developed to manage and collect personal data of the Group to ensure compliance with the Personal Data Protection Act to be effective in the year 2022 and to serve business needs of the Group in normal operation and in connecting with partners.

- Strengthen Cyber Security Capabilities

Cyber security threat monitoring, detection and protection have been improved through both hardware and software security assessment as well as an



internal process improvement to ensure conformity with international cyber security standards and that potential client risk impacts are minimized.

- **Risk Management**

- Overview of Risk Management

The Group improved many aspects of risk management in 2021 to strengthen the overall risk management, for example, the development of both new and existing risk management tools to increase effectiveness, the establishment of the recovery plan for solving problems that may arise in the future, the promotion of a good risk management culture, etc.

- Risk Management Development

In 2021, the Group developed several risk management initiatives to increase the efficiency of risk management activities as follows:

1. Existing tool application and new tool development as follows:

- Developed and improved NCB score (Acquisition Score) for retail lending in many products, such as personal loan, new car hire purchase loan, used car hire purchase loan, CarQuickCash ("CQC"), SME loan, etc.
- Developed and improved the acquisition score for clients with limited or no NCB data for retail lending in many products, such as new car hire purchase loan, used car hire purchase loan, CQC, etc.
- Developed re-cut off bureau score for SME product program, such as SME Car3X, SME Freedom, SME X3 and inventory finance used car program to be more precise on percentage of bad rate cut-off according to the Bank's population.
- Developed and improved behavior score for personal loan to increase the accuracy of client segmentation. This also sets a strategy for cross-selling or top-up clients' credit limit to meet their risk level.
- Redeveloped application score for new car hire purchase loan, used car hire purchase loan, CQC and personal loan. With the changes in risk factors, models were required to be updated to increase accuracy in terms of client classification. Recovery score or CHAID was developed to improve debt collection productivity

and assignment to internal or external collection agencies to save operational cost.

- Developed risk segmentation for phone collection by developing CHAID as a loan collection tool for personal loan and auto hire purchase loan of clients who requested loan repayment moratorium and who did not request loan repayment moratorium.
- Determined the high concentration risk segment of each retail product to promptly define risk once the application was received. This is a proactive action to prevent NPLs.
- Specified vulnerable groups in accordance with the collaboration between the Bank of Thailand and financial institutions by considering not only credit risk but also affordability risk (Debt Service Ratio/DSR). The Bank started this procedure before the Bank of Thailand's notification, therefore, the strict loan approval regulation by the Bank of Thailand did not have much impact on the Bank.
- Portfolio scrub conducted credit review on a portfolio level to manage risks related to credit limit reduction or credit limit increase and to provide debt restructuring to assist clients in a timely manner when the risk increased significantly.
- 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 to reduce the Bank's concentration risk.
- Specified special financial assistance measures in accordance with clients' repayment ability for retail lending in every lending product to alleviate the impact from the COVID-19 situation.
- Developed and improved the provision model under TFRS 9 for the COVID-19 situation and strategized on reducing credit loss from sale of repossessed cars during volatile markets.
- Developed model for adjusting the behavior of savings deposits (CASA) to be more accurate by segmenting behaviors based on client type: individual and corporate for better liquidity risk management.

- Developed related systems to support the adoption of new TFRS 9 effective from January 1, 2020 onwards.
- Improved commercial credit risk and financial institution dashboard to increase stability and level of information provided.
- Improved single lending limit (SLL) effectiveness.

2. Preparation for future systems and requirements of the Bank of Thailand as follows:

- New interest rate risk in banking book, based on Basel Committee on Banking Supervision (BCBS) standard, announced in April 2018.
- Developed system related to TFRS 9 standard to support the Bank of Thailand's regulations under the COVID-19 pandemic situation.

3. Preparation for new product launches to support the Financial Markets Group by the Market Risk Management Department as follows:

- Index option and complex options or adding a new underlying asset
- FX forward with special condition
- Overnight index swap
- Purchasing a new treasury system to increase efficiency of business operations
- Over-the-counter (OTC) derivative transactions through Central Clearing Counterparty (CCP)
- Termination of publication of IBOR and THBFX interest rates

4. New guideline implementation and process improvement

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

1. Establishment of the recovery plan to prepare for the future financial crisis, especially the impact on liquidity risk and capital adequacy of the Group, so that the Group will be able to strengthen stability more effectively with the integration of risk frameworks and crisis response plans in each area;

2. Risk management involvement in the product and service development process along with business units;

3. Risk management knowledge training for the Group's personnel to foster understanding and embed risk awareness and risk culture into the Group;

4. Capital adequacy assessment process developed by the Group, which covers 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 a crisis to conform with the Internal Capital Adequacy Assessment Process (ICAAP) guideline from Basel; and

5. Preparation and improvement of loan-to-value calculation rules of Lombard loan to accommodate new types of collateral and better reflect collateral risks.

During 2021, the Group focused on risk management, bad debt management and provision of financial assistance to debtors who were directly and indirectly affected by the COVID-19 situation. The Group also focused on the better quality of new clients during the year.

Every risk management model is validated 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 the independent control function of the Group and responsible for supervising compliance risk with the purpose to enable business units within the Group to operate in compliance with relevant laws and regulations with an emphasis on working as a business 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 which apply to their day-to-day activities, including the Group's Guidelines for Business Conduct 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.

Capital Market Business

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

1. Securities and Derivative Brokerage

KKPS is the number six registered broker servicing foreign and Thai institutions as well as high-net-worth individuals on stocks and derivatives trading in the SET, mai and Thailand Futures Exchange (TFEX).

In 2021, KKPS ranked first in market share, accounting for 14.04% of the total trading value of the SET and mai combined (excluding proprietary trading) and generated revenue from brokerage fees in the amount of Baht 1,692.91 million. The proportion of revenues from institutional investors and high-net-worth individuals was 70.06% and 29.94% respectively.

Of the total institutional brokerage fee income earned in 2021 by KKPS, local institutional client business accounted for 39.75%, comprising of asset management companies, provident funds, private funds, the Government Pension Fund, the Social Security Office and insurance companies. As of December 31, 2021, KKPS had 41 local institutional clients which transacted at least once in the past year.

Foreign brokerage income accounted for 60.25%, of which 23.68% 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 126.09 million, while income from securities borrowing and lending activities totaled Baht 88.88 million in 2021.

KKPS acts as a broker for high-net-worth individuals using financial consultants and client service assistants who are registered with the SEC in the capacity to advise clients with investment opportunities for SET/mai-listed securities, debt instruments, derivatives instruments and other investment units. Additionally, KKPS offers personal wealth planning and investment to mass affluent clients who have investible assets between Baht 2-30 million, using an online investment platform and investment advisors in the capacity to advise clients under the Kiatnakin Phatra Edge brand.

As of the end of 2021, the value of assets under advisory for all high-net-worth clients of KKPS was approximately Baht 734,000 million, from a client list of around 19,000 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, 2021:

	Local Institutions	Foreign Institutions	High-Net-Worth Individuals
Total trading value of KKPS (Baht Million)	255,478.46	5,228,745.44	272,014.71
Market share ^{/1} (%)	8.52 ^{/2}	30.84 ^{/3}	1.29
Brokerage fee (Baht Million)	471.44	714.58	506.89
Proportion of brokerage fee (%)	27.85	42.21	29.94

Source: SET and 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 and foreign institutions is calculated after deducting trading transactions of proprietary accounts.

^{/3} The market share of foreign institutions of KKPS is divided by transactions of foreigners after deducting transactions of foreign individuals.

In servicing clients, KKPS offers macro and equity research with a team of 6 analysts covering 75 listed companies. KKPS's equity research covers an aggregate market value of 60.45% 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 Group collaborates 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 examples of our work 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 and Ngern Tid Lor 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.


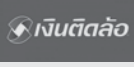



KKPS continued to play a major role in the M&A market, advising major corporations in merger and acquisition transactions, facilitating joint ventures and business alliances, restructuring businesses and advising on the issuance of financial instruments. In 2021, KKPS was chosen to be the financial advisor of PTT PCL, Central Retail Corporation PCL, R&B Food Supply PCL, SPCG PCL, Frasers Property (Thailand) PCL, Bank of Ayudhya PCL, Krungthai Card PCL, JWD InfoLogistics PCL, Siam Makro PCL, Siam Commercial Bank PCL and Thai Airways International PCL in their M&A activities and restructuring, with a combined transaction size of more than Baht 46,302 million.



Company/Client		Details of Project	Value (Baht Million)
	PTT PCL	The restructuring of the power business within PTT group. The restructuring consists of PTT purchasing 12.7% of the total issued and outstanding shares of Global Power Synergy PCL from PTT Global Chemical PCL	25,126
	Central Retail Corporation PCL	The acquisition of COL PCL by means of a delisting tender offer to delist COL PCL from the SET	12,127
	R&B Food Supply PCL	The sales of ordinary shares of R&B Food Supply PCL by the way of trading on the SET big lot board to Thai Union Group PCL, representing 10% of the total issued and outstanding shares of R&B Food Supply PCL	3,000
	SPCG PCL	The purchase of ordinary shares of Set Energy Company Limited from Mitsu Power Group Company Limited, representing 40% of the total issued and outstanding shares of Set Energy Company Limited	1,800
	Frasers Property (Thailand) PCL	The purchase of the remaining leasehold rights in land and building of Mayfair Marriot Executive Apartments Project including relevant properties from GOLD Property Fund Leasehold	1,743
	Bank of Ayudhya PCL	The purchase of ordinary shares of Krungsri Asset Management Company Limited, representing 10.27% of the total issued and outstanding shares from Allianz Ayudhya Assurance PCL	1,417
	Krungthai Card PCL	The purchase of ordinary shares of KTB Leasing Company Limited from Krung Thai Bank PCL, representing 75.05% of the total issued and outstanding shares of KTB Leasing Company Limited	594
	JWD InfoLogistics PCL	The purchase of ordinary shares of Smilesun Company Limited, representing 36% of the total issued and outstanding shares by JWD Transport (Thailand) Company Limited, a subsidiary of JWD InfoLogistics PCL	495
	Siam Makro PCL	To give opinions to shareholders on the acceptance of the entire business transfer of C.P. Retail Holding Company Limited and to give opinions to shareholders on the tender offer for the securities of Siam Makro PCL by Charoen Pokphand Holding Company Limited and C.P. Merchandising Company Limited	n.a.
	Siam Commercial Bank PCL	To give opinions to shareholders on the restructuring of the SCB Financial Group which includes the restructuring of shareholding, delisting the bank from the SET and the transfer of subsidiaries, the credit card business and the unsecured personal loan business	n.a.
	Thai Airways International PCL	The preparation of the business rehabilitation plan of Thai Airways International PCL	n.a.

For the equity market in 2021, KKPS was appointed as financial advisor, joint domestic coordinator and joint bookrunner for PTT Oil and Retail PCL; financial advisor, joint global coordinator (Sole Domestic) and joint bookrunners for Ngern Tid Lor PCL and financial advisor, sole lead underwriter and sole bookrunner for The ONE Enterprise PCL. KKPS helped raise capital through the stock market with the total offering size of Baht 54,000 million, Baht 38,089 million and Baht 4,218 million respectively, which was considered to be the initial public offering with the offering size in the top three highest size in Thailand in 2021.

In addition, KKPS was appointed as the independent financial advisor for Siam Makro PCL as well as the lead manager in the public offering for Siam Makro PCL with the offering size of Baht 47,850 million. Moreover, KKPS was appointed as the sole bookrunner in the overnight private placement of Dohome PCL with the total value of Baht 1,982 million

	Company	Details of Project	Value (Baht Million)
	PTT Oil and Retail Business PCL	Initial public offering	54,000
	Ngern Tid Lor PCL	Initial public offering	38,089
	The ONE Enterprise PCL	Initial public offering	4,218
	Siam Makro PCL	Public offering	47,850
	Dohome PCL	Overnight private placement	1,982

In 2021, the fixed income business continued to grow from the previous year. KKPS serviced corporate clients in 36 debt offerings with a total value of over Baht 305,952 million with details as follows:

	Company	Details of Project	Value (Baht Million)
	Home Product Center PCL	Senior unsecured debentures No. 1/2564	1,000
	CPF (Thailand) Company Limited	Senior unsecured debentures No. 1/2564	30,000
	Central Pattana PCL	Senior unsecured debentures No. 1/2564	4,000
	Srisawad Corporation PCL	Guaranteed debentures No. 1/2564	3,000
	Sansiri PCL	Senior unsecured debentures No. 1/2564	3,600
	Muangthai Capital PCL	Senior unsecured debentures No. 1/2564	4,000
	JWD InfoLogistics PCL	Guaranteed debentures No. 1/2564	700
	Kiatnakin Phatra Bank PCL	Senior unsecured debentures No. 1/2564	1,000
	Lalin Property PCL	Senior unsecured debentures No. 1/2564	550
	CP ALL PCL	Senior unsecured debentures No. 1/2564	21,900



Company		Details of Project	Value (Baht Million)
	Ngern Tid Lor Company Limited	Senior unsecured debentures No. 1/2564	3,500
	Ngern Tid Lor Company Limited	Senior unsecured debentures No. 2/2564	300
	Kiatnakin Phatra Bank PCL	Tier 2 capital instrument No. 1/2564	2,852
	L.P.N. Development PCL	Senior unsecured debentures No. 1/2564	1,500
	IRPC PCL	Senior unsecured debentures No. 1/2564	12,000
	CK Power PCL	Senior unsecured debentures No. 1/2564	4,000
	Thai Beverage PCL	Senior unsecured debentures No. 2/2564	40,000
	CP ALL PCL	Senior unsecured debentures No. 2/2564	66,000
	Kiatnakin Phatra Bank PCL	Tier 2 capital instrument No. 2/2564	150
	B.Grimm Power PCL	Senior unsecured debentures No. 1/2564	12,000
	Minor International PCL	Senior unsecured debentures No. 2/2564	10,000
	Kiatnakin Phatra Bank PCL	Senior unsecured debentures No. 2/2564	2,000
	Kiatnakin Phatra Bank PCL	Senior unsecured debentures No. 3/2564	5,000
	Banpu PCL	Senior unsecured debentures No. 2/2564	16,000
	Central Pattana PCL	Senior unsecured debentures No. 4/2564	9,000
	Ngern Tid Lor Company Limited	Senior unsecured debentures No. 3/2564	5,000
	Muangthai Capital PCL	Senior unsecured debentures No. 4/2564	6,000
	Sansiri PCL	Senior unsecured debentures No. 4/2564	6,000
	BCPG PCL	Green bonds No. 1/2564	12,000

	Company	Details of Project	Value (Baht Million)
	Sena Development PCL	Senior unsecured debentures No. 3/2564	1,200
	SPCG PCL	Green bonds No. 1/2564	1,500
	Home Product Center PCL	Senior unsecured debentures No. 3/2564	2,000
	Muangthai Capital PCL	Senior unsecured debentures No. 6/2564	4,500
	Krungthai Card PCL	Senior unsecured debentures No. 5/2564	2,500
	JWD InfoLogistics PCL	Guaranteed debentures No. 2/2564	1,200
	CP ALL PCL	Perpetual bonds No. 1/2564	10,000

For 2022, 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 to its existing and potential clients via non-traditional products which are suitable for each of its clients.

3. Investment Business

The investment business is divided into two categories as follows:

- **Medium and Long-Term Investment**

Medium and long-term investment is operated by the Direct Investment Department of KKPS. The Direct Investment Department operates under 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 investment horizon of the Direct Investment Department is approximately in the range of three to five years and covers both equity and equity-linked instruments, listed and private companies and also on-shore and off-shore companies. The Direct Investment Department

searches for investment opportunity in companies which have strong business models and sustainable competitive advantage, have visible business growth opportunities, have the ability to generate high return on invested capital, are managed by capable management and whose share prices 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, key risk factors and key considerations of the target companies will be evaluated.

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 investment proposal prepared by the department includes investment horizon, terms of investment and also divestment plans. Prior to each investment, the proposal must be approved by the Investment Committee. Once invested, the Investment Committee will assign the Risk Management Department to monitor such investment 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 investment exceeds the concentration limit. Also, market risk assessment 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 conflict of interest, especially on 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 which differ from other investors. In addition, policies on the usage of internal information, employees' trading activities and Chinese Wall among entities within the capital market group are specified in order to promote transparency and good corporate governance to prevent any potential conflict of interest.

In 2021, the Board of Directors of KKPS set the net additional investment line for direct investment at Baht 5,000 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 2021, the Direct Investment Department's portfolio had a market value of Baht 1,430.91 million. It generated a total gain of Baht 1,105.46 million, consisting of dividend income of Baht 43.54 million, realized gain of Baht 1,055.54 million, change in unrealized gain in the amount of Baht 8.3 million and other investment income of Baht - 1.92 million.

- **Equity and Derivatives Trading**

This investment is operated by the Equity and Derivatives Trading Department of KKPS with three investment strategies as follows:

- 1) **Arbitrage Trade**

Arbitrage trade is a short-term investment of not more than one year in equity, equity-linked and

derivatives listed on the SET and TFEX, notably securities listed on the SET100 index or with a minimum of Baht 3,000 million market value, futures contracts and options (including their underlying assets) and ETFs under a market-neutral principle. Profit is generated from market price discrepancy between the underlying asset and its derivatives, including securities or derivatives with the same underlying asset. 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. The trading of securities and/or derivatives is made to mitigate risk on overall market price.

- 2) **System Trade**

System trade is short-term investment of not more than one year in equity, equity-linked and derivatives listed on the SET and TFEX, notably securities listed on the SET100 index or with a minimum of Baht 3,000 million market value, futures contracts and options (including their underlying assets) and ETFs, 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 equity-linked notes, derivative warrants and OTC derivatives. Equity-linked note is a short-term bond whose payoff depends on the underlying asset as stated in the contract. Derivative warrant is a warrant which the department registered for trading via the SET's direct listing system, including both call warrant and put warrant. OTC derivative is a derivative contract 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 duty on the SET50 Index Option for TFEX and 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, Value at Risk (VaR) limit and 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 case 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.

For 2021, the department had a total cash limit for investment which was approved by the Board of Directors of KKPS of not more than Baht 10,000 million and an extra maximum cash limit of Baht 5,000 million for arbitrage trade whose usage requires approval from the Investment Committee of the Bank. The Investment Committee had also set limits within the approved total cash limit for three investment strategies including 1) a maximum Baht 10,000 million for arbitrage trade (allows transfers from other strategies due to the lower-risk nature) and an extra maximum cash limit of Baht 5,000 million for arbitrage trade whose usage requires approval from the Investment Committee; 2) a maximum Baht 300 million for system trade and 3) maximum Baht 5,000 million for financial products and services (excluding proceeds from structured notes) and an extra maximum cash limit of Baht 6,000 million for OTC transaction with the Wholesale & Investment Banking Group whose usage requires consulting with the Finance and Accounting Department about cash usage and the effect 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.

At the end of 2021, the department had net cash usage for investment of Baht 13,172 million.

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 asset under management ("AUM") of KKPAM as of December 31, 2019 stood at Baht 93,778 million. As of December 31, 2020, AUM was recorded at Baht 85,117 million. As

of December 31, 2021, KKPAM's AUM rose to Baht 121,317 million, comprising of Baht 98,910 million in mutual funds, Baht 19,222 million in private funds and Baht 3,185 million in property funds.

In 2021, KKPAM introduced a variety of products to meet investors' evolving demand, covering several types of funds including FIF, thematic funds and passive strategy funds. These funds include:

1) KKP Global Thematic Opportunities Fund-Hedged which is a fund of funds investing in foreign mutual funds such as ETF, at more than 80% of NAV. The invested mutual funds may have an investment strategy and/or investment policy that focuses on a specific sector/sub-sector or a group of sectors/sub-sectors, thematic investment and/or global equity instruments that are relevant to the changes in the trends of several factors such as technology, political economy, geopolitical science, etc.

2) KKP Global High Yield Bond Fund-Hedged Not For Retail Investors which is a feeder fund investing in a master fund - Janus Henderson Horizon Global High Yield Bond Fund - that primarily invests in high-yield corporate bonds (sub investment grade) with credit rating equivalent to BB+ or lower.

3) KKP Semiconductor Fund-Hedged which is a feeder fund investing in a master fund-iShares Semiconductor ETF - with the investment objective of tracking the performance of the ICE Semiconductor Index using a passive investment strategy. The index is designed to measure the performance of U.S. listed securities in the semiconductor business.

4) KKP Global Impact Fund-Hedged which is a feeder fund investing in a 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.

5) Tax-deductible funds: KKPAM has offered two RMFs including KKP Expanded Tech Fund RMF-Hedged and KKP Passive Global Equity RMF-Hedged, and also offered 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.



However, in July 2021, an Extraordinary General Meeting of Unitholders of Samui Airport Property Fund (Leasehold) resolved to terminate the Samui Airport agreements and resolved to dissolve the fund and delist the investment units from the SET.

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

(2) Distribution Channels

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

1. Kiatnakin Phatra Bank

1.1 Branches

As of December 31, 2021, the Bank has 64 branches (excluding head office). The breakdown by geography is as follows:

Region	No. of Branches
Bangkok and vicinity	34
Central	5
East	7
Northeast	6
South	6
North	6
Total	64

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

The Bank has continued to capitalize on core competitive edge which is best in class service by embedding client-centricity service mind and skill for the staff, modernizing processes and tools to better serve clients' needs which include employing digital sales tools, adopting more automation and electronic transactions such as e-Signature and e-Statement

with the aim to create a truly integrated omnichannel experience and improve operational efficiency.

1.2 Digital Channel

The Bank has provided both internet banking and mobile application to serve the needs of retail clients and provided internet banking for corporate clients. Digital adoption has been remarkably accelerated proven by its outstanding benefits during the ongoing pandemic crisis and ease of use differentiation. The Bank has expanded the effort to improve agility, developed digital infrastructure such as Application Programming Interface (API) and enhanced journey on mobile. In 2021, the Bank launched the new version of the KKP mobile application with a new design and new add-on features and services comparable to leading players following the ambition to provide a better experience anywhere anytime on smartphones which is essential for today's client lifestyles.

The Bank has committed to deliver exceptional services and products to sustain long-term growth. A series of new products and services on KKP mobile have been launched throughout the year which comprises of new digital savings deposit account, KKP Savvy, which has gained sizable interest from not only existing but also new clients to have experience on KKP mobile; NCB (National Credit Bureau) request which offers real time credit score check, =; card-less ATM services to expand withdrawal channels for clients via mobile application and upgrading loan service and payment functions to improve the journey on mobile and fully fulfill client demand for day-to-day transactional usage.

Going forward, the Bank will continue to enhance digital platform and promote more online products and services that allow clients to carry out transactions rapidly anytime anywhere. Personalized offers and best deals will be available on digital channels leveraged from the Bank's ongoing effort in upgrading client data and campaign platforms which aim to serve all client segments and allow clients to complete end-to-end loan requests and service offerings on mobile. Furthermore, the investment module will be upgraded to serve investment clients of the Group by adding more features to respond to every digital investment style following the rising investment demand and dynamic changes in client behavior.

1.3 Contact Center Channel

The Bank provides multi contact channel platforms to serve client enquiries and ensure consistently positive client experience through every channel. There are dedicated lines established to promptly response to client enquiries which are listed below:

- KKP Contact Center 02-165-5555: This is the main channel to serve retail clients. The Bank has invested in intelligent platform on dynamic IVR and service recommendation to offer services that match client behavior in addition to the effort in boosting our service satisfaction level through consistent staff service and knowledge training. Social monitoring tools are in place to boost channel capacity and upgrade the service level in handling increasing requests from social media platforms.
- In 2021, a sizable number of clients have been impacted from the COVID-19 pandemic and the Bank has provided relief measures to assist those who were affected. The requests have been gathered from all official channels including KKP Contact center and website and was managed in a timely manner. Going forward, contact center services will be extended towards value creation on advisory and recommendation which is leveraged from client data and analytic investment.
- KKP Assets for Sales Contact Center 02-165-5577: This is a dedicated channel to provide online information for clients to inquire about assets, loan calculation and loan request as well as promotions and news.
- KKP PRIORITY Banking 02-165-5566: A service channel dedicated to PRIORITY banking clients.
- KKP Anti-corruption 02-495-1550: A channel for clients to report actions that are improper/against the Bank's good governance.
- KK Biz Contact Center - 02-165-5599: Serves corporate clients and partners, such as car dealers.

1.4 Online Service Channel

The Bank has established several own online media channels to enable online access to serve different client behavior and lifestyles with the aim to develop long-term engagement. The Bank's online service

channels include the Group's website (www.kkpfkg.com) which has been continuously enhanced and KKP Advice Center website (<https://advicecenter.kkpg.com>) which offers "Smart Quiz" as an interactive tool to help users create a strategic financial plan through processes or arrangements that are suitable for each individual. This includes tax planning, financial information for retirement planning, loan requests and loan refinancing. In addition, the Bank has actively engaged in own social media channels including Facebook, Twitter, YouTube, IG and Blockdit by promoting relevant content especially on money and investment which have been leveraged from the strong research expertise of the capital market business, promoting products and promotions to get traction from both existing clients and new prospects.

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 client base through a business partner creates efficiency and cost effectiveness, while it can also be more convenient for clients as they can access a variety of products and services without having to switch to different platforms. Here are the products which the Bank is offering with business partners:

- The Bank has expanded cooperation with True Money and Ascend Nano Company Limited, 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 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 staffs or branches. In addition, clients can track their loan approval status, review terms and conditions, monitor their credit line and loan outstanding as well as make payments through the application. Accordingly, KKP Cash Now empowers clients to complete their online transactions with more convenience and efficiency.



- KKP Start Saving, a savings account without a passbook. Clients can open an account through the True Money Wallet application. This product aims to attract the new generation in opening a micro savings account for interest-bearing. This also serves the new normal lifestyle as clients can open the account without using documents and transactions can be done anywhere and anytime. With NDID's e-KYC practice, high security is ensured through using clients' ID and facial recognition to verify their identities.

2. KKPS

The sales and service channel of KKPS is through its head office on the 6th, 8th - 11th Floor, Muang Thai-Phatra Office Tower 1, 252/6 Ratchadapisek Road, Huaykwang, Bangkok 10310 (Tel. 0-2305-9000). In addition, KKPS offers services via its call center and internet and mobile application, Kiatnakin Phatra Edge, providing convenient accessibility to clients nationwide.

3. KKPAM

KKPAM is currently located on the 19th Floor, Muang Thai-Phatra Complex Building A, 252/25 Ratchadapisek Road, Huaykwang, Bangkok 10310 (Tel. 0-2305-9800). Distribution is carried out through 41 selling agents of which 5 are commercial banks, 24 are securities companies, 2 are asset management companies, 4 are securities brokerages of investment units and 6 are life insurance companies. In addition, KKPAM has provided online access, KKPAM Online, as a convenient channel for investors to invest in KKPAM's funds.

(3) Market Condition and Competition

1. Commercial Banking Business

As of the end of November 2021, total assets of the 13 domestically registered commercial banks are recorded at Baht 20.5 trillion, expanding at 8.6% YoY compared to a growth rate of 10.5% YoY in 2020. This acceleration was driven by an increase in asset growth of the 4 largest banks (accounting for roughly 68% of market share) at 8.2% YoY. Medium- and small-sized banks saw their assets increase by 16.4% and 6.4%, respectively, from the year earlier.

Table shows assets, deposits and net lending of Thai commercial banks as of the end of November 2021.

No.	Thai Commercial Bank	Assets		Loans		Deposits	
		Baht Million	Market Share (%)	Baht Million	Market Share (%)	Baht Million	Market Share (%)
1.	Bangkok Bank	3,705,618	18.1	1,986,821	15.1	2,651,403	17.7
2.	Krung Thai Bank	3,467,155	16.9	2,356,664	17.9	2,630,953	17.6
3.	Siam Commercial Bank	3,326,700	16.2	2,140,873	16.3	2,484,711	16.6
4.	Kasikorn Bank	3,455,535	16.8	2,244,677	17.1	2,546,859	17.0
5.	Bank of Ayudhya	2,343,746	11.4	1,627,081	12.4	1,780,854	11.9
6.	TMBThanachart Bank	1,811,379	8.8	1,310,311	10.0	1,333,011	8.9
7.	UOB Bank	685,679	3.3	468,376	3.6	485,904	3.2
8.	TISCO Bank	225,313	1.1	188,892	1.4	164,496	1.1
9.	CIMB Thai	419,928	2.0	203,979	1.6	182,355	1.2
10.	Standard Chartered Bank	182,788	0.9	41,740	0.3	89,396	0.6
11.	Kiatnakin Phatra Bank	409,833	2.0	293,374	2.2	275,654	1.8
12.	Land and House Bank	241,118	1.2	170,292	1.3	185,509	1.2
13.	ICBC (Thai)	253,977	1.2	109,571	0.8	159,816	1.1
Total		20,528,768	100.0	13,142,651	100.0	14,970,920	100.0

No.	Thai Commercial Bank	Assets		Loans		Deposits	
		Baht Million	Market Share (%)	Baht Million	Market Share (%)	Baht Million	Market Share (%)
4 large-sized commercial banks		13,955,007	68.0	8,729,035	66.4	10,313,926	68.9
2 medium-sized commercial banks		4,155,124	20.2	2,937,392	22.4	3,113,865	20.8
7 small commercial banks		2,418,637	11.8	1,476,224	11.2	1,543,130	10.3
All commercial banks		22,758,443		14,994,532		16,016,722	

Source: Summary Statement of Assets and Liabilities (C.B.1.1) as of November 2021, the Bank of Thailand

Note: Total loans exclude interbank lending.

Commercial banks' outstanding loans was at Baht 15.0 trillion at the end of November 2021, growing by 5.3% from the end of 2020. Most of the increase in bank loans were driven by loans to businesses to boost their liquidity and build a cushion amid the COVID-19 pandemic impact. Meanwhile, consumer loan growth was flat, in line with weak household purchasing power and a tightening of bank credit standards.

Overall bank asset quality as of the end of 3Q2021 appeared to have slightly improved from the previous quarter as debt relief measures as well as revisions to the rules on loan classification and provisioning had eased loan quality deterioration. The gross outstanding non-performing loans (NPL or stage 3) by the end of 3Q2021 was at Baht 546.3 billion or 3.14% of total loans.

The Thai banking system remained sound with a high level of loan loss provisions and capital which would provide a cushion for the future risk of deteriorating loan quality. The overall capital of the banking system was at Baht 3,024.8 billion as of the end of 3Q2021, equivalent to capital adequacy ratio (BIS ratio) of 19.9%. Loan loss provision remained high at Baht 872 billion with NPL coverage ratio of 155.0%. Liquidity coverage ratio (LCR) registered at 186.8%.

Outstanding deposit was at Baht 16.0 trillion as of the end of November 2021, growing by 4.1% from the end of 2020. This acceleration was driven by the increase in individual and corporate savings deposits.

As a result, the nine-month net profit of Thai commercial banks was recorded at Baht 144,057 million, increasing from the same period last year primarily due a decline in reserves set aside compared to the previous year as well as expense controls and a slight increase in net interest income following the expansion of credit.

Banking Industry Outlook

In 2022, the banking industry will continue to face several challenges including the overall asset quality of banks which remains at risk as the growth recovery is fragile and uncertain due to the prolonged COVID-19 outbreak. This would negatively affect the recovery of businesses, tourism and employment as well as the clients' ability to repay debt.

The long-term debt restructuring program facilitated by the Bank of Thailand could lower the reported NPL ratio and lower concerns over banks' financial health. However, if the recovery of the Thai economy is further delayed due to a slowdown in exports and lower-than-expected foreign tourist arrivals as well as the long-term structural problem of the domestic economy from the inability to access credit and the lack of domestic investment, it will have a long-term impact on credit growth, asset quality, reserves and commercial banks' profitability.

2. Real Estate Business

Thailand's real estate market dropped pointedly in 2021, especially in the condominium segment which was hard hit by 1) the new domestic outbreak of COVID-19 infections that adversely affected purchasing power and appraised collateral value, 2) elevated condominium inventory with some signs of improvement and 3) the Bank of Thailand's macro prudential measure in the form of loan-to-value limit (LTV) that commenced in April 2019 and was principally aimed at stemming search-for-yield behavior. Nevertheless, the Bank of Thailand has further eased the LTV ratio for mortgage lending to allow homebuyers to borrow loans of up to 100%, which is a positive factor for growth in periods ahead.



The property market recession resulted in developers rushing to clear up stock and push for transfers in order to build up cash, delaying new projects from their initial plans and shifting the development plan to a low-rise format to better meet real housing demand.

On the supply front, new developer loans nationwide over the first 9 months of 2021 totaled Baht 45,510 million, a contraction of 0.6% compared to the same period of the previous year, as severely depressed new launches were partially offset by developers' increased draw on working capital to prepare liquidity for the COVID-19 pandemic. In the Bangkok metropolitan region alone, new project launches in the first 11 months of 2021 dropped by as much as 46.9% in units and 52.4% in total project value from the previous year. New launches of condominiums fell by 46.8% and low-rise launches contracted by 47.0%.

Demand-wise, total new mortgage loans nationwide over the first 9 months of 2021 was registered at Baht 437,607 million, a contraction of 0.5% compared to the same period of the previous year, partly due to commercial banks' tightening credit standards upon concern on loan quality and weak demand in the property market in line with a slowdown in economic growth. With regard to title transfers, over the first 10 months of 2021, units transferred totaled 206,254, a reduction of 30.3% compared to the previous year, due in a large part to a transaction drop in the northern, western and southern regions by 68.2%, 67.2% and 64.8% respectively. Total residential property transfers in the Bangkok metropolitan region, which accounted for 63.6% of total national transfers, shrank by 15.7%.

Property Market Outlook

The property market in 2022 should see a recovery from 2021 due to the launch delay from the previous year and the shift to low-rise housing projects to cater to real demand and improve developers' cash flow management, notably in uptown areas which are increasingly served by expanding mass transit networks and supported by the demand for a larger space due to the emerging work-from-home trend. The slow recovering economy and low interest rates following the Bank of Thailand's accommodative stance to support growth and their measure to ease the LTV ratio to 100%,

which is effective from October 2021 to the end of 2022, will lead to improved sales and demand for mortgage loans through 2H2021. However, there remains several risk factors, including 1) the uneven recovery of the Thai economy that may fail the lower-income echelon or those burdened with high household debt aspiring for home ownership and 2) financial institutions' stringent credit standards amid concern on asset quality.

3. Auto Hire Purchase Business

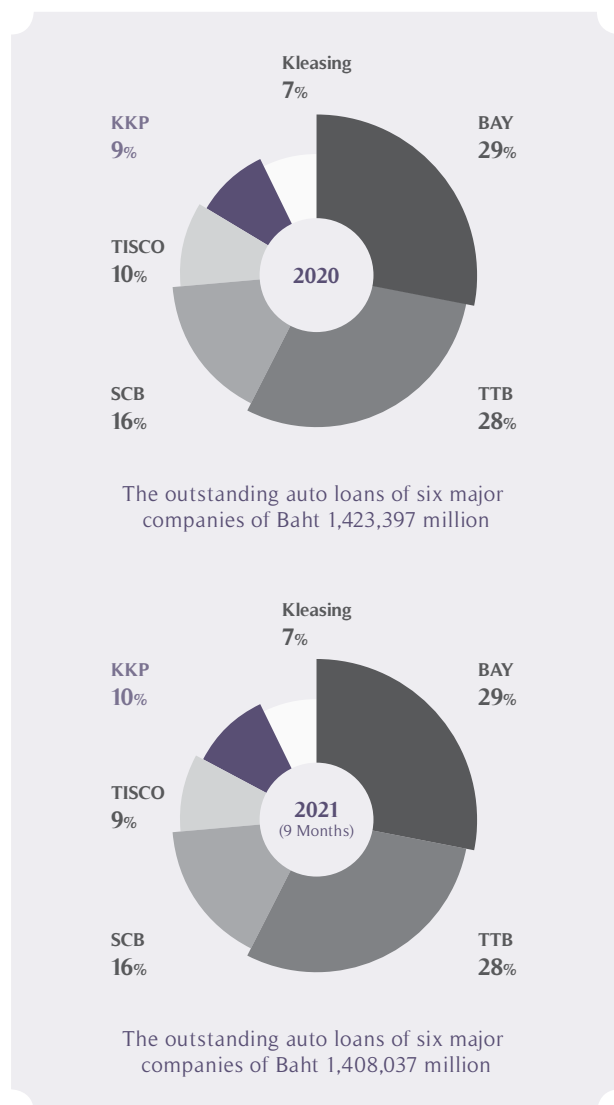
Domestic auto sales in the first 11 months of 2021 totaled 668,041 units, a drop of 2.9% compared to the previous year. Sales of passenger cars and commercial vehicles fell by 7.1% and 0.7% respectively, as the COVID-19 infections in the late period of 2Q2021 through 3Q2021 widely affected economic activities, employment and disposable income even though domestic sales rebounded from the demand for private vehicles for commuting and domestic travel, notably sport utility vehicles (SUVs).

The economic contraction adversely affected the used car market in 2021, albeit to a lesser degree, as the dampened purchasing power induced potential car buyers to look for a pre-owned vehicle. Meanwhile, the loan forbearance program limited the new addition of used-car supply, causing a speedy rebound for used car prices and sales as gauged by the private-vehicle ownership transfer, which increased by 9.0% over 2021.

Total outstanding auto hire purchase loans by all commercial banks (excluding collateralized personal loans, e.g. CQC) at the end of 3Q2021 totaled Baht 1,159,780 million, a decline of 1.6% per annum compared to the end of previous year's growth of 3.5% but is in line with the contracted auto sales. Meanwhile, the ratio of NPLs per total outstanding hire purchase loans at the end of the 3Q2021 stood at 1.72%, increasing from 1.44% at the end of 2020.

Total outstanding auto hire purchase loans at the end of 3Q2021, including collateralized personal loans, e.g. CQC, by the 6 largest loan providers, namely TMBThanachart Bank, Bank of Ayudhya, Siam Commercial Bank, Tisco Bank, Kiatnakin Phatra Bank and Kasikorn Leasing Company Limited, reveal Kiatnakin Phatra Bank's increased market share from 9% at the end of

2020 to 10% at the end of 3Q2021. The following diagram displays the auto hire purchase market share of each bank at the end of 2020 and 2021, respectively:



(Note: Outstanding loans for 2021 were as of the accounting period ended September 30, 2021)

Auto Hire Purchase Business Outlook

The auto hire purchase business in 2022 is expected to stabilize from the previous year, in tandem with domestic auto sales which are forecasted to register around 800,000 units due to 1) dampened purchasing power and income prospect from the prolonged outbreak of COVID-19 which would negatively affect businesses and employment and 2) tighter credit standards upon the concern on loan quality, which may dampen sales in the medium term until the economy improves significantly. Nevertheless, the relaxation of

lockdown restrictions, significant expansion of exports, together with the return of foreign tourist arrivals that is expected to materialize in 2H2022, will be the supportive factors for the auto hire purchase business to accelerate.

4. Capital Market Business and Securities and Derivatives Brokerage Business

Global stock markets rose higher this year despite notable economic impact from the new strains of the COVID-19 outbreak. The improving market sentiment was bolstered by central banks' policy responses, such as quantitative easing and lending facilities. COVID-19 beneficiaries, such as technology, healthcare, health tech and commodity stocks, rallied, followed by reopening stocks as investors became more optimistic on vaccines and the improving global economy in 2H2021. The only exception could be seen in China where the stock market tumbled on regulatory crackdown for big tech firms and many different sectors, Evergrande's (Chinese real estate giant) debt crisis and the economic growth slowdown.

The SET index increased 14.4% YoY to 1,657.62 in 2021. Foreign investors remained net sellers of Baht 48.6 billion versus Baht 264 billion in 2020. Local institutions switched to become net sellers of Baht 77.3 billion versus a net buy volume of Baht 33 billion in 2020. Meanwhile, local individual investors continued to be net buyers of Baht 112 billion versus Baht 217 billion in the previous year. Proprietary trading remained net buyers of Baht 13.7 billion versus Baht 14.4 billion in 2020. The packaging sector was the best performer (+49%) as a beneficiary of lockdowns and work from home trends, followed by the telecom sector (+42%) on positive industry outlook and the announced TRUE-DTAC merger. On the other hand, the transportation sector underperformed the most (+1%) as AOT's operations and earnings were dragged by the COVID-19 outbreak.

In 2021, the SET and mai's average daily securities trading value increased by 36.8% YoY to a record high number of Baht 93.8 billion per day. Retail investors' participation increased to 46.52% from 43.66% in 2020. Foreign participation also increased to 37.48% from 35.94% in 2020. Local institutions' participation

decreased to 6.64% from 9.86% in 2020 while proprietary trading's participation also decreased to 9.36% from 10.54% in 2020.

Despite a relatively stabilized 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 trade as well as program trading orders following the migration from actively managed funds to ETFs.

KKPS has no policy in aggressive price-cutting but focuses 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 10.85% in 2020 to 14.04% in 2021, ranking first place. KKPS's share of foreign institutional brokerage increased from 22.72% in 2020 to 30.84% in 2021. The market share of local institutional brokerage also increased from 7.75% in 2020 to 8.52% in 2021. However, the market share of high-net-worth clients decreased from 1.79% in 2020 to 1.29% in 2021.

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

	2020	2021
Average daily securities trading value of the SET and mai (Baht Million)	68,606.91	93,845.64
Trading value of the SET and mai by investor type		
Foreign investors (%)	35.94	37.48
Local institutions (%)	9.86	6.64
Local individuals (%)	43.66	46.52
Proprietary trading (%)	10.54	9.36
Average daily securities trading value of KKPS (Baht Million)	15,184.88	25,538.72
Market share of KKPS (excluding proprietary trading) (%)	10.85	14.04
Market share-foreign investors (%)	22.72	30.84
Market share-local institutions (%)	7.75	8.52
Market share-high-net-worth clients (%)	1.79	1.29
Ranking	1	1

Source: SET and KKPS

For TFEX, the trading volume in 2021 increased by 13.35% YoY with the average number of contracts traded rising from 494,624 contracts per day in 2020 to 560,653 contracts per day in 2021. KKPS's market share on TFEX decreased from 12.05% in 2020 to 9.17% in 2021

TFEX Market Summary

	2020	2021
Number of contracts	120,193,573	135,117,308
Trading volume of KKPS (No. of contracts)	28,970,471	24,779,485
Trading value of KKPS (Baht Million)	4,392,370.12	2,438,755.89
Market share of KKPS (%)	12.05	9.17

Source: SET

5. Investment Banking Business

Securities firms continue to focus on the investment banking business with the aim to increase fee revenue and support their securities brokerage business. Presently, there are 72 companies which have been granted licenses to operate financial advisory services and are currently in the business, while 41 securities firms have been granted licenses to operate as an underwriter. 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 continuously been trusted to advise clients in their restructurings and mergers and acquisitions. In 2021, KKPS was appointed as a financial advisor of PTT PCL to assist in the restructuring of the power business within PTT group. The restructuring consists of PTT PCL purchasing 12.7% of the total issued and outstanding shares of Global Power Synergy PCL from PTT Global Chemical PCL with a value of Baht 25,126 million. Moreover, KKPS was chosen to be a financial advisor of Central Retail Corporation PCL in its Baht 12,127 million acquisition of the business of COL PCL by means of a tender offer to delist COL PCL from the SET. In addition, KKPS also advised and served other prominent companies including R&B Food Supply PCL, SPCG PCL, Frasers Property (Thailand) PCL, Bank of Ayudhya PCL, Krungthai Card PCL, JWD InfoLogistics PCL, Siam Makro PCL, Siam Commercial Bank PCL and Thai Airways International PCL.

With its superior strength, structuring expertise and exceptional distribution capability, KKPS remains a leading player in capital market transactions. In 2021, KKPS was appointed as 1) the financial advisor, joint domestic coordinator and joint bookrunner for PTT Oil and Retail Business PCL for the initial public offering. Amidst the challenging environment, KKPS helped raise capital through the stock market with the total offering size of Baht 54,000 million, which is the largest corporate IPO in the energy and utilities sector in Thailand ever, the second largest corporate IPO in Thailand, the corporate IPO with the highest retail participation ever in Thailand's equity capital market with retail participation of more than 530,000 transactions and won the Best Deal of the year & Best IPO for Retail Investors in Southeast

Asia from Alpha SEA. 2) KKPS was also appointed as the financial advisor, joint global coordinator (sole domestic) and joint bookrunner for Ngern Tid Lor PCL for the IPO with the total offering size of Baht 38,089 million, which is the largest corporate IPO in the finance and securities sector in Thailand ever, the fifth largest corporate IPO in Thailand and won the Best Equity/ IPO Deal of the year in Southeast Asia from Alpha SEA. 3) KKPS was appointed as the financial advisor, sole lead underwriter and sole bookrunner for The ONE Enterprise PCL for the IPO with the total offering size of Baht 4,218 million, which is the largest corporate IPO in the media and publishing sector in Thailand ever.

In addition, KKPS was appointed as the independent financial advisor for Siam Makro PCL as well as the lead manager in the public offering for Siam Makro PCL with the offering size of Baht 47,850 million. Moreover, KKPS was appointed as the sole bookrunner in the overnight private placement of Dohome PCL with the total value of Baht 1,982 million.

Moreover, as investors are confident in KKPS's bond selection, KKPS's fixed income business has been growing steadily despite the challenging situation of COVID-19. In 2021, KKPS serviced corporate clients in 36 debt offerings with a total value of over Baht 305,952 million.

6. Asset Management Business

In 2021, there were 23 asset management companies under the supervision of the SEC. Industry AUM (only mutual funds) stood at Baht 5.37 trillion, registering an increase of 6.57% relative to Baht 5.04 trillion in the previous year (Source: AIMC as of December 30, 2021).

Fixed-income funds represented the largest share of the industry's AUM, ending the year 2021 at Baht 2.28 trillion, or 42.39% of total AUM. Equity funds stood at Baht 1.81 trillion, or 33.73% of total AUM. Continued growth was seen in the RMF segment, ending the year at approximately Baht 0.39 trillion, representing a growth of 19.22% from 2020. The AUM of SSFs in 2021 was Baht 0.04 trillion.

As for the private funds industry in 2021, the whole industry's AUM was Baht 2.10 trillion (Source: AIMC as of November 30, 2021), representing a growth of 5.33% relative to the end of 2020.



In 2021, KKPAM launched KKP Global Thematic Opportunities Fund-Hedged, KKP Global High Yield Bond Fund-Hedged Not For Retail Investors, KKP Semiconductor Fund-Hedged and KKP Global Impact Fund-Hedged to broaden the scope of investment choices for investors. In addition, KKPAM also offered tax-deductible funds, including 2 RMFs and SSF as a share

class of 10 existing funds under the management of KKPAM, covering different types of funds as a choice for investors who seek long-term investments with tax benefits.

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

(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	2019		2020		2021	
	Amount (Baht Million)	Proportion (%)	Amount (Baht Million)	Proportion (%)	Amount (Baht Million)	Proportion (%)
Deposits	172,174	70.3	251,526	86.7	288,382	82.6
Bills of exchange (B/E)	-	-	-	-	2,007	0.6
Debentures	55,415	22.6	28,344	9.8	41,798	12.0
Interbank transactions	17,339	7.1	10,264	3.5	16,664	4.8
Total	244,928	100.0	290,133	100.0	348,851	100.0

At the end of 2021, the total funding from major sources was Baht 348,851 million with a Baht 58,718 million or 20.2% increase from the end of 2020. The increase corresponded to the need of the loan business and the rise in liquid assets. In 2021, due to the continued downward interest rate trend in the financial market during the COVID-19 situation, the Bank had been repositioning its funding structure to manage funding cost suitable to each period as well as to balance between financial cost and liquidity risk management with 2 important measures, i.e. maintaining liquid assets to withstand any liquidity situation in stressed scenarios (LCR) and maintaining sufficient stable sources against uses of funds (Net Stable Funding Ratio/NSFR). At the end of 2021, the Group had a total of Baht 41,798 million of outstanding issued debentures, comprising Baht 33,406 million of senior debentures and Baht 8,392 million of subordinated debentures. The

proportion of debentures increased to 12%, compared with 9.8% seen at the end of 2020 while deposits increased 14.7% at the end of 2021. Such change in the funding structure was led by the Bank's funding cost management strategy, which was in the same direction with the downward interest rate trend in the deposit market as opposed to the highly volatile credit spread experienced in the debt securities market during the COVID-19 situation. As a result, the Bank's interest rate paid in 2021 decreased to 1.2% from 1.7% in 2020.

• Deposit Rate Policy

The Assets and Liabilities Management Committee has approved a framework to govern deposit and debenture interest rates for both individual and corporate clients and delegated the duty to offer interest rates suitable in any particular period to the Money Desk Subcommittee which will consider various factors, such as the Bank's liquidity need, 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 the 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 in allowing the Bank to achieve its strategic goals in terms of extending loans within the accepted risk limit. Loan portfolio composition is also monitored as appropriately, taking into consideration the 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 and the Commercial 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 process starting from pre-approval up to the process for loan servicing and management. The 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 results obtained from the model together with information from the National Credit Bureau are used in determining 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 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 the debtor by optimizing loan repayment while allowing the debtor to continue their business. With the ongoing COVID-19 situation impacting the macroeconomic situation all over the world including Thailand, the Bank had thoroughly considered debtors' business circumstances. For the short-term impact or restructuring of less than 12 months, the Bank rescheduled the repayment plan to match debtors' financial cash flow. In the severe case or long-term impact scenario, the Bank carried out debt restructuring with a material change in the pricing and terms and conditions to ensure that the debtor's business can be fully rehabilitated once the economic situation is back to normal. The principle in debt restructuring will consider several factors, especially the 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 segment 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 blaster (automated call from a recording machine). Once the client is considered as an 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 limit to be mainly (1) commercial & counterparties approval limit (commercial lending, corporate lending, special asset management) and (2) product program lending



approval limit. For the delegation of authority in product program lending, the approval begins with the credit analyst (staff level) and steps up to Head of Business Unit level. Product program lending is under the control of Risk Management with early warning indicators whether credit cost (loss) remains in 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 the Group has strategies to maintain capital funds above the target capital requirements. As of December 31, 2021, the Bank's total capital to risk-weighted assets (BIS ratio) was at 16.41%, 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 Statement Capital Adequacy Ratio (%)	Basel III			Minimum Capital Requirement and Capital Buffer Ratio* Based on the Bank of Thailand's Rules and Regulations
	December 31, 2019	December 31, 2020	December 31, 2021	
Common equity tier 1 capital to risk-weighted assets	12.88	13.38	12.63	7.00
Tier 1 capital to risk-weighted assets	12.88	13.38	12.63	8.50
Tier 2 capital to risk-weighted assets	3.72	4.01	3.78	-
Total capital to risk-weighted assets	16.60	17.39	16.41	11.00

* Capital buffer requires an additional common equity tier 1 at 2.50% above the minimum capital requirement to support losses incurred under stress conditions.

When including profit up to the end of 2021, the Bank's total capital to risk-weighted assets will be 17.33% and tier 1 capital ratio will be 13.55%.

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 need. 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. Under the direction of the Assets and Liabilities Management Committee, constant reviews of the economic situation and the interest rate trend are conducted in order to timely manage liquidity amidst fast changing domestic and overseas economic situations.

The Bank's liquidity management follows the Bank of Thailand's rules and regulations including regulatory reserve requirement, LCR and NSFR while such liquidity must be kept at a most appropriate level with the right balance between financial cost and liquidity risk in mind. In addition, diversification to appropriate funding source is encouraged in order not to be overly dependent on a few large depositor groups or financial institutions. Such diversification should include types and terms of funding as well. In the case of 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 by 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 cases

where legal actions have been taken, the debtor has no assets to support repayment, there is no 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 through 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 issue 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 the capital market business not exceeding 25% of the Bank's total capital fund. This results in the capital market business having a credit line with the Bank. Lending to each subsidiary of the Group 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 line for trading accounts of clients by taking into consideration financial position, repayment ability and financial income of each client.

2.4 Loans Using Financial Assets as Full and Combination of 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, mutual funds and private funds managed by KKPAM, etc., as loan collateral.
- 2) Portfolio for Property Financing (PPF) - PPF is a credit facility offered to high-net-worth clients of KKPS 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, 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, etc. as collateral.

2.5 Net Capital Ratio

The net capital ratio as of December 31, 2021 of KKPS is above the minimum requirement of the SEC at 7.00%. Details on KKPS's net capital ratio is per the table.

Net Capital Ratio (%)	2019	2020	2021
KKPS	28.26	65.59	22.95



(5) Assets for Business Operation

1. Major Assets for Business Operation

(Unit: Baht Million)

	December 31, 2019	December 31, 2020	December 31, 2021
Land	557	557	557
Premises and building and building improvement	1,475	1,537	1,480
Equipment	393	350	312
Furniture and fixtures	265	192	187
Vehicles	109	100	100
Work in progress	239	548	864
Right-of-use assets, net	-	230	321
Total	3,038	3,514	3,821

On January 1, 2020, the Group adopted new financial reporting standards related to lease agreements. As a result, the Group, as a lessee, recognized the lease in the statement of financial position. They were no longer classified as operating lease and finance lease.

For the years 2019, the Group had commitments in respect of vehicles, office space, computer software and maintenance and office equipment expenses from the statements of financial position as follows:

(Unit: Baht Million)

	December 31, 2019			
	Vehicle Rental Expenses	Office Rental Expenses	Computer Software and Office Equipment Expenses	Total
Within the first year	1	185	24	210
Within the second year	1	127	12	140
Over three years	-	151	-	151
Total	2	463	36	501

2. Investments in Subsidiaries

• Definition of Subsidiaries

The definition of subsidiaries is in accordance with the definition of accounting standard that is disclosed in the notes to the financial statements under the accounting policies section.

• Investment policy

Strategic Investment

Strategic investment is investment in subsidiaries or associates that operate businesses strategically beneficial to the Group's business and enable the Group to achieve its mission, strategy and business

plan as well as in accordance with business practices and corporate governance of the Group and the Bank of Thailand's supervisory guidelines.

Investment for Return

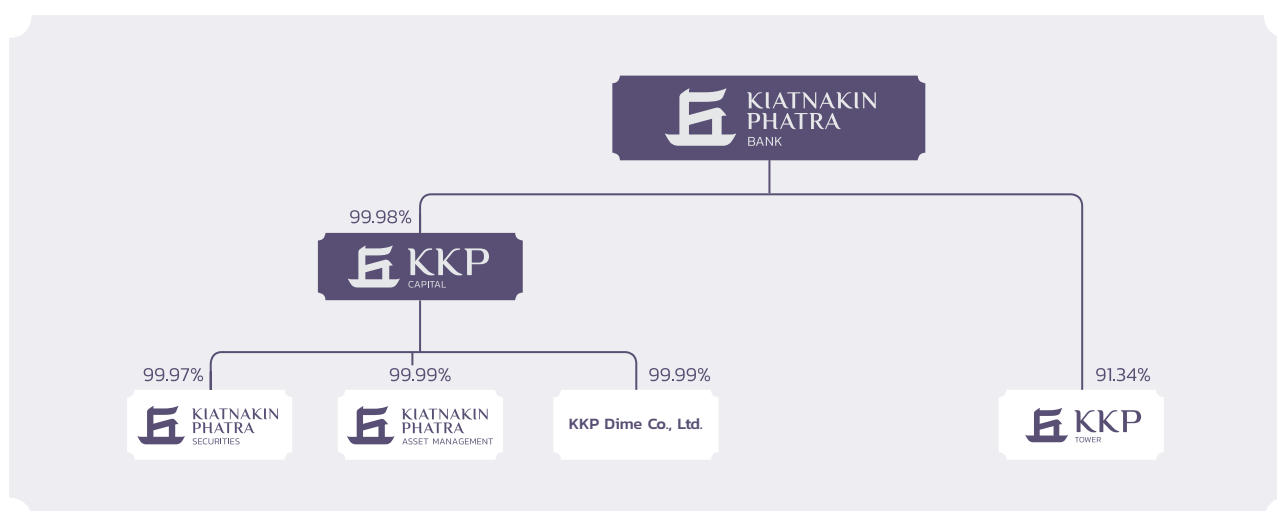
An investment for return is an investment for acquiring non-performing credit assets at a price lower than the outstanding principal and collateral value. This is for the purpose of profit or return from investment management through mutual funds, which are subsidiaries of the Bank and established with 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, 2021, 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 which consist of KKPS which is a securities and derivatives broker, KKPAM which is an asset management company, and KKP Dime Company Limited which provides financial and investment services through digital channels.¹

The shareholding structure is as follows:



In addition, the Bank holds unit trusts in six mutual funds for resolving financial institution problems, which is 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 Consolidated Supervision Guidelines 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 which has paid-up capital of Baht 1,051,551,200.

2.2 Kiatnakin Phatra Securities Public Company Limited-KKPS

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

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

¹ In the process of applying for a business license



2.3 Kiatnakin Phatra Asset Management Company Limited-KKPAM

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

2.4 KKP Dime Company Limited

KKP Dime Company Limited operates financial and investment services through

digital channels. The Company has registered capital of Baht 100,000,000 and has paid-up capital of Baht 25,000,000.

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 paid-up capital of Baht 230,000,000.

Entities in which the Bank holds over 10.00% shares

Juristic Person Name and Address	Type Of Business	Number of Fully Paid-up Shares (Shares)	Percentage of Ownership (%)
1. KKP Capital Public Company Limited 9 th Floor, Muang Thai-Phatra Office Tower 1, 252/6 Ratchadapisek Road, Huaykwang, Bangkok 10310 Tel: 0-2305-9000 Fax: 0-2305-9539	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, Klong 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 9, 2021 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	53,391,811	6.31
2.	Ms. Thitinan Wattanavekin	Thai ordinary person	35,532,761	4.20
3.	Eastern Sugar Company Limited	Thai juristic person	35,000,804	4.13
4.	Ramkhamhaeng Hospital Public Company Limited	Thai juristic person	34,867,143	4.12
5.	South East Asia UK (Type C) Nominees Limited	Foreign juristic person	26,150,900	3.09
6.	Mrs. Vansamorn Wannamethee	Thai ordinary person	25,212,703	2.98
7.	The Bank of New York Mellon	Foreign juristic person	25,075,602	2.96
8.	Chodthanawat Company Limited ^{/1}	Thai juristic person	20,693,600	2.44
9.	Ms. Yapa Thepkanjana	Thai ordinary person	17,199,900	2.03
10.	State Street Europe Limited	Foreign juristic person	16,441,003	1.94
Total top ten major shareholders			289,566,227	34.20
Others			557,184,882	65.80
Total			846,751,109	100.00

Shareholder Classified by Nationality	Number of Shares (Shares)	Shareholding (%)
Thai shareholders	721,780,190	85.24
Foreign shareholders	124,970,919	14.76

Remark: ^{/1} Chodthanawat Company Limited has Mrs. Panida Thepkanjana and Ms. Yapa Thepkanjana, holding 39.53% and 13.65% of the total company shares respectively, as primary shareholders. They held 1.81% and 2.03% of the ordinary shares of the Bank respectively.

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

-No-

1.4 Registered and Paid-up Capital

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

- Total authorized share capital Baht 8,467,511,090
- Total issued and fully paid-up share capital Baht 8,467,511,090

1.4.2 As of December 31, 2021, no preferred share was issued by the Bank.



1.5 Issuance of Other Types of Securities

1.5.1 Debentures

As of December 31, 2021, the outstanding of all types of debentures totaled Baht 40,443.34 million. Details are as follows:

- Outstanding of unsubordinated and unsecured long-term debentures: Baht 8,000.00 million

Symbol	Amount (Baht Million)	Issue Date	Maturity Date	Tenor (Year)	Coupon Rate (% p.a.)
KKP224A	1,000.00	12/03/2021	07/04/2022	1	0.15*
KKP227A	2,000.00	21/07/2021	21/07/2022	1	0.15*
KKP237A	5,000.00	23/07/2021	23/07/2023	2	1.03
Total	8,000.00				

* Compounded THOR + 0.15%

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

1. The debentures of Kiatnakin Phatra Bank Public Company Limited No. 1/2564, due B.E. 2565

Symbol	:	KKP224A
Bond Type	:	Unsubordinated 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	:	Baht 1,000.00 million
Outstanding Size	:	Baht 1,000.00 million
Issue Term	:	1 Year and 26 days
Issue Date	:	March 12, 2021
Maturity Date	:	April 7, 2022
Coupon Payment	:	Compounded THOR + 0.15%
Interest Payment Date	:	June 12, 2021, September 12, 2021, December 12, 2021 and March 12, 2022 and pay the last interest on the maturity date of debentures
Credit Rating	:	A (TRIS Rating)
Registrar	:	Kiatnakin Phatra Bank Public Company Limited

2. The debentures of Kiatnakin Phatra Bank Public Company Limited No. 2/2564, due B.E. 2565

Symbol	:	KKP227A
Bond Type	:	Unsubordinated 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	:	Baht 2,000.00 million
Outstanding Size	:	Baht 2,000.00 million

Issue Term	: 1 Year
Issue Date	: July 21, 2021
Maturity Date	: July 21, 2022
Coupon Payment	: Compounded THOR + 0.15%
Interest Payment Date	: On the maturity date of debentures
Credit Rating	: A (TRIS Rating)
Registrar	: Kiatnakin Phatra Bank Public Company Limited

3. The debentures of Kiatnakin Phatra Bank Public Company Limited No. 3/2564, due B.E. 2566

Symbol	: KKP237A
Bond Type	: Unsubordinated 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	: Baht 5,000.00 million
Outstanding Size	: Baht 5,000.00 million
Issue Term	: 2 Years
Issue Date	: July 23, 2021
Maturity Date	: July 23, 2023
Coupon Payment	: Fixed: 1.03% p.a.
Interest Payment Date	: January 23 and July 23 of every year throughout the life of debentures
Credit Rating	: A (TRIS Rating)
Registrar	: CIMB Thai Bank Public Company Limited

- Outstanding of subordinated, unsecured and no representative intended to qualify as tier 2 capital debentures:
Baht 8,392.00 million

Symbol	Amount (Baht Million)	Issue Date	Maturity Date	Tenor (Year)	Coupon Rate (% p.a.)
KK285A	1,400.00	18/05/2018	18/05/2028	10	3.50
KK280A	890.00	08/10/2018	08/10/2028	10	4.00
KKP308A	750.00	18/08/2020	18/08/2030	10	3.50
KKP309A	350.00	03/09/2020	03/09/2030	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
Total	8,392.00				

Details of subordinated, unsecured and no representative intended to qualify as tier 2 capital debentures are as follows:

1. Subordinated instruments intended to qualify as tier 2 capital of Kiatnakin Bank Public Company Limited No. 1/2561, due B.E. 2571, 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	: KK285A
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	: Baht 1,400.00 million
Outstanding Size	: Baht 1,400.00 million
Issue Term	: 10 Years
Issue Date	: May 18, 2018
Maturity Date	: May 18, 2028
Coupon Payment	: Fixed: 3.5% 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 Bank Public Company Limited No. 2/2561, due B.E. 2571, 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	: KK280A
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	: Baht 890.00 million
Outstanding Size	: Baht 890.00 million
Issue Term	: 10 Years
Issue Date	: October 8, 2018
Maturity Date	: October 8, 2028
Coupon Payment	: Fixed: 4.00% p.a.
Interest Payment Date	: January 8, April 8, July 8, and October 8 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 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	: Baht 750.00 million
Outstanding Size	: Baht 750.00 million
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

4. 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	: Baht 350.00 million
Outstanding Size	: Baht 350.00 million
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

5. 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	: Baht 2,000.00 million
Outstanding Size	: Baht 2,000.00 million
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)
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. 1/2564, 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	: Baht 2,852.00 million
Outstanding Size	: Baht 2,852.00 million
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)
Registrar	: CIMB Thai Bank Public Company Limited

7. 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	: Baht 150.00 million
Outstanding Size	: Baht 150.00 million
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

- Outstanding of unsubordinated and unsecured short-term debentures (not exceeding 270 days):
Baht 23,476.34 million
- Outstanding of unsubordinated, unsecured, no convertible and no representative structured debentures:
Baht 575.00 million

1.5.2 Bill of Exchange

Baht 2,000.00 million

1.5.3 Warrant

-None-

1.6 Dividend Policy

The Bank has a policy to pay dividend from the net profit in its financial statements. Payout of dividend must be approved by the shareholders' meeting. An interim dividend can also be paid by the Board of Directors' approval if the Bank's profit deems sufficient to do so and such payment shall be reported in 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 as well as pre-and post-impacts from such a given dividend payment. Also, such dividend payment 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 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 importantly on each company's business performance and plans.

Dividend payments for the past five years were as follows:

	2016	2017	2018	2019	2020
Earnings per share (Baht) (As from consolidated financial statement)	6.55	6.78	7.14	7.07	6.05
Dividend per share (Baht)	6.00	5.00	5.00	4.25	2.25
Dividend payout ratio (%)	91.60	73.75	70.03	60.11	37.19



2. Risk Management

2.1 Risk Management Policy and Plan

In 2021, the Group continued focusing on the synchronization of risk management and business operations in order to limit risks to within acceptable levels. Risks of 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 book, strategic risk, reputation risk, legal and compliance risk, operational risk and information technology risk ("IT risk"). In addition, the Group applied risk management process in accordance with international standards, consisting of risk identification, risk measurement, risk assessment, as well as risk monitoring and control. The Risk Oversight Committee and sub-committees cooperated in reviewing, proposing policies and 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 department, independent from front office departments and risk owners, regulated and supported risk management of the Group.

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, 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 group 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 supervises 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 which at least cover credit risk, credit concentration risk, market risk, liquidity risk, interest rate risk in banking book, operational risk, reputation risk, legal and compliance risk, strategic risk, IT risk and 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 of the Group and reporting to the Board of Directors. It also monitors risk levels to be within the level of risk appetite acceptable 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 sub-committee is responsible for assessment of operational risks while providing guidance, policies, strategies, frameworks and tools for operational risk management. The sub-committee gives advice and

supports the development and implementation of operational risk management processes. 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, as well as providing comments 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, as well as 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 quality of operational processes to improve such processes as well as to 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, controlling 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 its business activities.
- 2) Risk control is carried out in cooperation between the risk owner and the independent departments.
- 3) In order to control the risks to be within an acceptable level, the Group applies the model "Three Lines of Defense" to ensure the appropriateness and effectiveness of the Group's risk management.

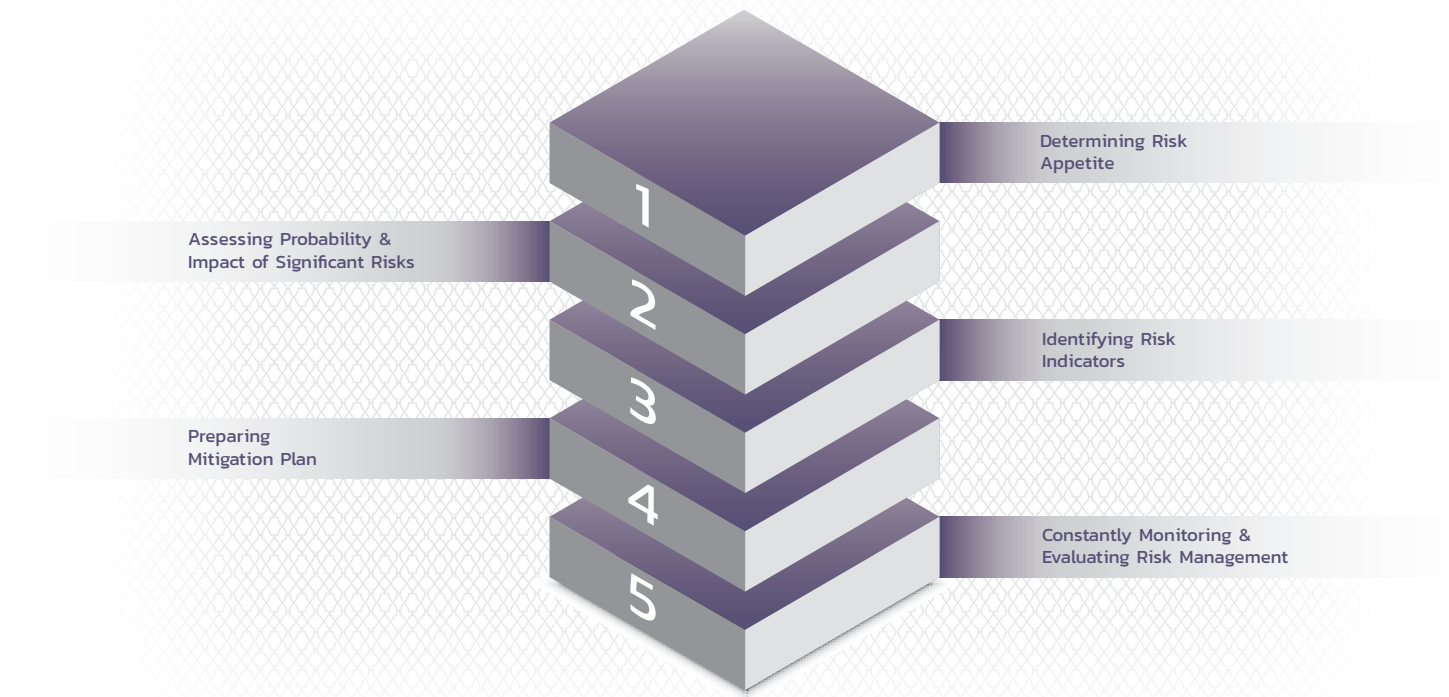
Level 1: Risk Owner Level - The risk owner must monitor its own unit's risk to be within an appropriate level.

Level 2: Risk Management Group and Legal and Compliance Group Level - The Risk Management Group is responsible for monitoring and supporting tools and 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 from 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 above show that it is not only the Risk Management Group but other business units are also important for effective risk management. It is not just executives, but 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 be within an acceptable level and consistently monitoring risk levels are also crucial. The risk management process is systematically managed as follows:



Risk Report Preparation

The risk report preparation for relevant committees is as follows:

- 1) Report on the Bank's and the Group's risk limit on a monthly and quarterly basis;
- 2) Report on emerging risks on an annual 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 3 - 5 years that may be caused by any change in economic factor, geopolitical problem, regulation and technology, for instance the COVID-19 pandemic, the higher inflation rate caused by oil price, lack of supply and depreciating Baht during economic stagflation, the fluctuation in financial market and vulnerable fund flow from reducing quantitative easing ("QE") measure, the signal to increase interest rate from the Federal Reserve (Fed) in the future, natural disasters such as flood and drought, etc.

In the case that any indicator exceeds the specified criteria or the risk level is high, the person who is responsible for that risk will have to prepare a plan to reduce and monitor the risk along with implementing a plan to reduce the risk to an acceptable level. 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) Strategic risk
- 2) Credit risk
- 3) Credit concentration risk
- 4) Market risk
- 5) Liquidity risk
- 6) Interest rate risk in banking book
- 7) Operational risk
- 8) Reputational risk
- 9) Information technology risk
- 10) Legal and compliance risk

Whenever a new product is launched or certain significant business has changed, the relevant business unit must conduct a risk analysis on the 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 with business circumstances and changes.

Core Risk Management Policies

There are eighteen core risk management policies, namely

- 1) Market Risk Management Policy of the Group
- 2) Liquidity Risk Management Policy of the Group
- 3) Enterprise 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 Companies and LCR Disclosure of the Bank
- 11) Retail Lending Policy of the Bank
- 12) Core Credit 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

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

2.2 Risk Factors

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

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

The Bank's and Group companies' businesses are greatly dependent on the domestic and global economy. In 2021, the global economy entered the recovery phase after the spread of COVID-19 in 2020. Significant catalysts for the recovery were: 1) continuous supportive monetary and fiscal policies in the major economic countries that fostered the economy and 2) quick and effective distribution of vaccines in developed countries, which led to the reopening of the economy. Nonetheless, there was a significant difference in recovery speed between each country group. The recovery speed in low- and medium-income countries were likely to be slower due to lower vaccination rate, which resulted in these countries encountering a new wave of infections. Overall, international travel has not resumed to normality due to the prevailing concern on the new wave of COVID-19.

The inflation rate in 2021 increased higher than the market expectation, both from rising energy price and insufficient supply-side responses to increasing consumption in a number of products after the reopening, which led to supply shortages. The surging inflation rate causes monetary policy to become less expansionary. The U.S. has begun QE tapering near the end of 2021 and the money market expects the U.S. policy rate to rise in 2022, which will result in both short- and long-term interest rates to increase. In 2022, the overall global economy is anticipated to continue to recover following the reopening.

The Thai economy in 2021 encountered periods of economic slowdown in 2Q2021 and 3Q2021 from the spread of COVID-19 that resulted in Thailand seeing one of the most severe infections in the world. Together with sluggish vaccination progress during the initial period, the lockdown put economic activities to a halt while consumption and investments from the private sector severely plunged. International travel, which accounted for 12% of gross domestic product (GDP), was unable to recover. As a result, Thailand was one of the countries with slow recovery in the region. Exports in 2021 recovered strongly due to the recovery of the global economy and trade partners during the year,



which led to large disparity of economic recovery among business groups. The overall Thai economy is not expected to return to the pre-COVID-19 condition until 1H2023.

In 2022, key risks for the global economy include: 1) higher- and longer-than-expected inflation (demand-side pressure and the tightening labor market may result in the risk that central banks are unable to control the inflation rate which may further lead to severe economic stagnation), 2) the mutation and new spread of COVID-19 (despite a higher vaccination rate, there are still risks from new variants of COVID-19 which may be more transmissible or render current vaccines ineffective) and 3) higher-than-expected slowdown of Chinese economy resulting from the current Chinese economic policy that is less supportive for economic growth and emphasizes on income distribution, as well as risk from the real-estate bubble which was previously China's primary growth driver.

The recovery of the Thai economy in 2022 is anticipated to be fragile and will differ for each industry and area. Domestic consumption and export businesses are expected to recover well in line with the reopening and improving global economy. However, the tourism industry will not reach full recovery. International tourists are expected to considerably return in 3Q2022 and 4Q2022, with an estimated total number of 5.8 million tourists, lower than the figure before the spread of COVID-19 of around 40 million tourists per year. One reason for the slow recovery is Chinese economic policies that do not authorize international travel for Chinese tourists which contribute over 30% of all international tourist arrivals for Thailand. However, domestic travel is expected to recover faster starting from 1H2022 which will allow domestic travel businesses with higher dependence on domestic tourists to recover faster.

Key risks for the recovery of the Thai economy in 2022 are: 1) new and severe waves of COVID-19 infections that require the government to reimpose lockdown restrictions that will be negative for domestic economic activities and create additional risks on household income and consumption due to rising

unemployment rate, 2) lower-than-expected number of international tourists as the global COVID-19 situation prolongs due to the mutation of COVID-19 and 3) higher-than-expected slowdown in exports from slower growth of the Chinese economy as the exports structure in Thailand considerably relies on the China demand, which accounts for around 15% of total exports.

To mitigate the possible aforementioned risks, the Group constantly monitors, analyzes the information and follows up on situations that can potentially impact its businesses. 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 plans, conducts stress tests and prepares mitigation plans to handle unprecedented crises.

The spread of the COVID-19 pandemic, the volatilities of the domestic and global economies, as well as uncertainties in politics and government policies are external factors not under control of the Group. The Group does not guarantee no significant impact on the business as a result of such events.

2. The Bank has risks arising from deteriorating credit quality and credit concentration. In the event that credit quality exceeds the Bank's expectation, the Bank's performance will be significantly affected.

The Bank's main debtors are small- and medium-sized companies, as well as retail clients. In general, these debtors are more affected by the volatility in the economy or the industry in which they operate than large-sized corporations. Therefore, the Bank is significantly subject to high risk during a volatile economy. The Bank also has a concentration of large-sized business debtors in real estate lending according to high credit concentration. This concentration gives rise to high credit risk in the event that some of the Bank's large clients experience credit difficulties. To manage credit concentration, the Bank has set credit concentration limits to mitigate possible losses, for instance, the Single Lending Limit and the Large Borrower Concentration.

In accordance with the risk of deteriorating credit quality resulting from economic and industry conditions, the Bank has continually developed credit approval procedures to mitigate risks. This development comprises of regulating the credit approval policy and process, issuing pre-screening guidelines, assessing debtors' executive competency and financial capability, considering loan purpose and collateral and constantly reviewing credit quality.

For retail lending in 2020 - 2021, due to the COVID-19 situation, the Bank improved and remained cautious in providing loans by considering the repayment ability according to the type of business whether it was affected by the situation or not. The Bank focuses on the growth in loans with collateral rather than loans without collateral; these include auto hire purchase and housing loans which increased 13% and 15% respectively from the previous year.

It should be noted that new debtors who submitted loan applications in 2021 were of better quality. Categorized by risk level, low-risk clients increased from 40% to 60%. In reviewing the early indicator or client quality during the first 6 months of auto hire purchase, it was also found that the ratio reduced which meant higher creditability and lower credit risk.

For housing loans, the Bank has a strategy to focus on providing loans to projects of the four major real estate developers in the market. The focus is on low-rise houses (not search for yield), which increases the average house price from Baht 4.2 million to Baht 5.1 million. In respect to other loans without collateral, the Bank has slowed its lending to find out what would happen after the loan payment holiday measure from the Bank of Thailand ended.

For current debtors, the Bank saw 45% of all retail lending come under the loan forbearance program because of the COVID-19 situation, divided into 30% auto hire purchase and 8% consumer finance. During the COVID-19 situation, the Bank has reassessed all debtors and classified them by risk at high, medium or low risk, or green, yellow and red levels respectively in order to have proper management for each client 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 cost.

The majority of the loan forbearance program that the Bank provided to debtors ended in 4Q2020. However, approximately 15% of the total outstanding loans under financial assistance saw the relief period end in 2020 and additional measure in 2021. Approximately 80% of these debtors have been able to make repayments after the end of the relief period.

In terms of retail lending overview, new debtors during the COVID-19 situation had better credit quality. This was because of the tightening credit approval policy, the assessment of debtors' repayment ability concerning market conditions and the focus on loans with collateral rather than loans without collateral. The Bank classified the client portfolio by risk level in order to manage them properly, reduce credit risk or credit cost that may occur and provide assistance to debtors more efficiently.

Although the Bank employs procedures to manage credit and credit concentration risks, the Bank cannot guarantee that no loss will occur from deteriorating credit quality and credit concentration. In the event that credit quality deteriorates beyond expectation, 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 dividend.

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

The Bank and the Group companies recognize 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, the SEC which monitors the securities business of the Bank and the Group companies, the Office of Insurance Commission ("OIC") which monitors bancassurance, and other regulators, i.e. the Office of the Consumer Protection Board and the Anti-Money Laundering Office. Laws and regulations by such regulators are strict and have become more stringent. Nevertheless, the Bank and the Group



companies are committed to operate the business in compliance with laws and regulations for strong fundamental and sustainable growth.

The Bank and the Group companies have continually enhanced service and operations in accordance with the change of 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 business of the Bank and the Group companies, for instance, the Emergency Decree Amending the Civil and Commercial Code B.E. 2564 (2021), the collection fee or other charges, the data governance guideline, the fair lending guidelines, the single form for investment account opening in the capital market, etc. In addition, there are regulations related to the use of digital technology in the development of financial services and the development of critical infrastructure such as blockchain technology practice guidelines in financial services, policy guideline: know your merchant/KYM, etc.

Due to the economic situation and the COVID-19 pandemic, the Bank of Thailand has issued additional measures to help debtors affected by the situation, for instance, the guidelines regarding the provision of financial assistance to the debtors affected by the outbreak of the Coronavirus 2019 (sustainable debt resolution), the measures to support credit for business operators and the measures to support the transfer of collateral assets for debt repayment under the decree to help and rehabilitate businesses affected by the outbreak of the Coronavirus 2019, the measures for retail debtors affected by the outbreak of the Coronavirus (COVID-19) Stage 3, etc. The Bank and the Group companies' actions were taken in accordance with the changes and provided assistance to debtors affected by the situation.

Besides the aforementioned laws, rules and regulations, the Bank and the Group companies pay close attention to the privacy laws and the data privacy and protection to prevent incidents that may occur to the data owner. In the past year, the Bank and the Group companies have 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 Bank and the Group companies to be liable from not fully complying with laws and regulations which could negatively affect operations, financial status and performance of the Bank and the Group companies.

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

To achieve 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 need skilled personnel, regulation allowance as well as 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 or better than business competitors.

In addition, the business and strategic plans of the Group highly involve the development of information technology and system. This development efficiently helps enhance products and services as well as diversifies 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 or better than business competitors. The Group cannot guarantee that information technology would 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 targeted profits. Moreover, the lack of experience in new product and service development could hurt business competitiveness.

5. Market risk rises from the increasingly diverse transactions of the Group's trading and available-for-sale books which may affect the Group's 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, property fund, infrastructure fund and real estate investment trust ("REIT") which is registered in the SET and equity derivatives and 5) option contract which 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.

The trading book 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 will 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 market risk management emphasizes on transactions with interest rate risk. The Bank will determine the acceptable interest rate risk limit and hedge the risk to an insignificant level. However, the Bank may invest in common equities, property fund, infrastructure fund and REIT which is registered on the SET. This will be a long-term investment which requires 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 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 the risk limit for approval from the Risk Oversight Committee to assess and monitor market risk. Internationally-accepted risk indicator tools, such as 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 which 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 of subsidiary still have high market risks due to its directional - both onshore and offshore securities - investment strategy. A decrease in the price of securities held by the Group would negatively affect the performance and profit of the Group. However, the Group is aware of risks on such investment strategy. The Group has specified the level of risk tolerance for each investment. The Risk Management Department of the capital market business is responsible for defining standard risk tolerances, such as VaR and volume limit of daily transactions, and will alert relevant business units in the case that the risk in the trading book exceeds the limit or there is an unexpected irregularity.

However, the volatility of securities price is often caused by uncontrollable factors. Despite the Group's standard risk management process, the Group 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 reputation risk.

Reputation is of significance to businesses, especially the financial services industry where competition is high. The maintenance and building of a good reputation will lead to an increase in client base and better client retention ability. It could also bring positive effects to 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 which could impact the Group's reputation while considering risks that may affect the Group's reputation for different aspects as follows:

1) Environmental aspect: Currently, environmental risks have become more serious due to the 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 including taking measures aimed at energy conservation, such as providing client service through electronic channels to reduce the paper usage of transactions and reduce the fuel consumption of clients' travelling, introducing energy saving projects and renovating the headquarters building to be an environmentally-friendly building.

2) Social aspect which includes respect for human rights: The Group has established a policy to cover various issues on social aspect, such as the Corporate Governance Policy, the Guidelines for Business Conduct Policy and the Guidelines for Social Responsibility Policy. For human rights, the Group strives to promote its human rights operations within the organization which treat all workers with equality and fairness. There is a department which is directly responsible for this matter. Moreover, the Legal and Compliance Group and the Internal Audit Office are responsible for ensuring operations are in compliance with policies.

3) Corporate governance aspect: The details of important matters are summarized as follows:

- (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 environment 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 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.

- (2) Dispute risk: The Group aims to benefit the public to improve and develop the quality of life of Thai people along with 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 operation and providing staff trainings for operation which is efficient and satisfactory for clients and partners.

- (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 the understanding. The Group also communicates the commitment to the Corporate Governance Policy and the Anti-corruption Policy to the public and

external stakeholders through various channels. Furthermore, the Bank and all of its subsidiaries in the capital market business have been certified as full members of Thai Private Sector Collective Action against Corruption (“CAC”) and have been recertified every three years.

However, the Group is not able to guarantee that the full implementation of these measures will be able to 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 operation. 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 cost 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 possibility, as well as controls operational loss to within acceptable levels. The Bank has also established a fraud unit to prevent losses, by controlling and investigating irregular situations or situations suspected of being fraudulent. In addition, the Bank employs measures to reduce operational risks of new products and services which require relevant units to assess risks, develop a mitigation plan

and implement readiness checking before launching new products and services or changing operational processes. The second line of defense units, such as the Legal and Compliance Group and the Risk Management Group, collaboratively analyze and define issues. The New Product and Process Review team reviews the development guideline of processes and risk management before proposing them to the New Product & Process Review Sub-committee (NPPRC) for approval. The sub-committee not only approves new products and process changes but also identifies risks, indicates flaws and gives advice to improve products and services to perfection. Furthermore, the Bank applies the IT Risk Management Policy and the principles for managing risks from third parties who have access to sensitive information or are connected to the Bank’s system. IT risks are assessed regularly or when new information technologies are applied to the Group’s operations and services. The Group also has guidelines for educating and enhancing awareness of cyber threat for employees at all levels to prevent risks from integrating IT into the business and risks from cyber threats which may affect the Group’s operations and services. The Group also adjusts its organizational structure to align with such changes.

As the COVID-19 pandemic continues to have an impact, the Group has developed a model for working from home to be effective and reduce various risks that may occur to employees, which are important resources to drive the organization. The Group closely applies the risk management process on operational risk that may arise from home operations.

Although the Group cautiously enforces such measures, uncontrollable and significant factors, such as IT risks, work from home risks, complex fraud, embezzlement and corruption may unexpectedly occur and directly 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 from corporate behavioral changes especially large corporations which have a high trustworthiness and a good financial position. Their



behavior has changed from relying on bank loans for financing to acting as dis-intermediary 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. The 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 cost 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 which 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 purchase 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 relationship and brand loyalty to the Group and directly impact its business performance.

From 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 effect from new competitors and the possibility of being an incubator, capital venture, business partnerships, mergers and acquisitions and subsidiary establishment to expand

its business. Despite the Group's readiness for uncontrollable and unexpected risks, the impact to 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, development of a pleasant organization and prioritization of hygiene and workplace safety, healthcare, annual health checks, accident insurance for employees and right for leave on various occasions which is expanded to cover leave for all religious ceremonies and meditation. 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. Also, the Group arranges various online activities for employees to participate in.

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. Profit 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 since 1999 by winning auctions of claims on financial institutions from the Financial Sector Restructuring Authority. During 2003 - 2006, the Bank auctioned debts under 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 2021, the Bank profited from its special asset management business in the amount of Baht 714 million, amounting to 10.10% 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 5,139 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 of this business.

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

The reduced liabilities 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 risk 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 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 and changes to the deposit protection law each year. The Bank will face liquidity risks in case depositors want to withdraw their deposit portion which exceeds the protection limit by law and transfer their deposits to other financial institutions or to invest in other mediums.

To manage liquidity, the Bank has appointed the Money Desk Sub-committee to analyze and monitor cash inflows and outflows of the Bank. The sub-committee also sets up measures to closely monitor the liquidity status under normal and stressed conditions according to the liabilities concentration, the risk appetite of the Bank for asset and liabilities mismatch and the level of liquid assets under different scenarios. The sub-committee 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 and regularly practices it every year.



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 of capital requirement regulations. Furthermore, in case the Bank reports an operating loss, the loss will lessen regulatory capital which will certainly impact its capital adequacy. Any reduction to 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.

In 2021, the Group aimed to maintain capital in order to cover all risks under the COVID-19 situation, support the business expansion opportunities as well as keep a high capital adequacy ratio. The Bank also employed the policy of 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 Board of Directors of the Bank, reflects the following objectives:

- To maintain capital above the minimum requirement of the Bank of Thailand to cover significant risks which are not included in the minimum requirement;
- To maintain capital in accordance with risk appetite and risk tolerance which are determined by the Board of Directors;
- To assess capital under stressed conditions and prepare a capital contingency plan to maintain capital according to the framework of stressed condition;

- 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 followings:

- 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 which is linked to the aforementioned significant risks for each of the Bank's businesses;
- 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 2022, the Group will continue to focus on managing capital efficiently to support remaining risks from the COVID-19 pandemic as it begins to unravel, support business expansion and establish an appropriate capital structure which 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 to roll over expiring instruments in the next 5 - 10 years. The Group may face risk as a result of insufficient capital or higher cost 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.

3. Driving Business for Sustainability

3.1 Policy and Goal for Sustainability

The Group places emphasis on sustainable business operation under its vision “to attain business growth along with the success of clients and society” while contributing to both society and the nation. Its business practices take into consideration environmental,

social and governance (ESG) issues and stakeholders’ expectations, while aiming to generate good returns for shareholders and build long-term corporate growth in line with the concept of “sustainable banking”.

	Economic and Governance Aspects	Environmental Aspect	Social Aspect
Goal	To be an organization that provides sustainable returns on investment.	To be an environmentally responsible organization.	To be an organization of choice for both employees and clients and recognized in society.
Performance Guidance for Sustainability	Promote corporate governance culture, internal control and audit systems, and strong risk management in all organizational levels. Support all forms of anti-corruption and provide effective, fair and non-discriminatory channels for receiving information/complaints.	Conduct business with environmental responsibility and adopt responsible lending and investment practices, including operating in compliance with environmental laws, assessing environmental risks and impacts in operational processes, promoting environmentally friendly products/services and encouraging efficient use of resources.	Promote the wellbeing and career advancement of employees. Improve the wellbeing and quality of life of people in society by promoting financial literacy and access to essential financial services, designing products/services that benefit and meet the needs of clients and strictly protecting client data security and privacy.

Presently, the Group prepares its sustainability report in accordance with the Global Reporting Initiative (GRI) Framework. Such report covers 27 material sustainability aspects, linking its sustainability performance to the United Nations Sustainable Development Goals (SDGs).

3.2 Management of Impact on Stakeholders in Value Chain

Business Value Chain

The Group uses its capital to operate a lending business, including auto hire purchase loans, retail loans, business loans, SME loans and corporate loans, as well as asset management business, financial market business, wealth management business and capital

market business. As a result, its income comes from interests and fees from products and services of the Bank, the Group companies and its business partners such as mutual funds, non-life and life insurances which are offered through the Bank’s channels.



Analysis of Stakeholders in the Business Value Chain

The Group places importance on stakeholder engagement as a basis for accurately and thoroughly determining material sustainability issues based on their priorities and necessities. It has also established written guidelines for stakeholder treatment in the Corporate Governance Policy and Corporate Social Responsibility Policy. The Group divides its stakeholders into eight groups, which have internal stakeholders, namely employees, and external stakeholders which are shareholders/investors, regulatory agencies, clients, business partners, competitors, creditors and communities/society, using the guidelines of the SET. Relevant internal

units engage with stakeholders through CSR-in-process activities, such as meetings, seminars, clients' opinion/satisfaction surveys and employee engagement surveys to obtain the information needed to determine appropriate actions in response to concerns and expectations of each stakeholder.

Details on communication channels, concerns and expectations of stakeholders as well as actions taken by the Group to respond to such expectations are shown in the stakeholder engagement section in the 2021 Sustainability Report.

3.3 Sustainability Management in Environmental Dimension

Environmental Policies and Practices

Economic expansion impacts the society with the increase in demand for resources which can lead to environmental issues. For instance, forest encroachment and destruction of watersheds and other natural resources have led to environmental impacts, such as overflowing waste, air pollution and sudden weather changes, causing global warming, droughts and floods.

The Group is aware of these problems and has thus placed great importance on environmentally friendly business operations and responsible lending practices, including the credit approval process that complies with environment-related laws and regulations, such as the Town Planning Act B.E. 2522, the Building Control Act B.E. 2522 and the National Environmental Quality

Promotion and Protection Act B.E. 2535. It also offers green financing, such as alternative energy loans, green building loans and electric vehicle loans. In addition, every time before a new product is launched or a work process is changed, the Bank will assess the risk and impact on society and the environment, prepare a risk mitigation plan and review implementation readiness to ensure that every product or work process is at an acceptable risk level and will not cause negative impacts on society and the environment at a level that cannot be remedied.

The Group has also implemented various energy conservation measures, including:

- Providing services such as communication and transaction alerts through electronic channels to reduce transaction papers and fuel consumption needed for clients to travel to branches;
- Improving the committee meeting system and presenting information through tablets to reduce paper consumption within the organization;
- Using electronic channels to report information, assess performance and conduct employee satisfaction surveys;
- Implementing waste and pollution reduction projects, such as stop producing our own plastic bottled water to reduce plastic waste, using environmentally friendly paper, choosing environmentally friendly toner and using mercury and lead-free paints;
- Introducing energy efficiency projects, such as switching to LED bulbs and transforming the headquarters into a green building in conformity

with the LEED standards by 2022, which will improve the quality of life of about 4,000 employees of the Group.

These measures will also reduce greenhouse gas emissions, mitigate global warming and pass on a better quality of life to the next generation.

Key Results of Environmental Activities in 2021

- Value of loans supporting environmentally friendly business amounted to Baht 2,175 million.
- 36.6% decrease of electric power consumption due to the renovation of one building and the Work from Home Policy as a result of the COVID-19 pandemic.
- 50.2% increase of fuel consumption due to the policy adjustment on fuel subsidy for 130 Checker Out positions replaced by fleet cards.
- 43.1% decrease of water consumption due to the improvement of the water usage system and the Work from Home Policy as a result of the COVID-19 pandemic.
- Emission (Scope 1 and Scope 2) of 5,550.48 tons of carbon dioxide, equivalent to a reduction of 10.1% from the previous year.
- Preparation of plan to proceed and disclose information on carbon footprint in the Bank's 3-year operation plan.
- Conducting online course titled 'Sustainable Financial Institution' to provide employees with knowledge on ESG.

3.4 Sustainability Management in 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". It takes care of its **employees**, which is an important resource in driving the

organization to success, making sure that they have a good quality of life and opportunities to advance in their careers along with organizational growth, in addition to focusing on a fair, transparent and equal cooperation with its **suppliers and business partners**. As a part of society, the Group has been committed to promoting the wellbeing of **communities and people in society**



since the first year of its establishment, by encouraging its employees to use their knowledge and expertise to create positive changes in society under the “People Development for National Development with Kiatnakin Phatra Project”. The project focuses on four core pillars of sustainable development, including 1) education support, 2) promotion of ethics and social immunity, 3) relief and charitable contributions and 4) development of the community’s environment.

The Group respects human rights in accordance with the United Nations Guiding Principles on Business and Human Rights and complies with human rights laws. It takes steps to prevent and avoid human rights violations against stakeholders, respects human values and basic rights and treats others equitably. The Group has established a governance system and makes business plans carefully, making sure not to violate the rights of employees, communities and people in society. Its human rights guidelines encompass respect for human rights within the organization, e.g. fair treatment of **employees** and respect for the rights of people outside the organization, e.g. clients and consumers, shareholders and business partners.

With respect to **clients and consumers**, the Group adheres to responsible business practices-including complete, accurate and truthful disclosure of product and service information-fair client services and protecting the confidentiality of client data. Additionally, it has measured client satisfaction and used comments/complaints about products and services to improve clients’ satisfaction and trust.

With respect to **shareholders**, the Group discloses information transparently, fairly and equitably and ensures that all shareholders, both major and minor, are treated equally and their fundamental rights are protected.

With respect to **suppliers/outsourced services**, the Group treats all suppliers equitably and fairly, prepares suitable contract formats and complies with the agreements and conditions strictly, transparently, sincerely and accountably. Moreover, it has set up a system to protect confidential information of suppliers from being disclosed or used illegally.

In addition, the Group has established channels for receiving complaints and suggestions/comments regarding human rights from employees, clients and consumers. All complaints are handled and followed up properly, and appropriate remedial actions are taken.

Key Results of Social Activities in 2021

Employee	Customer	Communities and Society
<ul style="list-style-type: none"> Average employee training hours are 13.12 hours/person/year (Target is 50% of employees enrolled for training of at least 6 hours.) Promoting values of variety and difference, such as taking leave for monk ordination as well as nun ordination, increasing volunteer leave days, taking marriage leave for partners not based on gender, taking leave for gender reassignment surgery, etc. 	<ul style="list-style-type: none"> Client satisfaction for branch services is 92.25% which is higher than the 90% target. 	<ul style="list-style-type: none"> Charitable donations and financial support for social activities amounted to Baht 11.07 million. 270 volunteer employees 5,362 volunteer hours
Providing financial knowledge to 49,773 people, including clients, employees, communities and disadvantaged people.		



For more details, please see 2021 Sustainability Report or
<https://kkp.listedcompany.com/attachment.html?id=253244>

4. Management Discussion and Analysis

4.1 Management Discussion and Analysis and Factors/Situations Which 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, 2021, 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, 2020, is as follows:

Executive Summary

With the aim of becoming a high performance financial institution, the Group continues to develop and expand three key business areas in order to diversify its revenue sources and constantly enhance its opportunities to generate various types of returns which has helped lessen the impacts from the COVID-19 situation to a great extent. For the year 2021, the Group continued to deliver solid performance with the consolidated net profit totaling Baht 6,318 million, an increase of 23.3% YoY, meanwhile the comprehensive income totaling Baht 7,069 million also increased by 30.5% YoY.

In 2021, the Group's key businesses continued to generate decent revenues, especially the capital market business which had a significant increase in revenues resulting in the net fees and services income greatly increasing by 40.1% YoY. The revenue from the wealth management business continued to grow along with the asset under advisory, while the revenue from the securities brokerage business increased with KKPS maintaining the number one in market share¹ at 14.04%. The investment banking business delivered high fee income after completing several key transactions during 2021. The asset management business also performed well with

the increase in asset under management. Additionally, the net interest income rose by 7.0% YoY from the Bank's considerable loan expansion.

The overall operating expenses continued to be well-controlled resulting in the cost to income ratio² for the year 2021 declining to 39.0%. The Bank remained prudent when considering the level of provisions by considering the prolonged uncertainties and recorded the total expected credit loss in the amount of Baht 5,201 million in 2021.

With the economic conditions remaining under pressure throughout 2021 arising from the COVID-19 outbreak, the Bank's operations, especially the credit business, had been impacted. Therefore, the Bank had to focus on providing continuous assistance to clients throughout the pandemic situation, while at the same time, continuing with its business developments. However, the Bank's loan portfolio saw a satisfactory increase of 16.5% YoY.

The Bank could still effectively control its credit quality by emphasizing on good credit expansion with appropriate return. As a result, the Bank's non-performing loan ("NPL") to total loan ratio for the year 2021 remained stable at 3.0%³ compared to 2.9% at the end of 2020 with the total allowance for expected credit losses to total NPL ratio (coverage ratio) remaining at a high level of 175.1%.

The Bank's current level of capital remained strong and was above the minimum requirement by the Bank of Thailand with the capital adequacy ratio of the Bank on a consolidated basis as of the end of 2021 at 17.35%.

¹ Including SET and mai but excluding proprietary trading

² Operating expenses excluding items relating to foreclosed assets (loss from revaluation of foreclosed assets and loss from sale of foreclosed assets)

³ Excluding loans classified as purchased or originated credit-impaired financial assets (POCI)



Overall Economic and Financial and Capital Market Environment

The Thai economy in 2021 recovered slowly from 2020 due to the severe impact from the spread of the delta variant of COVID-19 and the government's lockdown measures on private consumption and domestic investment. As the international travel ban remained in place, the tourism industry did not recover well compared to 2020. As 12% of Thailand's gross domestic product (GDP) was from the tourism sector, Thailand continued to be one of the countries facing the worst impact from COVID-19. However, during 4Q2021, the Thai domestic economy started to recover as a result of the easing of lockdown restrictions as well as government support through various stimulus packages. In addition, the strong expansion in Thailand's major trade partners' income resulted in considerable increase of Thailand's export revenue. For 2021, exports increased by 17.1% YoY. Excluding exports of gold and arms, the value of Thai exports grew by 19.8% YoY. Meanwhile, the number of tourist arrivals in 2021 contracted by 93.6% YoY to 427,869 arrivals.

The Thai Monetary Policy Committee ("the MPC") voted to keep the policy rate unchanged at 0.5% during 2021, despite a weak inflation and growth outlook during 2Q2021 and 3Q2021 as the economy remained under pressure from the COVID-19 outbreak. It reiterated that targeted measures would be more effective than a reduction in the policy rate, which was already low. However, during 4Q2021, the MPC assessed that the Thai economy had bottomed out in 3Q2021 and entered the phase of recovery following the relaxation of containment measures and the re-opening of the country. For the year 2022, the MPC is expected to focus on the economic growth and keep rates unchanged until the economy improves meaningfully in 4Q2022.

In 2022, the recovery of the Thai economy is expected to be fragile and will differ for each industry and area. The tourism industry is likely to remain weak as only 5.8 million tourist arrivals are anticipated in 2H2022, still much lower than the pre-crisis of around 40 million tourist arrivals per year. Furthermore, the new wave of the COVID-19 outbreak, expected to start in

1Q2022, will slow down the recovery of domestic consumption and investment compared to the initial projection. However, domestic economic recovery is expected to resume given that the outbreak of COVID-19 local infections does not prolong and no national lockdown measures are imposed. Thailand's export growth in 2022 is projected to grow continuously as global demand is expected to remain in expansion.

Key risks that could derail the recovery of the Thai economy in 2022 include: 1) a severe outbreak of a new wave of COVID-19 which could induce the government to enforce additional national lockdown measures, causing negative impact on consumption, investment as well as the delay of border reopening; 2) the faster-than-expected rise of inflation and monetary policy tightening in major advanced economies which could potentially affect global economic recovery; 3) the lower-than-expected growth of China's economy from the less supportive policy on economic growth and 4) domestic political uncertainties that might affect investor confidence and result in a delay of government policy implementation.

The auto industry remained in contraction compared to the previous year. The total number of car sales for the year 2021 contracted by 4.2% YoY, with the passenger vehicle segment and the commercial vehicle segment contracting by 8.4% and 1.9% YoY, respectively. The underperformance of the car industry was consistent with the economy-wide economic slowdown due to the COVID-19 outbreak and the credit tightening by financial institutions following signs of deterioration in loan quality.

In the capital market, the average daily securities trading value in the SET and mai for the year 2021 increased by 36.8% from Baht 68,607 million in 2020 to Baht 93,846 million in 2021. The SET index at the end of 2021 closed at 1,657.62 points, increasing by 14.4% from 1,449.35 points at the end of 2020.

The Establishment of New Subsidiary

On November 11, 2021, KKP CAP, the Bank's subsidiary, incorporated a new subsidiary under the name KKP Dime Company Limited. The Group through KKP CAP holds 100% of the total shares of KKP Dime Company Limited. The main objectives of this newly

set up company are to provide financial and investment services through digital channels with an aim to provide smart, convenient, low-cost and personalized access to financial products and services by utilizing digital technologies to everyone and to promote financial inclusion.

Operating Results for 2021 Compared to 2020

For the year 2021, the consolidated net profit totaled Baht 6,318 million, an increase of 23.3% from 2020 of which Baht 1,817 million was the net profit from the capital market business. The increase was mainly driven by the considerable growth in non-interest income of 30.4% with net fees and services income significantly contributing to the increase driven by income from the wealth management business, the brokerage business, the investment banking business and the asset management business. Meanwhile,

the net interest income also increased by 7.0% from continued loan expansions during the year. In addition, incomes from other business operations also increased compared with the previous year.

The provisions for the year 2021 increased when compared to last year, consistent with the Bank's prudent measures and also to accommodate loans expansion.

The consolidated comprehensive income for the year 2021 totaled Baht 7,069 million, an increase of 30.5% YoY with the capital market business's comprehensive income of Baht 2,765 million. The increase in comprehensive income was largely driven by the realized gains on sale of equity instruments designated at fair value through other comprehensive income (FVOCI) of which for the year 2021 totaled Baht 842 million while revaluations on investment also increased from the year 2020.

(Unit: Baht Million)	2021	2020	Change (%)
Net interest income	15,701	14,679	7.0
Non-interest income	8,545	6,554	30.4
Total operating income	24,246	21,233	14.2
Total other operating expenses	11,248	10,652	5.6
Expected credit losses	5,201	4,095	27.0
Profit from operating before income tax expenses	7,797	6,487	20.2
Income tax expenses	1,442	1,344	7.3
Net profit (attributable to equity holders of the Bank)	6,318	5,123	23.3
Total comprehensive income (attributable to equity holders of the Bank)	7,069	5,416	30.5
Realized gain (loss) on sale of equity instruments designated at fair value through other comprehensive income	842	136	519.6
Basic earnings per share (Baht)	7.46	6.05	23.3



Summary of Financial Performance

Annualized Ratios	2021	2020
Net profit (Baht Million)	6,318	5,123
ROAE (%)	13.0	11.3
ROE (%)	13.6	11.7
ROAA (%)	1.6	1.5
Comprehensive income (Baht Million)	7,069	5,416
ROAE (%)	14.5	12.0
ROE (%)	15.2	12.3
ROAA (%)	1.8	1.6
Loan growth	16.5	12.4
NPLs/total loans (excluding interbank and POCI)	3.0	2.9
Allowance for expected credit loss/total NPLs excluding POCI (coverage ratio)	175.1	170.9

Net Interest Income

(Unit: Baht Million)	2021	2020	Change (%)
Interest income	19,489	19,584	(0.5)
Interest on loans	7,303	8,187	(10.8)
Hire purchase and financial lease income	11,164	10,112	10.4
Interest on POCI	349	468	(25.3)
Interest on interbank and money market items	289	324	(10.8)
Interest on securities	374	478	(21.6)
Others	8	15	(44.4)
Interest expense	3,788	4,905	(22.8)
Interest on deposits	2,477	3,185	(22.2)
Interest on interbank and money market items	103	133	(22.7)
Interest on debt issued and borrowings	508	912	(44.3)
Fees and charges on borrowings	11	9	18.3
FIDF and DPA fees	664	626	6.0
Others	26	39	(34.3)
Net interest income	15,701	14,679	7.0

For the year 2021, the net interest income amounted to Baht 15,701 million, an increase of Baht 1,021 million or 7.0% from Baht 14,679 million in 2020 driven by the decline in interest expense. The interest income totaled Baht 19,489 million, slightly declining by 0.5% YoY. While the Bank's loan portfolio continued to grow satisfactorily by 16.5% for the year 2021, however, the reductions in interest rates together with the Bank's

expansions into loan segment with higher asset quality resulted in overall interest income to decline slightly for the year 2021. The interest expense totaled Baht 3,788 million, a decline of 22.8% YoY from further decline in cost of funds from the Bank's continuous cost management. Overall, this resulted in an increase of net interest income. Meanwhile, loan spread for the year 2021 lowered slightly to 5.3% from 5.5% YoY.

Ratio (%)	2021	2020
Yield on loan	6.5	7.2
Cost of fund	1.2	1.7
Loan spread	5.3	5.5

Non-interest Income

(Unit: Baht Million)	2021	2020	Change (%)
Fees and services income	6,974	5,107	36.5
Fees and services expenses	900	771	16.7
Fees and services income, net	6,074	4,336	40.1
Gain (loss) on financial instruments measured at fair value through profit or loss	(158)	1,079	(114.6)
Gain (loss) on investments, net	(10)	50	(119.5)
Dividend income	1,329	389	241.6
Other operating income	1,309	700	87.0
Total non-interest income	8,545	6,554	30.4

For the year 2021, the non-interest income totaled Baht 8,545 million, a significant increase of 30.4% from the year 2020. The increase was mainly due to the strong performance of the capital market business with net fees and services income growth of 40.1% mainly contributed by the increase in income from the wealth management business with the growth in asset under advisory as a result of continuous development of new products and services offerings. The investment banking business also recorded a good year with significant rise in income after completing several key transactions during 2021. The fee from brokerage

business also grew in line with higher market trading value of 37.0% compared to the trading value in 2020 with KKPS maintaining the number one in terms of market share at 14.04% in 2021. The fee income from asset management business also grew in line with the asset under management which expanded well during 2021. The bancassurance fee also showed improvement as a result of loan portfolio expansion.

Additionally, the other operating income also increased driven by the sales of loans which the Bank had already written-off.

Other Operating Expenses

(Unit: Baht Million)	2021	2020	Change (%)
Employee's expenses	6,428	5,664	13.5
Directors' remuneration	36	33	10.5
Premises and equipment expenses	1,003	1,140	(12.0)
Taxes and duties	462	493	(6.4)
Loss from revaluation of foreclosed assets	60	849	(93.0)
Loss from sale of foreclosed assets	1,504	894	68.2
Other expenses	1,755	1,579	11.1
Total other operating expenses	11,248	10,652	5.6

For 2021, the Group continued to focus on cost management resulting in overall operating expenses to be at a well-controlled level. The other operating expenses were Baht 11,248 million, increasing by 5.6% YoY from Baht 10,652 million in 2020. If we exclude items relating to foreclosed assets, the increase in the other operating expenses was mainly due to variable employee's expenses relating to business growth. The loss on sales of foreclosed assets for 2021 totaled Baht 1,504 million, increasing YoY. The loss on sales of foreclosed assets comprised of loss on sales of repossessed cars amounting to Baht 2,089 million, increasing from Baht 1,309 million in 2020 primarily due to the higher number of cars sold during 2021. This was driven by a low base from last year when the financial assistance measures that were implemented resulted

in a significant slowdown in foreclosure activities leading to a lower number of cars sold during 2H2020. Meanwhile, the gain on sales of foreclosed properties totaled Baht 585 million for the year 2021, increasing by 41.0% YoY despite sales activities being partly impacted by the lockdown measures. The loss on revaluation of foreclosed assets declined due to the prudent measure during 2020 in which the Bank recorded additional impairment on revaluation of foreclosed assets in the amount of Baht 665 million on foreclosed properties that were deemed to require a long period of time to dispose whereas there was no such item recorded for this year. Overall, this resulted in the cost-to-income ratio excluding loss from sales and revaluations of foreclosed assets to improve to 39.0%, declining from 41.2% in 2020.

Expected Credit Loss (ECL)

(Unit: Baht Million)	2021	2020	Change (%)
Expected credit losses	5,201	4,095	27.0
Credit cost (%)	2.65	2.55	

For 2021, the expected credit losses totaled Baht 5,201 million, increasing 27.0% from Baht 4,095 million in 2020 with the increase partly to accommodate the growth in loan portfolio. The Bank continued to exercise cautionary measure under the TFRS 9 framework by setting aside provisions to reflect possible deteriorations from uncertainties including impacts from a prolonged COVID-19 situation and also potential impacts from the financial assistance provided to clients resulting in

expected credit losses to remain at an elevated level. The amount also reflected additional provisions for management overlay.

Allowance for expected credit losses to total NPLs ratio (coverage ratio) remained at a high level of 175.1%. When excluding the release of excess loan loss reserve, provisions including loss from sales of repossessed cars (credit cost) for the year 2021 amounted to 2.65% of average loans.

Statement of Financial Position

Assets

As of the end of 2021, the assets totaled Baht 436,123 million, increasing by Baht 72,712 million or 20.0% YoY mainly from the increase in loans to clients

and accrued interest receivables and also from the increase in interbank and money market.

Assets (Baht Thousand)	Consolidated		Change	
	December 31, 2021	December 31, 2020	Amount	%
Cash	1,242,065	1,490,626	(248,561)	(16.7)
Interbank and money market items, net	55,238,234	32,770,543	22,467,691	68.6
Financial assets measured at fair value through profit or loss	22,364,824	11,289,598	11,075,226	98.1
Derivatives assets	7,481,509	10,276,081	(2,794,572)	(27.2)
Investment, net	16,840,213	23,312,942	(6,472,729)	(27.8)
Investments in properties, net	21,502	21,761	(259)	(1.2)
Loans to customers and accrued interest receivables, net	299,147,566	258,846,014	40,301,552	15.6
Properties foreclosed, net	3,981,941	2,937,160	1,044,781	35.6
Land, premises and equipment, net	3,500,887	3,284,464	216,423	6.6
Right-of-use assets	321,019	229,835	91,184	39.7
Other intangible assets, net	1,211,574	1,128,488	83,086	7.4
Goodwill	3,066,035	3,066,035	-	0.0
Deferred tax assets	1,743,966	1,338,682	405,284	30.3
Accounts receivable from clearing house and broker-dealers	979,499	1,334,267	(354,768)	(26.6)
Securities and derivative business receivables	10,996,362	6,837,597	4,158,765	60.8
Other assets, net	7,986,005	5,246,923	2,739,082	52.2
Total assets	436,123,201	363,411,016	72,712,185	20.0



Liabilities

As of the end of 2021, the liabilities amounted to Baht 384,961 million, increasing 21.5% YoY. The deposits of Baht 288,382 million comprised of 40.9% of term deposits and 59.1% of current and saving accounts (CASA), increasing when compared to the

ratio of CASA at 52.5% at the end of 2020. Meanwhile, the debts and borrowings were Baht 43,805 million, increasing by 54.6% from the end of 2020. The loan to deposits and borrowings ratio as of the end of 2021 stood at 93.9%, declining from 95.6% YoY.

Liabilities (Baht Thousand)	Consolidated		Change	
	December 31, 2021	December 31, 2020	Amount	%
Deposits	288,381,946	251,525,874	36,856,072	14.7
Current account	860,726	693,044	167,681	24.2
Savings account	169,457,001	131,339,535	38,117,466	29.0
Term deposit	117,896,190	119,237,952	(1,341,761)	(1.1)
Certificate of deposit	168,029	255,343	(87,314)	(34.2)
Interbank and money market items, net	16,664,329	10,263,870	6,400,459	62.4
Liabilities payable on demand	668,531	392,712	275,819	70.2
Financial liabilities measured at fair value through profit or loss	1,699,750	896,906	802,844	89.5
Derivatives liabilities	9,036,326	8,724,685	311,641	3.6
Debt issued and borrowings	43,804,907	28,343,500	15,461,407	54.6
Lease liabilities	240,002	183,697	56,305	30.7
Provisions	1,098,744	1,066,255	32,489	3.0
Deferred tax liabilities	10,111	13,556	(3,445)	(25.4)
Accounts payable to clearing house and broker-dealers	1,661,003	588,026	1,072,977	182.5
Securities and derivative business payables	8,898,093	5,539,391	3,358,702	60.6
Accrued interest expenses	346,922	467,833	(120,911)	(25.8)
Other accounts payable	6,250,144	3,923,055	2,327,089	59.3
Income tax payable and specific business tax payable	1,278,686	399,461	879,225	220.1
Other liabilities	4,921,552	4,456,474	465,078	10.4
Total liabilities	384,961,046	316,785,295	68,175,751	21.5

Capital Adequacy Ratio

The Bank and its subsidiaries maintain a strong capital position which can adequately withstand the current uncertainties and is above the regulatory 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 Bank and its subsidiaries perform 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 appropriate level of capital to withstand any uncertainties.

As of December 31, 2021, the consolidated capital adequacy ratio (BIS ratio) under Basel III which included profit up to end of 1H2021 after interim dividend payment was at 17.35% while tier 1 ratio was at 13.62%. When including the net profit up to end of 4Q2021, the BIS ratio will increase to 18.38% while tier 1 ratio will be 14.64%. The consolidated tier 1 capital are all common equity tier 1 contributing to 78.48% of total capital reflecting 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

The total capital and capital adequacy ratio of the Bank as of end of 2021 are as follows:

	Bank Only		Consolidated	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Capital requirement (Unit: Baht Million)				
Common equity tier 1	39,231	38,241	42,676	41,319
Tier 1 capital	39,231	38,241	42,676	41,319
Total capital	50,975	49,691	54,380	52,714
Capital adequacy ratio (Unit: %)				
Common equity tier 1	12.63	13.38	13.62	14.33
Tier 1 capital	12.63	13.38	13.62	14.33
Total capital	16.41	17.39	17.35	18.28



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 and KKPAM.

1. Commercial Banking Business

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

Type of Loans	December 31, 2021		December 31, 2020		Change (%)
	Amount (Baht Million)	Ratio (%)	Amount (Baht Million)	Ratio (%)	
Retail lending	206,751	66.2	168,187	62.7	22.9
Auto hire purchase	155,359	49.7	127,009	47.3	22.3
Personal loan	7,717	2.5	8,130	3.0	(5.1)
Micro SMEs loan	7,971	2.6	7,635	2.8	4.4
Housing loan	35,704	11.4	25,413	9.5	40.5
Commercial lending	52,728	16.9	58,149	21.7	(9.3)
Real estate development loan	22,927	7.3	27,991	10.4	(18.1)
SMEs loan	29,800	9.5	30,158	11.2	(1.2)
Corporate lending	43,167	13.8	33,091	12.3	30.4
Special asset management loan	1,135	0.4	1,138	0.4	(0.2)
Lombard loan	8,701	2.8	7,874	2.9	10.5
Total loans	312,483	100.0	268,440	100.0	16.4
Total loans (excluding POCI)	311,789		267,735		16.5

Total loans excluding POCI amounted to Baht 311,789 million, expanding by 16.5% from the end of 2020. The focus continued to be on expanding into profitable segments with better asset quality while taking into consideration the current economic conditions. In line with the focus on quality growth, loan expansion for 2021 was largely driven by the auto hire purchase, housing and corporate lending segments. Details of loans by segment are as follows:

- **Retail Lending** amounted to Baht 206,751 million, increasing by 22.9% from the end of 2020. Retail loans include auto hire purchase loans, personal loans, Micro SMEs loans and housing loans.
 - Auto hire purchase loans amounted to Baht 155,359 million, expanding by 22.3% from the end of 2020. New hire purchase business volume booked in 2021 totaled Baht 72,600 million, increasing by 42% YoY. The portion of

auto hire purchase loan to total loan portfolio stood at 49.7% with the proportion of new cars to used cars at 40:60. Domestic new car sales for 2021 totaled 759,119 units, declining by 4.2% YoY. The penetration rate of the Bank's new car lending to domestic new car sales for 2021 increased to 5.7% from 4.2% in 2020 and 2.2% in 2019. The increase was mainly due to the Bank's expansion into new business segments with higher asset quality.

- Other retail loans amounted to Baht 51,392 million, with overall segment expansion by 24.8% mainly from the increase in housing loans of 40.5% consistent with the focus on quality growth while the personal loan segment contracted by 5.1% from the end of 2020. The total combined other retail loan portion to total loan portfolio increased to 16.4% as of the end of 2021.
- **Commercial Lending** loans amounted to Baht 52,728 million, contracting by 9.3% from the end of 2020. The Bank continued to help debtors in this segment by focusing on the long-term recovery of debtors. Commercial lending includes real estate development loans and SME loans of which details are as follows:
 - Real estate development loans totaled Baht 22,927 million, declining by 18.1% from the end of 2020. The decline was mainly due to repayment while new lending volume slowed down in line with the uncertainties in economic conditions.
 - SMEs loans were Baht 29,800 million, declining slightly by 1.2% from the end of 2020. SMEs loans comprise of several business sectors including apartment & hotel, logistics, commercial & industrial and construction machinery & materials.
- **Corporate Lending** provides lending services to listed companies and large corporates or financing for investment banking transactions of the

Investment Banking and Capital Market Group. The current outstanding corporate loans totaled Baht 43,167 million, expanding by 30.4% from the end of 2020 in line with the Bank's focus on expanding the high quality loan segment.

- **Special Asset Management (SAM)** is responsible for the distressed asset management business and sales of foreclosed assets. Current outstanding loans totaled Baht 1,135 million. Assets under SAM were subjected to a change in classification by TFRS 9 into financial assets classified as purchased or originated credit impaired from the previous classification of investments in loans.
- **Lombard Loan** is a multi-purpose credit facility for high-net-worth clients using financial assets as collateral. The current outstanding Lombard loans totaled Baht 8,701 million, expanding by 10.5% from the end of 2020.

Updated Status on COVID-19

Throughout 2021, COVID-19 local infections continued to persist with new waves occurring throughout the year. The Bank of Thailand has announced various measures aimed at providing financial support to debtors still impacted by the prolonged situation with recent measures aiming to create sustainability through targeted long-term debt restructuring.

The Bank continues to focus on helping impacted debtors by emphasizing on measures as appropriate for each client segment and considering long-term restructuring plans to match with the deterioration in the current financial status of debtors impacted by COVID-19.

During 4Q2021, the Bank continued to receive additional requests for financial assistance but the increase in new requests was not significant. The Bank will continue to assess the situation closely, especially in terms of portfolio quality, and continue to prudently set up provisions to cushion against any possible deteriorations as appropriate.



Loan Classifications and Allowance for ECL

Under TFRS 9, loans and accrued interest receivables as of December 31, 2021 were classified into stages as follows:

(Unit: Baht Million)	December 31, 2021		December 31, 2020	
	Total Loans and Accrued Interest Receivables	ECL ⁴	Total Loans and Accrued Interest Receivables	ECL ⁴
Stage 1: Performing financial assets	287,141	8,267	247,489	5,595
Stage 2: Under-performing financial assets	17,019	2,858	15,426	3,026
Stage 3: Non-performing financial assets	10,638	4,336	8,256	3,080
Purchased or originated credit-impaired financial assets	855	26	780	23
Total	315,653	15,488	271,951	11,725

The Bank continued to prudently set up provisions for expected credit losses under TFRS 9 taking into consideration the continuing uncertainties from the economic slowdown and persistent impact from the COVID-19 situation. As of the end of 2021, the allowance for expected credit losses totaled Baht 16,620 million, with expected credit losses under TFRS 9 amounting to Baht 15,488 million and remaining excess loan loss reserve totaling Baht 1,132 million at the end

of 2021 which the Bank had gradually released using a straight-line method since 1Q2020 at a quarterly amount of Baht 94 million. The Bank consistently monitors the asset quality of all loan segments and has continuously set aside prudent provisioning level for possible deterioration in asset quality with total allowance for expected credit losses to total NPLs ratio (coverage ratio) as of end of 2021 remaining at a high level of 175.1%.

Credit Quality

The NPLs distribution by loan type of the Bank and its subsidiaries (consolidated) are as follows:

Type of Loans	December 31, 2021			December 31, 2020		
	Amount (Baht Million)	Ratio (%)	% of Loans	Amount (Baht Million)	Ratio (%)	% of Loans
Retail lending	4,383	43.0	2.1	2,699	31.9	1.6
Auto hire purchase	2,716	26.6	1.7	1,421	16.8	1.1
Personal loan	88	0.9	1.1	104	1.2	1.3
Micro SMEs loan	1,140	11.2	14.3	826	9.8	10.8
Housing loan	439	4.3	1.2	348	4.1	1.4

⁴ Including ECL for loans and loan commitments and financial guarantees

Type of Loans	December 31, 2021			December 31, 2020		
	Amount (Baht Million)	Ratio (%)	% of Loans	Amount (Baht Million)	Ratio (%)	% of Loans
Commercial lending	4,672	45.8	8.9	4,619	54.6	7.9
Real estate development loan	3,038	29.8	13.2	3,091	36.6	11.0
SMEs loan	1,635	16.0	5.5	1,528	18.1	5.1
Corporate lending	-	0.0	0.0	-	0.0	0.0
Special Asset Management loan	1,135	11.1	100.0	1,138	13.5	100.0
Lombard loan	-	0.0	0.0	-	0.0	0.0
Total NPLs	10,191	100.0	3.3	8,456	100.0	3.2
Total NPLs (excluding POCI)	9,498		3.0	7,751		2.9

The overall asset quality has been at a manageable level with NPLs or Stage 3 loans, excluding POCI as of the end of 2021, totaling Baht 9,498 million or 3.0% of total loans, compared to 2.9% at the end of 2020. The Bank continued to focus on asset quality management including debt restructuring and write-offs through various assistance measures and together with the Bank's focus on loan expansion into high quality segments.

2. Capital Market Business

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

• Equity and Derivatives Brokerage Business

KKPS operates 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. For high-net-worth clients, other wealth management products are provided such as local and foreign mutual funds and structured products. For 2021, the market share⁵ of KKPS was 14.04%, ranking 1st from a total 38 brokers. KKPS generated brokerage revenue totaling

Baht 1,885 million comprising of equity brokerage revenue of Baht 1,636 million, derivatives brokerage revenue of Baht 172 million and other brokerage revenue of Baht 77 million. Additionally, KKPS also had brokerage revenue from selling agent fees of Baht 1,161 million.⁶

• Investment Banking Business

The investment banking business, operated by KKPS, provides financial advisory service as well as underwriting service. In 2021, KKPS had revenue from the investment banking business of Baht 898 million, contributing to the financial advisory fee amounting to Baht 261 million, the underwriting fee amounting to Baht 566 million, revenue from tender offer agent of Baht 15 million and brokerage revenue of Baht 56 million.

• Investment Business

The investment business is managed by 2 main departments of KKPS, comprising of the Direct Investment Department ("DI"), with a medium to long-term investment horizon, and the Equity and Derivatives Trading Department ("EDT"). EDT focuses on equity and equity-linked securities in the capital market and derivatives market, with short-term investment of not more than 1 year by applying arbitrage investment strategy as well as issuing and offering

⁵ Including SET and mai but excluding proprietary trading

⁶ Including selling agent fee received from subsidiary company



financial structured products. In 2021, DI focused on long-term investment with value-based investment philosophy and recorded gain on investment including gain on re-measuring securities totaling Baht 966 million.⁷ Meanwhile, EDT had gain on investment totaling Baht 781 million.⁸ Additionally, there were other investment incomes from treasury and liquidity management, resulting in overall investment gain of Baht 1,816 million.

- **Asset Management Business**

KKPAM, under the mutual fund and private fund management licenses, offers fund management

services to individuals and corporate clients. KKPAM's mutual fund asset under management as of the end of 2021 was Baht 100,264 million with a total of 79 funds under management consisting of 77 mutual funds and 2 property funds. KKPAM's market share in terms of mutual fund was 1.87%. In 2021, KKPAM's fee income from the mutual fund business totaled Baht 629 million.

As of the end of 2021, assets under management from private funds was Baht 19,185 million with KKPAM's fee income from the private fund business totaling Baht 151 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 2019, audited by Ms. Sakuna Yamsakul, Certified Public Accountant (Thailand) No.4906, PricewaterhouseCoopers ABAS Ltd. Type of report : Unqualified opinion.

The consolidated financial statements and the separate financial statements for the year 2020, 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 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.

⁷ Additionally, DI also had foreign exchange gain Baht 142 million. Total DI gain was Baht 1,108 million

⁸ Income before deducting the cost of hedging. Once these costs were deducted, net gain was Baht 744 million

Kiatnakin Phatra Bank Public Company Limited and Subsidiaries

Statement of Financial Position

As at 31 December 2021

	Consolidated		
	31 December 2021 Thousand Baht	31 December 2020 Thousand Baht	31 December 2019 Thousand Baht
Assets			
Cash	1,242,065	1,490,626	1,109,658
Interbank and money market items, net	55,238,234	32,770,543	11,981,838
Financial assets measured at fair value through profit or loss	22,364,824	11,289,598	-
Derivatives assets	7,481,509	10,276,081	4,298,538
Investments, net	16,840,213	23,312,942	39,201,003
Investments in receivables, net	-	-	1,619,449
Investments in properties, net	21,502	21,761	21,870
Loans to customers and accrued interest receivables, net	299,147,566	258,846,014	227,677,310
Properties foreclosed, net	3,981,941	2,937,160	3,585,530
Land, premises and equipment, net	3,500,887	3,284,464	3,038,243
Right-of-use assets	321,019	229,835	-
Other intangible assets, net	1,211,574	1,128,488	1,151,041
Goodwill	3,066,035	3,066,035	3,066,035
Deferred tax assets	1,743,966	1,338,682	1,846,295
Accounts receivable from clearing house and broker-dealers	979,499	1,334,267	4,056,938
Securities and derivative business receivables	10,996,362	6,837,597	4,620,082
Other assets, net	7,986,005	5,246,923	4,416,176
Total assets	436,123,201	363,411,016	311,690,006



Kiatnakin Phatra Bank Public Company Limited and Subsidiaries

Statement of Financial Position (Cont'd)

As at 31 December 2021

	Consolidated		
	31 December 2021 Thousand Baht	31 December 2020 Thousand Baht	31 December 2019 Thousand Baht
Liabilities and equity			
Liabilities			
Deposits	288,381,946	251,525,874	172,173,559
Interbank and money market items, net	16,664,329	10,263,870	17,339,111
Liabilities payable on demand	668,531	392,712	377,326
Financial liabilities measured at fair value through profit or loss	1,699,750	896,906	3,498,702
Derivatives liabilities	9,036,326	8,724,685	4,038,272
Debt issued and borrowings	43,804,907	28,343,500	55,415,433
Lease liabilities	240,002	183,697	-
Provisions	1,098,744	1,066,255	844,037
Deferred tax liabilities	10,111	13,556	26,703
Accounts payable to clearing house and broker-dealers	1,661,003	588,026	614,271
Securities and derivative business payables	8,898,093	5,539,391	3,868,461
Accrued interest expenses	346,922	467,833	745,793
Other accounts payable	6,250,144	3,923,055	3,141,943
Income tax payable and specific business tax payable	1,278,686	399,461	559,255
Other liabilities	4,921,552	4,456,474	5,035,881
Total liabilities	384,961,046	316,785,295	267,678,747
Equity			
Share capital			
Authorised share capital			
846,751,109 ordinary shares of Baht 10 each	8,467,511	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	(285,547)	(137,048)	186,602
Retained earnings			
Appropriated			
Legal reserve	852,337	852,337	852,337
Others	-	-	380
Unappropriated	32,655,567	27,978,147	25,039,042
Total equity of the Bank	51,046,101	46,517,180	43,902,105
Non-controlling interests	116,054	108,541	109,154
Total equity	51,162,155	46,625,721	44,011,259
Total liabilities and equity	436,123,201	363,411,016	311,690,006

Kiatnakin Phatra Bank Public Company Limited and Subsidiaries

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2021

	Consolidated		
	2021 Thousand Baht	2020 Thousand Baht	2019 Thousand Baht
Interest income	19,489,069	19,584,141	18,036,208
Interest expenses	3,788,433	4,904,954	5,719,962
Interest income, net	15,700,636	14,679,187	12,316,246
Fees and services income	6,973,605	5,107,313	5,201,699
Fees and services expenses	899,548	771,057	597,665
Fees and services income, net	6,074,057	4,336,256	4,604,034
Gain (loss) on financial instruments measured at fair value			
through profit or loss, net	(157,758)	1,078,933	-
Gain on trading and foreign exchange transactions, net	-	-	276,581
Gain on financial liabilities designated at fair value			
through profit or loss, net	-	-	285,937
Gain (loss) on investments, net	(9,640)	49,555	568,068
Dividend income	1,329,401	389,160	576,265
Other operating income	1,309,321	700,323	540,840
Total operating income	24,246,017	21,233,414	19,167,971
Other operating expenses			
Employee's expenses	6,428,423	5,664,254	5,576,858
Directors' remuneration	36,298	32,838	47,311
Premises and equipment expenses	1,003,044	1,139,782	1,300,008
Taxes and duties	461,927	493,384	427,193
Loss from revaluation of foreclosed assets	59,592	848,563	124,027
Loss from sale of foreclosed assets	1,503,667	893,858	839,752
Other expenses	1,755,308	1,579,257	1,879,174
Total other operating expenses	11,248,259	10,651,936	10,194,323
Expected credit loss	5,200,829	4,094,627	-
Impairment loss on loans and debt securities	-	-	1,676,428
Profit from operating before income tax expenses	7,796,929	6,486,851	7,297,220
Income tax expenses	1,441,616	1,343,722	1,307,485
Net profit	6,355,313	5,143,129	5,989,735



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 2021

	Consolidated		
	2021	2020	2019
	Thousand Baht	Thousand Baht	Thousand Baht
Other comprehensive income			
Items that will be reclassified subsequently to profit or loss			
Gain on debt instruments classified at fair value through other comprehensive income	(302,505)	115,368	-
Gain (loss) on remeasuring investments in receivables	-	-	5,625
Loss on remeasuring available-for-sale securities	-	-	(390,120)
Gain on currency translation differences	-	-	12,655
Income taxes relating to items that will be subsequently reclassified to profit or loss	60,501	(23,074)	80,892
Total items that will be reclassified subsequently to profit or loss	(242,004)	92,294	(290,948)
Items that will not be reclassified subsequently to profit or loss			
Gain on equity instruments designated at fair value through other comprehensive income	1,168,874	249,753	-
Remeasurements of post-employment benefit obligations	72,495	-	(92,729)
Income taxes on items that will not be subsequently reclassified to profit or loss	(248,084)	(49,574)	18,545
Total items that will not be reclassified to profit or loss	993,285	200,179	(74,184)
Total other comprehensive income (expense)	751,281	292,473	(365,132)
Total comprehensive income	7,106,594	5,435,602	5,624,603
Net profit attributable to			
Equity holders of the Bank	6,318,052	5,123,266	5,988,444
Non-controlling interests	37,261	19,863	1,291
Total comprehensive income attributable to			
Equity holders of the Bank	7,069,132	5,415,610	5,624,640
Non-controlling interests	37,462	19,992	(37)
Earnings per share			
Basic earnings per share (Baht)	7.46	6.05	7.07

Kiatnakin Phatra Bank Public Company Limited and Subsidiaries

Statement of Cash Flows

For the year ended 31 December 2020

	Consolidated		
	2021 Thousand Baht	2020 Thousand Baht	2019 Thousand Baht
Cash flows from operating activities			
Profit from operating before income tax expenses	7,796,929	6,486,851	7,297,220
Adjustments to reconcile profit from operating before income tax expenses to cash received (paid) from operating activities			
Depreciation	482,479	602,523	617,555
Amortisation	210,273	195,536	184,564
Amortisation of premium on investments in securities	104,239	(186,891)	(347,324)
Expected credit loss	3,392,502	2,006,799	-
Bad debt and doubtful accounts	-	-	2,825,619
Loss on impairment of investments in receivables	-	-	34,036
Unrealised (gain) loss on trading and foreign exchange transactions	3,106,213	(1,248,745)	(382,737)
(Gain) loss on financial instrument measured at fair value through profit an loss	(2,519,388)	1,018,584	-
(Gain) on remeasuring trading securities	-	-	(119,333)
Loss on impairment on general investments	-	-	190
Loss on lease modifications	-	2,161	-
Loss on diminution in value of properties foreclosed	59,592	848,563	124,027
Loss on impairment of other assets	(17,335)	5,214	10,405
Gain on transfer from investment to loan	-	(226)	-
Loss (gain) on disposal of investment in securities	(1,296,750)	2,018,030	604,266
Gain on disposal of equipment and intangible assets	(14,568)	(23,781)	(10,397)
Loss on write-off of equipment and intangible assets	52,793	29,206	11,857
Net interest income	(15,804,875)	(14,492,296)	(11,968,922)
Dividend income	(1,329,401)	(389,160)	(576,265)
Proceeds from interest income	18,720,250	18,207,662	17,755,484
Interest paid	(3,886,542)	(5,278,721)	(5,668,895)
Dividend received	1,329,604	405,564	571,995
Cash paid for corporate income tax	(1,171,251)	(1,148,575)	(1,492,053)
Cash paid for provision expenses	-	-	(109,389)
Increase in provision expenses	119,991	92,752	81,113
Increase in specific business tax payable	6,625	31,223	4,475
Increase (decrease) in accrued expenses	606,348	97,280	145,331
Profit from operating before changes in operating assets and liabilities	9,947,728	9,279,553	9,592,822



Kiatnakin Phatra Bank Public Company Limited and Subsidiaries

Statement of Cash Flows (Cont'd)

For the year ended 31 December 2021

	Consolidated		
	2021 Thousand Baht	2020 Thousand Baht	2019 Thousand Baht
Cash flows from operating activities (Cont'd)			
(Increase) decrease in operating assets			
Interbank and money market items	(22,457,164)	(20,762,362)	16,198,015
Financial assets measured at fair value through profit or loss	(7,240,579)	2,803,501	(5,706,328)
Investments in receivables	-	-	120,735
Loans and receivables	(50,067,680)	(35,735,460)	(17,433,268)
Properties foreclosed	6,132,290	4,283,750	5,221,557
Securities and derivative business receivables	(4,158,765)	(2,217,515)	(407,359)
Accounts receivable from clearing house and broker-dealers	354,768	2,722,671	(645,147)
Other assets	(2,730,953)	(901,325)	(1,001,918)
Increase (decrease) in operating liabilities			
Deposits	36,856,072	79,352,315	(9,520,262)
Interbank and money market items	6,400,459	(7,075,241)	4,182,496
Liabilities payable on demand	275,819	15,386	(126,161)
Accounts payable to clearing house and broker-dealers	1,072,977	(26,245)	494,077
Securities and derivative business payables	3,358,702	1,670,930	(1,429,333)
Other payables	2,273,674	776,284	927,724
Other liabilities	(160,035)	(209,238)	(142,291)
Net cash from operating activities	(20,142,687)	33,977,004	327,378
Cash flows from investing activities			
Cash paid for long-term investments in securities	-	-	(20,986,997)
Proceeds from long-term investments in securities	-	-	16,744,970
Cash paid for investment in debt designated at fair value through other comprehensive income	(5,382,178)	(18,767,995)	-
Proceeds from investment in debt designated at fair value through other comprehensive income	9,071,420	18,234,768	-
Cash paid for investment in equity designated at fair value through other comprehensive income	(1,659,627)	(1,800,136)	-
Proceeds from investment in equity designated at fair value through other comprehensive income	4,248,386	1,831,360	-
Cash paid for investment in debt at amortise cost	(264,203)	(6,259,721)	-
Proceeds from investment in debt at amortise cost	1,201,965	6,319,105	-
Cash paid for investment properties	(6)	(155)	-
Cash paid for building improvement and equipment	(627,649)	(741,547)	(913,094)
Proceeds from sales of equipment	63,902	37,565	10,452
Purchases of intangible assets	(337,123)	(182,530)	(215,443)
Net cash from investing activities	6,314,887	(1,329,286)	(5,360,112)

Kiatnakin Phatra Bank Public Company Limited and Subsidiaries Statement of Cash Flows (Cont'd)

For the year ended 31 December 2021

	Consolidated		
	2021 Thousand Baht	2020 Thousand Baht	2019 Thousand Baht
Cash flows from financing activities			
Proceeds from issuance of debentures	51,023,270	24,626,855	72,728,124
Cash paid for redemption of debentures	(35,565,898)	(51,809,127)	(66,283,690)
Cash paid for redemption of financial liabilities designated at fair value through profit or loss	(6,371,946)	(2,601,796)	-
Proceeds from issuance of financial liabilities designated at fair value through profit or loss	7,174,790	-	2,305,558
Cash paid for lease liabilities	(110,817)	(133,014)	-
Dividend paid	(2,540,211)	(2,328,522)	(3,810,316)
Dividend paid to non-controlling interest	(533)	(533)	(5,437)
Decrease in share capital of non-controlling interest in subsidiaries	(29,416)	(20,613)	(589)
Payments to non-controlling interest	-	-	(137,562)
Net cash from financing activities	13,579,239	(32,266,750)	4,796,088
Exchange gain on translating	-	-	12,655
Net increase (decrease) in cash and cash equivalents	(248,561)	380,968	(238,665)
Cash and cash equivalents as at 1 January	1,490,626	1,109,658	1,335,668
Cash and cash equivalents as at 31 December	1,242,065	1,490,626	1,109,658

Supplementary information for cash flows:

Non-cash transactions

Significant non-cash transactions for the years ended 31 December 2020 are as follows:

	Consolidated		
	2021 Thousand Baht	2020 Thousand Baht	2019 Thousand Baht
Increase (decrease) in account payables from land, premises and equipment purchased	53,414	4,828	(18,160)
Transfer of assets for loan settlement	7,236,662	4,483,943	5,206,192
Increase (decrease) in lease liabilities	167,122	20,171	-
Increase (decrease) in right-of-use assets	167,122	18,010	-
Increase in fair value reserves on investments in receivables	-	-	5,625
Decrease in fair value reserves on available-for-sale securities	-	-	(390,120)
Increase (decrease) in fair value of investment in debt designated at fair value through other comprehensive income	(302,505)	115,368	-
Increase in fair value of investment in equity designated at fair value through other comprehensive income	121,828	85,557	-
Decrease in payables from trading securities	(232,609)	-	-
Decrease in receivables from trading securities	(108,907)	-	-
Transfer of land, premises and equipment to right-of-use assets	41,233	-	-



4.3 Financial Ratio

Financial Ratio	2019	2020	2021
Liquidity Ratio			
Liquid asset ratio	27.6	26.3	31.2
Liquidity ratio (Times)	0.31	0.21	0.26
Profitability Ratio			
Net profit margin	31.2	24.1	26.1
Return on average equity	13.9	11.3	13.0
Return on average investment	6.4	6.9	12.9
Yield on loan	7.1	7.2	6.5
Cost of fund	2.3	1.7	1.2
Interest rate spread	4.8	5.5	5.3
Efficiency Ratio			
Net interest income to assets ratio	4.0	4.3	3.9
Non-interest income to assets ratio	2.2	1.9	2.1
Return on average assets	1.9	1.5	1.6
Asset turnover	0.1	0.1	0.1
Financial Policy Ratio			
Debt to equity ratio (Times)	6.1	7.0	7.9
Loan to deposit ratio	137.7	105.8	107.1
Loan to deposit + borrowing ratio	104.2	95.1	93.0
Deposit to total debt ratio	64.3	79.4	74.9
Dividend payout ratio	60.1	37.2	39.5
Asset Quality Ratio			
Allowance for expected credit loss to total NPLs ratio	111.2	170.9	175.1
Allowance for expected credit loss to total loans ratio	3.4	4.4	5.0
Bad debt to total loan ratio	1.3	1.3	1.0
NPLs to total loans ratio	4.0	3.2	3.3
Accrued interest to total loans and accrued interest ratio	0.5	1.9	1.9
Other Ratio			
Total capital to risk weighted assets (Separate Financial Statement)	16.6	17.4	16.4
Net capital ratio - KKPS	28.26	65.59	22.95

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. Sakuna Yamsakul Certified Public Accountant (Thailand) Registration No. 4906 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 during the past five years (2017 - 2021) are as follows:

Company	Year	Regulator	Law and Offence		Amount (Baht)
Kiatnakin Phatra Bank Public Company Limited	2018	BOT	Section 60 of Financial Institution Business Act, B.E. 2551 (2008)	Failed to comply with regulations on asset classification	4,370,000
			Section 71 of Financial Institution Business Act, B.E. 2551 (2008)	Failed to report data set relating to asset classification	
	2018	SEC	Section 113 of Securities and Exchange Act, B.E. 2535 (1992)	Failed to comply with the rules, conditions, and procedures as specified in the Notification of the Capital Market Supervisory Board as a Limited Broker Dealer Underwriter (LBDU)	886,000
Kiatnakin Phatra Asset Management Company Limited	2018	SEC	Section 117 of Securities and Exchange Act, B.E. 2535 (1992)	Failed to comply with the rules, conditions, and procedures as specified in the Notification of the Capital Market Supervisory Board relating to fund management	1,635,000



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 a plaintiff and a defendant, such as debt enforcement from borrowers and litigation for collateral. Such legal disputes are normal in business operation; however, there is no legal dispute which may materially adverse or affect the Bank's and the Group Companies' asset in an amount of over 5% of shareholder equity.

In summary, as of December 31, 2021, the Bank and the Group companies have no legal dispute which may negatively affect the Bank's and the Group companies' asset in an amount of over 5% of shareholder equity or have adverse significant impact on the business operation 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 starts with the qualified individuals proposed by shareholders, directors and senior executives, with all detailed biography 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 be knowledgeable, skilled and experienced in conducting a business, understand the business obstacles that can arise, be capable of performing their duties proficiently and consistently with both short- and long-term business strategies, as well as able to offer a different perspective relating to important risks. These factors will benefit the Bank and the Group and create competitive advantage in the industry.
- 2) Directors must be honest, truthful and have ethics.

- 3) Directors must have these above-mentioned attributes and none of the characters considered to be ineligible under the Public Limited Companies Act, securities and exchange law and 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 and attention to the Bank and the Group and prepare to attend all meetings of the Bank.
- 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 to 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 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 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 persons 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 which 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 spouse of children, of other directors, executives, a major shareholder, controlling person or 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 or giving or taking of financial assistance by borrowing or lending money, suretyship, providing assets as collateral and any other similar actions, which results 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 for calculating the value of related party transactions under the notification of the Capital Market Supervisory Board Re: Rules on Execution of Related Party Transactions. In any case, 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 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 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 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 without benefits related to the Bank which may affect his/her independent decisions or be an executive director, employee, staff or advisor who receives salary or holds shares of more than 1% of the total shares with voting rights of another

company which 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/she has been discharged from the position of independent director while over that period, he/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/she may be re-appointed as an independent director but the period during which he/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/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. (Any independent director holding the position for more than nine years and still holds the position on the date of this definition can continue to be an independent director until May 1, 2022.); and

- 10) Have no characteristics which may affect the giving of independent opinions, decision or voting on the Bank's operations.

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

In nominating new directors, the Bank will prepare the board skill matrix or may use a consultancy firm or a director pool to determine qualifications of new directors by considering competencies, skills and experiences, which 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 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 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 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 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 to the Board of Directors for consideration and to the annual general meeting

of shareholders ("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 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 it 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 and that of the management, the Chairman of the Board and the CEO are not 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 are 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 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 position as a director of the Bank, each director will be briefed on important information relating to the Bank's 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 in being a director of a listed company in the SET as well as information on the Group's 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

The Board of Directors has realized and emphasized the importance of rights of shareholders. 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/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 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. The Bank will not execute any tort affecting or derogating the rights of shareholders.

2. Equitable Treatment of Shareholders

The Board of Directors respects and values the importance of equitable treatment of shareholders.

To ensure that shareholders are equally treated and their basic rights are protected, the Board of Directors has established practical guidelines as follows:

- 1) The Bank treats shareholders equitably for participating in the shareholders' meeting, receiving information and voting by one share for one vote. Shareholders who have a business stake-holding in any agenda item have no right to vote on such agenda item.
- 2) The Bank facilitates shareholders by allocating the appropriate time and opportunity to express their opinions and raise questions during the meeting.

3. Supervision of Usage of Internal Information

The Bank has issued a written directive forbidding the use of internal information for personal gain or others which would be taking advantage of others. The Bank has forbidden directors, executives, employees and related persons including spouse and children and adopted children who are under the legal age to use any undisclosed information which could affect the change in the value of shares or for the securities trading of the Bank. The directors, executives and employees who can access such undisclosed information must ask for approval prior to trading securities of the Bank 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 has instructed that directors, executives, their spouses, children who are under the legal age and 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 and disclosed in the Form 56-1 One Report.

The Bank has forbidden any directors, executives or employees, who are aware of the Bank's important information and financial statements, to trade the Bank's securities, seven 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.

In addition, the Bank has also continually provided information on the practices of the usage of internal information communication within the Bank's directors, executives and employees at all levels throughout the entire organization, so that they are aware of the duties and responsibilities as set out in the Bank's regulations.

The Internal Audit Office reviews the practice of the usage of internal information 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.

4. Protection against Conflict of Interest

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

The Group expects each director, executive and employee to avoid activities, interests or associations which may interfere with the independent exercise of his/her judgment or the best interests of the Group, its clients, its shareholders or the public or activities



which are unethical or can damage the Group's good reputation.

The Group puts in place measures to protect against any conflict of interest which may arise by creating awareness so that directors, executives and employees avoid any contact with individuals who 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 which may lead to conflict of interest, unless such transaction is conducted in compliance with the law and ethics or under the following principles:

- Transactions which provide the utmost benefit to clients or are necessary and beneficial to clients under the circumstances;
- Transactions which 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 to ensure transparency or fairness for clients.

5. Anti-corruption

The Group intends and is committed to taking a stand against corruption in any form by adhering to the Anti-corruption Policy (as per details shown in

Attachment 5) and regulations according to Thai laws on anti-corruption. The Group discloses its Anti-corruption Policy and will not cooperate with or support any person or entity involving in illegal activity, corruption or threat to society and national security.

The Group communicates the Anti-corruption Policy and relevant regulations with directors, executives and employees through various channels, such as email, and arrange training course on the topic of Anti-corruption Policy in the form of e-Learning for executives and employees of the Group. Everyone must review the policy on a yearly basis and pass the test with 100% score to ensure his/her knowledge and understanding on the Anti-corruption Policy.

The Bank and the Group companies arrange for reporting channels for complaints and whistleblowing on any suspected corruption or improper behavior of employees of the Bank and the Group Companies. The Bank also sets the whistleblower protection process and realizes the importance of keeping reported information and evidences confidential.

The Bank and its subsidiaries in the capital market business 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 all of its subsidiaries in the capital market business 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 which govern or apply to the businesses of the Bank and the Group companies and adhere to high professional standards of integrity and to 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 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 the Bank's intranet so that employees and executives can acknowledge and comply with the guidelines when they perform their duties. Furthermore, the Group arranges training course on the Guidelines for Business Conduct in the form of e-Learning, which is a mandatory course for new staffs and requires all executives and employees to review and pass the test on the Guidelines for

Business Conduct Policy with 100% score on an annual basis to ensure their good standard of performance.

The Compliance and Governance Committee has a duty to oversee the Bank and the Group companies to establish the Guidelines for Business Conduct to be used as a performance framework and, through the Legal and Compliance Group, ensure that all parties comply with such guidelines.

6.3 Major Changes and Improvements on Corporate Governance Policies, Guidelines and System

6.3.1 Major Improvements on Corporate Governance Policies, Guidelines and System

The Board of Directors reviews and revises the 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 2021, the Bank additionally improved its key corporate governance practices as follows:

- Reviewed the Bank's Corporate Governance Policy and opined that its principles were still up-to-date and in line with the corporate governance laws and regulations. Therefore, the Board of Directors' meeting no. 10/2564 dated November 11, 2021 resolved to maintain the principles of such policy while only revising the shareholders' meeting schedule and venue section in order to support electronic meetings in the future (if any); adding the disclosure on environmental policies and practices, risk management policies and plans, as well as major changes and developments of innovation in the work process, products and/or services (if any) to be in accordance with the manual for preparing the Form 56-1 One Report; and revising some wordings for ease of understanding.
- Reviewed the scope of authorities and the duties of the Board of Directors in order to conduct business with integrity to achieve stability and good return, without any conflict of interest, and ensure the roles, duties and responsibilities are

in accordance with the Corporate Governance Code for Listed Companies 2017 ("CG Code") and other specified regulations.

- Appointed Mr. Pongtep Polanun, who has great knowledge, competency and experiences in the commercial lending business, the capital market business and the investment business, as the advisor in order to give useful counsel, advice and opinion for the Group's operation.
- Reviewed roles, duties and responsibilities of the committees under the Board of Directors' supervision and appointed Mr. Kampol Jantavibool, President of KKP Capital, as member of the Executive Committee to assist the Board of Directors in overseeing the efficient management of the Bank and the Group companies.
- Approved the establishment of the Customer & Digital Group which will focus on the clients' data analysis so as to propose proper products and services to clients and to set up a digital unit to respond to clients' contemporary needs.
- Reviewed and amended the Group's Consolidated Supervisory Guideline for the year 2021 to be consistent with the Group's current structure and operation as well as to improve the Group's policy governance and management.
- Defined the authority for approving the budget and disbursement of the Group companies' projects to ensure the efficient and proper management in accordance with the business plan and to increase more flexibility.



- Amended the guidelines for shareholders to propose agenda for the AGM and to nominate directors by changing the submitting channel and period for proposing director candidates to ensure adequate time for the process of requesting approval from the Bank of Thailand.
- Reviewed and revised the board skill matrix to enhance the benefits for director nomination and development.
- Revised the guidelines for appointing directors, managers, persons with management authority and advisors to be in alignment with the Bank of Thailand's approval guidelines which have additional prohibited characteristics for directors, managers, persons with management authority and advisors of financial institutions to include offense to laws related to the financial business and payment system, counterfeiting under the Criminal Code and computer crime.
- Defined, 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. These cover various risk management policies, Delegation of Authority Policy for Retail Lending, Information Technology Policy, Non-audit Services Policy, Bancassurance Business Policy, Strategic Planning and Market Conduct Policy, Policy on Non-financial Services & support Businesses of the Bank and Support Businesses of the Group companies, Debt Restructuring, Asset Classification, Provision and Write-off Policy, Policy and Plan on Capital Management, Know Your Merchant Policy, Historical Rate Rollover Policy, Master Product Program for Derivatives, Guideline for Issuing Policies, Rules, Regulations, Instructions and Notifications, etc.

6.3.2 Implementation of CG Code Released by the SEC

During the Board of Directors' Meeting No. 10/2564 held on November 11, 2021, in which eleven out of twelve directors attended, the Board of Directors contemplated the suitability of applying the principles

and guidelines of the CG Code released by the SEC for the Bank's business context to ensure that the Bank and the Group have a long-term satisfactory business performance, sustainable value creation and shareholders' and stakeholders' trust, which meets the expectation of the business sector, investors, the capital market and society.

The Board of Directors has the opinion that the Bank's current practices align with the eight principles of the CG Code. There are only some unapplied guidelines as shown below due to the fact that they are currently inapplicable:

- Guideline 3.2.1: The Chairman of the Board should be an independent director.
- Guideline 3.2.4: In case the Chairman is not an independent director, the Board of Directors should ensure the balance of power and authority between the board and the management by having the Board comprise a majority of independent directors or appoint a designated independent director to participate in setting the agendas of the Board of Directors' meetings.
- Guideline 3.7.3: The company should appoint an external consultant to assist in setting guidelines and providing recommendations for a board assessment at least once every three years. This information should be disclosed in the annual report.
- Guideline 4.2.1 (1): The Board of Directors should consider appropriate combination of salary and other short-term compensations, such as bonus, and long-term compensations, such as employee stock ownership plan participation.
- 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 compensation arranged for the executives of the Bank, including executives who are on secondment from its subsidiaries, are in the form of monthly salary and bonus, which are determined based on the total compensation concept, taking into account the individual performance in accordance with his/her duty and management responsibility for operating the business to achieve the specified plan and strategy and the overall organizational performance in both short and long terms. However, presently the Bank offers no employee stock ownership plan to executives.

The Bank 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 Bank also includes the improvement of human rights operations of counterparties in its implementation plan, which has already started in the year 2021, in accordance with the GRI standard. However, the Bank has not yet partaken in training, developing potential and enhancing production and service standards of its counterparties.

6.3.3 Corporate Governance Practices

The Board of Directors pays great attention and commits to conduct its business according to good corporate governance principles as prescribed by the relevant supervision authorities. This attentiveness and commitment has enabled the Bank to achieve numerous governance honors and awards, such as the following:

- One of the 282 listed companies ranked “5 TIA” with a full 100 score from the quality assessment of the AGM in 2021 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 2021 and received five logos from the Thai Institute of Director Association (“IOD”);
- One of the 146 listed companies selected by the SET to receive the Thailand Sustainability Investment 2021 for the seventh consecutive year due to efforts to develop good corporate governance, responsibilities to the environment and society and business management under

corporate governance (Environment, Social and Governance/ESG) in order to uphold sustainable growth and build trust for all stakeholders;

- One of the 100 listed companies selected by Thaipat Institute’s ESG Rating Unit to be on the list of ESG100 in the year 2021 due to outstanding sustainability performance in ESG aspects and one of the 15 listed companies selected for this award for the seventh consecutive year;
- Obtained the Sustainability Disclosure Recognition Award from Thaipat Institute in the State of Corporate Sustainability in 2021 due to the determination in the disclosure of sustainable business information which was beneficial to all stakeholders and for the long-term organizational sustainable development.

In 2021, the Bank’s implementations according to each section of the Corporate Governance Policy were as follows:

1. Rights of Shareholders

1.1 The Bank facilitated shareholders to fully exercise 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 any urgent proposal which requires shareholders’ approval.

In 2021, the AGM was held on April 22, 2021, which was not a commercial bank holiday, at the Grand Hyatt Erawan Bangkok Hotel, which offered convenience in transportation for shareholders. During the year, the Bank called no extraordinary general meeting of shareholders.

The Bank fully facilitated all shareholders, including institutional shareholders, to attend the AGM. On the AGM day, registration was opened no less than two hours before the AGM commenced; an appropriate venue was selected; ample staff was present to welcome and help shareholders and proxies register; the barcode for registration and vote-counting systems from Inventech Systems (Thailand) Company Limited was used to facilitate shareholders; an independent person was allowed to jointly examine the voting in the AGM with the Bank’s staff and



duty stamps were provided for authorization of proxies.

The notice of AGM clearly informed shareholders of all necessary documents and the Bank's Articles of Association relevant to the shareholders' meeting, such as their legitimate rights in attending the AGM. Proxy forms were also provided to allow shareholders to appoint a third party or the Bank's independent director 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 notice of AGM along with information for each agenda item no less than thirty days prior to the AGM date (on March 22, 2021 or thirty-one days prior to the AGM date) and assigned the Thailand Securities Depository Co., Ltd. (TSD), the registrar, to arrange delivery of the notice of AGM to shareholders by post no less than fourteen days prior to the AGM date (on April 5, 2021). The notice of AGM was published in both Thai and English daily newspapers for three consecutive days. The Bank provided a complete agenda and sufficient information for voting on all agenda items, each of which was identified clearly as either for acknowledgement or consideration together with opinions of the Board of Directors on particular issues. For example, for the dividend agenda, the Bank disclosed its dividend payment policy, proposed 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 persons proposed to be elected as directors. For the directors' remuneration agenda, besides the types and amount 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 proposed auditors including their names, audit firm, experiences,

independency, remuneration, etc. Objectives, rationales and the directors' opinions of each agenda item are stated clearly in the notice of AGM.

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 reserve shareholders' rights, the Bank disclosed the criteria for submission of questions in advance on its website. Shareholders were allowed to submit questions regarding the meeting agendas until April 20, 2021 via the Bank's website, Email or registered post to the Bank's Corporate Secretary, who gathered, reviewed and proposed questions submitted by shareholders to the Chairman of the Board of Directors 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 notice of AGM was issued. For the 2021 AGM, the Bank allowed shareholders to propose agendas and nominate directors in advance for three months prior to the end of its fiscal year, during October 1 to December 30, 2020. The Bank had announced this opportunity via the SET's channel and also disclosed the guidelines for shareholders to propose agenda items and nominate directors on its website since September 30, 2020. However, no agenda was proposed for the 2021 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 of Directors' opinions, will be included as agenda items in the notice of AGM. For the proposals which 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 notice of AGM. Shareholders can also download proxy forms from the Bank's website. Furthermore, the Bank clearly informs shareholders of all necessary documents or evidences for granting proxy and avoids requiring any condition which makes proxy granting 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. For the 2021 AGM, the Bank proposed two independent directors to shareholders for granting proxies. 821 shareholders, representing 219,107,423 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 has a policy encouraging the Chairpersons of the Board of Directors, the Audit Committee and the Nomination and Remuneration Committee, the CEO, the President, the heads of business and supporting groups, the senior executives and auditors to participate in all AGMs to provide additional information and answer questions for shareholders. In 2021, all Chairpersons of the Board of Directors and 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 2021 AGM.

1.7 An appropriate meeting time is allocated and shareholders are supported to express 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 notice of AGM without adding any other agenda which is not notified to shareholders in advance. During the AGM, the Chairman provides appropriate time for discussion and 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 minutes of the 2021 AGM were recorded. It included 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 approve/against/abstain and voided cards) of each agenda.

The Bank disclosed in a timely manner the resolutions of the 2021 AGM (on April 22, 2021 which was the AGM date) via the SET's channel, delivered the minutes of the AGM to the regulatory agencies within fourteen days of the meeting date and disclosed such minutes on its website.

2. Equitable Treatment of Shareholders

The Bank respects and values the importance of equitable treatment of shareholders. The Bank treats shareholders equitably for participating in the shareholders' meetings, receiving information and voting by one share for one vote. Shareholders who have a business stake-holding in any agenda item have no right to vote on such agenda item.



2.1 Transaction with Related Persons or Connected Transactions

The Group does not encourage any transaction entered into between the Group and directors, executives, major shareholders and 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 of such matters. The Group has established the guidelines relating to connected transactions which may lead to conflict of interest. In order for the Group to enter into any connected transaction and where there is the possibility of a conflict of interest, this transaction must go through a rigorous process of consideration, which must be 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.

Directors and executives, who have an interest in any transaction or matter affecting the Bank/the Group, are required to report such interest and not participate in the decision-making process on such issue for the utmost benefit of the Group.

The Bank's Audit Committee has the authority in considering and disclosing the connected transactions or transactions which 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 for the highest benefit of the Group. In the previous year, the Group did not violate any regulations regarding connected transactions.

Directors and executives have to 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.

3. Role of Stakeholders

The Group, with acknowledgement of the right of all stakeholders, has a policy to manage impacts from business operations in all aspects. It projects to ascertain for all related parties that its business has taken into consideration environmental concerns for sustainable development. In addition, this is to ensure that all stakeholders, both internal stakeholders, i.e. employees, executives and subsidiaries, as well as external stakeholders, are fairly treated.

The Bank has a policy for conducting business with a responsibility towards society so that directors, executives and employees of the Bank have guidelines in performing their duties responsibly for society in ten areas. These consist of good corporate governance, fair operations, anti-corruption, respecting human rights, fair treatment of employees/labor, responsibility to consumers, community and social development participation, environment management, innovations and dissemination of CSR innovations and sustainability reporting.

3.1 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 the stakeholders can participate to enhance the operation of the Bank and the Group. All stakeholders, including clients, counterparties, competitors, employees, shareholders and creditors, can make suggestions through the websites in order to create wealth, financial stability and sustainability.

3.2 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 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 business performance, competitive capability and steady and sustainable growth and takes into account the current and future risks in order to add value to shareholders in the long term. The Group has duties to operate business and disclose information transparently and fairly to all shareholders for the utmost benefit of shareholders as a whole and to 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 is aimed to provide 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; does advertising and public relation activities responsibly without misrepresentation or exploitation of clients' misunderstanding to avoid promoting undesirable behavior; implements market conduct without any practice which is unjust, ensures that clients are consistently treated in accordance to terms agreed with care and honesty and respects clients' information privacy. The Group does not release client information to third-parties, except upon a clients' 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 relating to the matter. The Group abides by all legal regulations and additional rules in regard to clients' information.

In addition, the Group carries out client satisfaction surveys, monitors its result and welcomes clients' complaints on 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 of 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 partake in the development of the Group to be a leading financial institution which can provide good services to clients.

The Group has in place a system of appointments, 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 on personal information. The Group does not tolerate discrimination on the grounds of race, nationality, religion, gender, age, disability, sexual orientation and any other form of illegal discrimination.

The Group has arranged for a system of remuneration and benefits accordingly and equivalent to standards of other firms in the same industry and also provides retirement compensation adequate for a secure life. Welfare for the employees includes provident fund, social security fund, group health insurance, group life insurance, group accident insurance, annual medical check-up, nursing room, mother corner (breast milk collection room), continual 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 on good environment and hygiene in the workplace so it has set up a working environment taking into account safety, health and environment suitable for employees to work while ensuring clients' convenience. Furthermore, the Group has organized fire drills and an office security system. The Group has also announced the Guidelines for Safety and Unusual Sight to ensure safety for 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 on its objectives, main goals, corporate culture and strategies so that they have the same target in 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 in order 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 of which the compliance is to be reviewed periodically.

(Details on respecting human rights and fair treatment of employees/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 as stipulated in agreements with creditors and credit guarantees in respect to the purpose and utilization of loan, 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 from experiencing difficulties in repaying creditors. There is also a liquidity management on debt repayment to meet the maturity 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) which is able to cover the Group's significant risks under normal circumstances or

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. Therefore, the Group treats all counterparties equally and fairly in all transactions and strictly adheres to all terms of any agreement. The system to manage and monitor is in place to ensure the strict adherence to the terms of agreement. In the event that the Bank/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 procurement regulations and procedures which require the selection process for sellers, counterparties and consultants to be based on the premise that the Bank/the Group will receive 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 benefit from parties entering the bidding process. If there is any evidence of dishonestly requested or receipt of benefit, 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/service providers and the comparison of price and conditions to create fair competition. To ensure the Bank's utmost benefit, the Bank will undertake price and conditions negotiation, Know Your Suppliers, goods/service acceptance, sellers/service providers' performance evaluation - post - delivery and yearly service - and Approved Supplier List by taking into account various aspects. Examples include goods/service quality, vendor expertise and experience from previous performance records, financial status, complaints and lawsuit, vendor reputation and reliability, after-sales service and confidentiality of the Bank's information, etc. In terms of normal procurement, the Bank will check the price from a minimum of three vendors to compare and select the most suitable vendor/service provider. For urgent or continual procurement, the Bank will inquire 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 which will not permit the disclosure of any information of 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 or those posing a threat to society and to 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 the business ethically and in accordance with rules and regulations, avoid any search for confidential information of business competitors by dishonest or improper means and refrain from tarnishing competitors' reputation without 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.

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 remains 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.

The Group strictly conducts the business under relevant laws and regulations and will not take part in any activity which causes harm to the community, society or the environment and will not partake of any profit which can arise from burdening society.

The Group stands firm in its commitment to the synergy of the benefit of the organization, employees, clients and shareholders with 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 knowledge and expertise of the Bank, the Group companies and their employees relating to management, financial and investment management, systems implementation and 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 works.

The Group has set aside an appropriate budget for the community, social and charity works without being limited to projects which can be used for tax reduction purposes only; supports projects which help maintain culture and traditions as well as promotes 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 the environment are shown in the Sustainability Report.)

3.3 Respect Intellectual Property

All employees are obligated to maintain the Group's 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 of 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 comply with the intellectual property laws. 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.



4. Disclosure and Transparency

Information disclosure is a vital principle of good corporate governance. The Group places great emphasis on disclosure of information to shareholders. Accurate and complete information is provided to shareholders in a transparent and timely manner through various actions as follows:

4.1 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 submitted its financial reports late.

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.

In 2021, senior executives and investor relations officers met and provided information to local as well as foreign analysts, shareholders and investors as follows:

Type of Activities	Times
One-on-one meeting and conference call	53
Analyst and investor meeting	4
Domestic investor conference	5
Press conference	2

4.2 Investor Relations

Investor relations serve institutional investors, minor shareholders, analysts and those who are interested in monitoring the Group's information.

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 of which details are shown on the Bank's website.

Additionally, the Bank supports its investor relations officers to gain knowledge suitable for their responsibility and participate in activities of the Thai Investor Relations Club in order to exchange knowledge, experiences and practices and build good relationships with other listed companies.

Information about the investor relations officer and contact details are shown in section 7.6

4.3 Appointment of Auditor and Financial Statements

The Board of Directors has assigned the Audit Committee to be responsible for reviewing, selecting and nominating independent persons, whose names appear in 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. 2/2564 on February 25, 2021, approved a proposal by the Audit Committee to propose to the AGM the appointment and remuneration of auditors from PwC as the auditor of the Bank for 2021. The main reason was because of their independence along with sound knowledge, understanding and expertise for auditing the commercial banking business and the capital market business.

The audit fee was approved by the Bank's shareholders' meeting of which details for 2021 were shown in section 7.7

In the previous year, the Bank's financial statements were unconditionally certified by the auditor.

5. Board Responsibilities

5.1 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, an average term of a director is three years.

In 2018, the Board of Directors reviewed the Corporate Governance Policy and amended the term of directorship section in such policy. It prescribes that 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 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/she has been discharged from the position, such independent director may be re-appointed as a dependent director. Yet, the term of directorship of such director must all be counted.

For the Bank's independent director who is qualified according to the Bank of Thailand's notification No. FPG. 13/2552 on Corporate Governance of Financial Institutions and is in such position prior to the effective date of the Bank of Thailand's notification No. FPG. 17/2561 on Corporate Governance of Financial Institutions (No. 2), if he/she has held the position for more than nine years, such director can still be in office until May 1, 2022.

5.2 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 earlier year so the Corporate Secretary can inform the board members of those meeting schedules and agendas for the coming year. In order to enable the directors to allocate their time and participate in the meetings, the Board of Directors' meetings will be normally convened on the last Thursday of each month. Additional board meetings may be rescheduled or held, if necessary. Each director

must have at least 75% attendance of all board meetings held in a year, unless with reasonable ground or necessity.

The quorum of the board meeting, while making any decision at the meeting, must consist of no less than two-thirds of the total number of directors. The meeting's resolutions must be passed by a majority vote of the board members attending the meeting and the Chairman of the Board of Directors does not have a casting vote. 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. During 2021, the Board of Directors met eleven times. Also, there was one internal meeting among non-executive directors held on September 23, 2021 to discuss on the improvement of the Bank's operations to be in accordance with the Bank of Thailand's orders, comments and requests for cooperation, the assistance provided for clients who were affected by the COVID-19 outbreak and the clients' complaint management. The results from such meeting had 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 and the CEO are jointly 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 discussion.

The Corporate Secretary is responsible for the meeting arrangement 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 shall have adequate time to review relevant information prior to the meeting. Each director can make inquiries for additional information from the Corporate Secretary and is free to submit any meeting agenda item. Each meeting agenda item is well-defined whether it is for acknowledgement, approval, consideration or is a regular follow-up on the operating results.

The agenda items for the board meeting are prioritized in order to manage the meeting time for the utmost benefit. 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 and relevant parties.

In the event that any director has a conflict of interest in any matter, directly or indirectly, he/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 matter and 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.

5.3 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. However, 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 directors of the Bank may hold the position of Chairman of the Board, executive director or authorized director at no more than three 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 as the company in the same group as the Bank. Furthermore, directors 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. This is consistent with the Bank of Thailand's notification No. FPG. 10/2561 on Corporate Governance of Financial Institutions dated May 22, 2018. Also, the Corporate Governance Policy of the Bank suggests that executive directors of the Bank be director of no more than two listed companies outside the Group.

Directors of the Bank may not hold shares or be directors in any private or public company which

operates in the same industry and is considered 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, a director must receive approval from the Bank. If an executive director wishes to take up a post of director in a listed company in Thailand or overseas, he/she must receive approval from the Executive Committee of the Bank. This is in order to prevent any conflict of interest which may arise.

All newly-appointed directors must disclose all activities and interests outside the Bank/the Group upon being appointed and all directors are duty-bound to disclose any changes to the status of interest outside the Bank/the Group to the Bank.

5.4 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 President of the Bank must not serve as a full-time employee of other organizations, unless the Bank of Thailand considers that it does not affect the effectiveness of their duties at the Bank.

As stipulated in the Corporate Governance Policy, the CEO and President of the Bank may hold the position of Chairman of the Board, executive director or authorized director at no more than three groups. If the company in which they hold 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 as 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 partner or director in any private or public company which operates in the same industry and is considered in direct competition with the Bank.

Prior to taking up the post of director, officer or employee in any other business, the CEO and President of the Bank must receive 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/she must be pre-approved by the Executive Committee of the Bank in order to avoid any conflict of interest which may arise.

Upon entering employment with the Bank, all senior executives must disclose all activities and interests outside the Bank/the Group and are duty-bound to inform the Bank of any changes in the status of interest outside the Bank/the Group.

5.5 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. Upon changes in the director, 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, business performance,

Articles of Association, Memorandum of Association, director handbook and relevant regulatory notifications.

The 2021 AGM dated April 22, 2021 resolved to elect Assoc. Prof. Dr. Chayodom Sabhasri as the Bank's director. Therefore, the Corporate Secretariat Department prepared and provided information necessary for the performance of duties of the new director. Moreover, the CEO provided information on the industry and businesses of the Group to the new director.

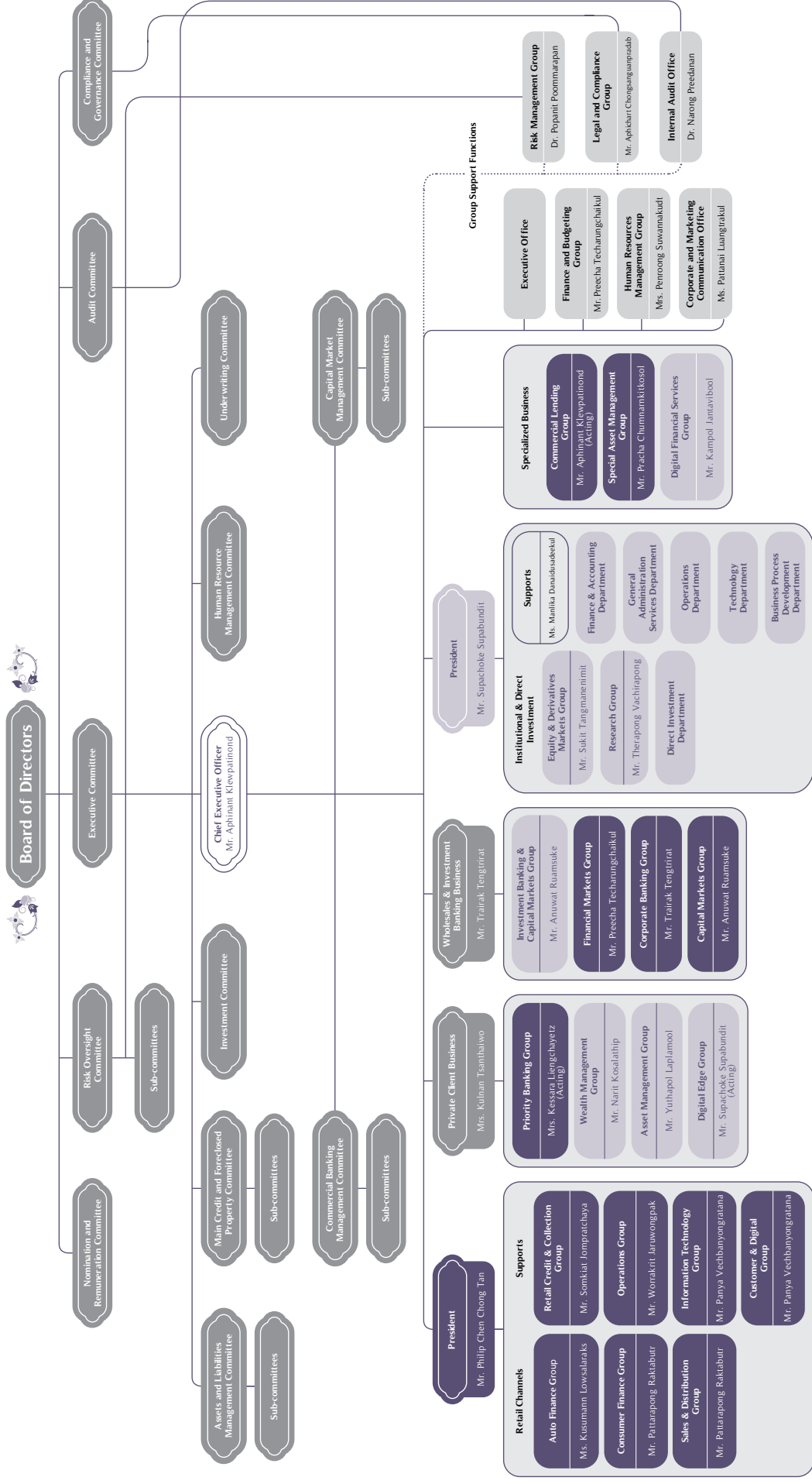
5.6 Succession Plan

The Board of Directors assigns duties to the Nomination and Remuneration Committee to be responsible for overseeing that the management has adequately prescribed a relevant policy for the required succession plan. This aims to prepare candidates in significant positions and assure the continuity of the Bank's business operation and practices which are in line with the policies and standards applied to financial institutions.

The Bank's succession plan consists of procedures which 1) survey and identify positions, 2) assess and approve a list of successors, 3) plan for successor development and 4) follow up on the successor development. Such a succession plan is regularly reported to the Board of Directors for acknowledgement.

7. Corporate Governance Structure

7.1 Organization Chart



Capital Market
Bank
Group Support Function

7.2 Board of Directors

7.2.1 Board Composition

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. which 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 three women directors or 25% of the

total board members. In terms of age, five directors are aged between 51 - 60 years old, six directors are aged between 61 - 70 years old and one director is over 71 years old. Details on the various skills and specialized experiences of the directors are shown in Attachment 1. In addition, to comply with good corporate governance principles, the Bank has appointed a non-executive director as the 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 and Surname	Position/Type of Director	Position in Committee under Supervision of the Board of Directors
1. Mr. Supol Wattanavekin	Chairman/Non-executive Director	Chairman of the Risk Oversight Committee Advisor of the Executive Committee
2. Mrs. Dayana Bunnag	Director/Independent Director	Chairperson of the Audit Committee
3. Mr. Chet Pattrakornkul	Director/Independent Director	Chairman of the Compliance and Governance Committee Member of the Audit Committee Member of the Nomination and Remuneration Committee
4. Mr. Veravat Chutichetpong	Director/Independent Director	Chairman of the Nomination and Remuneration Committee Member of the Audit Committee
5. Assoc. Prof. Dr. Chayodom Sabhasri *	Director/Independent Director	-
6. Mr. Suvit Mapaisansin	Director/Non-executive Director	Member of the Nomination and Remuneration Committee Member of the Compliance and Governance Committee
7. Prof. Dr. Anya Khanthavit	Director/Non-executive Director	Member of the Risk Oversight Committee
8. Mrs. Patchanee Limapichat	Director/Non-executive Director	Member of the Compliance and Governance Committee
9. Mr. Banyong Pongpanich	Director/Executive Director **	Chairman of the Executive Committee Advisor of the Risk Oversight Committee
10. Ms. Thitinan Wattanavekin	Director/Executive Director **	Member of the Executive Committee
11. Mr. Aphinant Klewpatinond	Director/Executive Director	Member of the Executive Committee Member of the Risk Oversight Committee
12. Mr. Philip Chen Chong Tan	Director/Executive Director	Member of the Executive Committee Member of the Risk Oversight Committee
13. Mr. Pongtep Polanun	Advisor	-
Ms. Porntip Chuprakhun	Corporate Secretary	-

Remarks: * Became the Bank's director in accordance with the resolution of the 2021 AGM

** 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. The Board of Directors should refrain from having any conflict of interest. The scope of authorities 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 and efficiently allocate significant resources within the Group to ensure objectives and goals are achieved. The Board shall consider and approve the Group's business plans, proposed by the Executive Committee, by taking into account all changes to the Group's ecosystem and factors and define and approve policies which 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. Oversee to ensure 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 Bank 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 consistent with its risk culture. The Board of Directors may delegate the authority to other committees or designated persons to carry out and report the result to the Board of Directors as appropriate.
3. Ensure that the Bank's Guidelines for Business Conduct, including business ethics and ethics for directors, controlling persons and employees, are in place. These principles are to be adopted as practice guidelines for management and employees in the organization.
4. Define or approve the effective risk governance framework to support business operations in accordance with the specified directions and objectives under the rapidly changing business environment. The Board of Directors shall define the appropriate risk appetite level for the Bank's business operation, monitor the business so it is operated within such specified risk appetite level, ensure that the Bank has a system and risk management process which can address the overall and significant risks (Comprehensive Risk Management Policy and Process) and ensure that the Bank, through the Risk Oversight Committee, establishes policies, procedures and controls relating to risk management. These policies, procedures and controls, 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 which may arise from the launch of new products and certain significant business changes. The Board of Directors shall approve such policies and review them regularly or immediately after any significant changes. Furthermore, the Board of Directors has the duty to 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 as well as ensure the communication of such policies and strategies throughout the organization.
5. Ensure that the Bank and the Group companies have effective control, oversight and audit mechanism, adequate and proper internal

control and internal audit systems as well as the organizational structure which promotes independent and effective control, oversight and audit functions (three lines of defense) to make certain that transactions are made efficiently and in accordance with the specified policy and system and relevant laws and regulations.

6. 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 is suitable. This should be done with emphasis on creating a good proportion of independent directors among Board members.
7. Appoint and specify roles and duties of committees as appropriate to support its oversight responsibility, such as the Audit Committee, Nomination and Remuneration Committee, Risk Oversight Committee, Compliance and Governance Committee and Executive Committee. The review of committees' roles and responsibilities should be regularly conducted at least once a year.
8. Ensure that committees require the management to define and implement a system for the Bank's corporate governance in accordance with applicable laws and business nature. Consider and approve the corporate governance system including monitoring the effectiveness of the Bank's corporate governance system and advice on further improvement.
9. Ensure that the management inform and update the Board of Directors on any important matters so that the Board of Directors has sufficient information to be able to perform its roles and carry out its duties and responsibilities efficiently.
10. Approve the Bank's annual financial reports, which are audited by an external auditor and reviewed by the Executive Committee and Audit Committee, prior to proposing to the shareholders' meeting for approval. In addition, the Board of Directors shall receive recommendations through the Management

Letter provided by the external auditor and recommendations provided by the Executive Committee.

11. Define policy for risk assessment, capital adequacy and liquidity of the Bank and strategy and guideline to maintain the Bank's capital consistent with the approved risk appetite level. Define the stress test policy which is in line with the Bank's transactions and material risks.
12. Appoint the CEO nominated by the Nomination and Remuneration Committee and determine the performance evaluation criteria for the CEO which aligns with the business 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.
13. Appoint and establish the scope and authority of executives of the Bank and the highest-level executive of KKP CAP as recommended by the Nomination and Remuneration Committee.
14. Ensure that the Bank has in place policies on loans and investment with related parties.
15. Review and approve, through committees, the management's proposal relating to the authorization on 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.
16. 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.
17. Oversee that the Bank discloses important corporate governance information at the shareholders' meeting and to the public.



18. 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 director or non-executive director. 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. The quorum of the Board of Directors' meetings must consist of at least two-thirds of the Board members. The meeting's resolution must be passed by a majority vote of the Board members attending the meeting. The Chairman of the Board of Directors does not have the casting vote.

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 provision of law, the Bank's Articles of Association and 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 business direction and overall strategic goal of the Bank.
2. To approve the Bank's business plan and annual budget as proposed by the Executive Committee.
3. To review and approve the Bank's policies as required by laws or regulatory agencies including the main policies for operating business, for example, the overall risk management policy for the Bank and the Group companies, the credit policy, etc.
4. To approve the Corporate Governance Policy and 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 delegate authority and duty to the committees under the supervision

of the Bank's Board of Directors including the executive officers from the 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 which 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, which deteriorate or are decommissioned, out of order, lost, damaged or outdated and 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 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 with the CEO and ensure that important matters are included;
4. Allocate sufficient time for management to propose topics and for directors to debate on important matters thoroughly. Encourage directors to exercise independent judgment for the best interest of the Bank; and
5. Promote a culture of openness and debate through ensuring 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 business 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, as per the following details:

7.3.1 Audit Committee

The Audit Committee has roles, duties and responsibilities as assigned by the Board of Directors as follows:

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. Review the Group's internal control, including information technology security and control, to ensure that they are suitable and effective.
3. 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 appraise the performance efficiency and effectiveness of the chief of the internal audit unit or any other unit in charge of an internal audit.
4. Consider, select and nominate an independent person to be the Group's auditor; propose remuneration for the auditor as well as attend a non-management meeting with the auditor at least once a year.
5. Consider the Group's policy relating to non-audit services provided by the auditor and review to ensure that the use of such services does not interfere with the auditor's independency.
6. Review the connected transactions or transactions which 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 and are reasonable and for the highest benefit.
7. Prepare and disclose the following information in the Group's annual report and the Audit Committee's report, which 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 compliance with the law on securities and exchange, the SET's regulations and laws relating to the Group's businesses;
 - (d) opinion on the suitability of the auditor;
 - (e) opinion on the transactions which 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 which, according to the Audit Committee's opinion, should



be known to shareholders and general investors, subject to the scope of duties and responsibilities assigned by the Bank's Board of Directors.

8. Report to the Bank's Board of Directors in order that remedial action can be taken within the timeframe which the Audit Committee deems appropriate in case the Audit Committee finds or suspects any misconduct as follows:
 - (a) Any transaction which 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 the banking and securities businesses and any other laws. 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.
9. Investigate immediately when receiving information of suspected misconduct from the auditor and report the preliminary investigation result to the SEC and auditor within thirty days from the notification date.
10. Inspect or question any relevant personnel regarding any related issues of the Group. The Audit Committee is authorized to hire or bring in specialists to assist with the auditing process, as deemed appropriate.
11. 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.
12. Review to ensure that the Group companies follow the Group's policies.
13. 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.

14. 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 the CAC.
15. Perform any other act as assigned by the Bank's Board of Directors and accepted by the Audit Committee.
16. Perform any other act as the law prescribes on the authority of the Audit Committee.
17. Report on the committee's performance to the Bank's Board of Directors at least every quarter.

The Audit Committee shall meet at least once every quarter or 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 determine that the meeting of the Audit Committee be organized and held through electronic media. The quorum of 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 all committee members sign their names on a copy of the text of such resolution and such resolution shall be in the same force and effective as if it has 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. Mr. Chet Pattrakornkul | Member of the Audit Committee |
| 3. Mr. Veravat Chutichetpong | Member of the Audit Committee |
| Dr. Narong Preedanani | Secretary of the Audit Committee |

Mrs. Dayana Bunnag, the Chairperson of the Audit Committee, has the knowledge and experience to be able to review the credibility of the financial reports. Her profile

is as described in the Profiles of the Bank's Directors and Executives as shown in Attachment 1.

7.3.2 Nomination and Remuneration Committee

The Nomination and Remuneration Committee has roles, duties and responsibilities as assigned by the Board of Directors as follows:

1. Establish policy, criteria and process in nominating directors and persons with management authority for the Bank and the Group companies in order to propose to the Bank's Board of Directors; select and propose qualified persons to be the 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 as well as give consent on the directors and persons with management authority of the Group companies prior to being proposed for appointment.
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 directions and strategies of the Group, such as developing a skill matrix which 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 which are commensurate with their duties and responsibilities. Consider the remuneration and other benefits for the Board members and the CEO of the Bank which reflect

the objectives, duties and responsibilities and relevant risks¹ prior to proposing to the Board of Directors. In addition, the committee shall establish a transparent payment policy of the remuneration and other benefits for other persons with management authority as a guideline for consideration by the Human Resource Management Committee/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 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 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 goal 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 and 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 it deems appropriate. The Chairman of the Nomination and Remuneration

¹ The remuneration should not relate, too much, to short-term profits or targets and must not create incentives for entering into too risky transactions which can affect the Group's stability.



Committee may determine that the meeting of the Nomination and Remuneration Committee be organized and held through electronic media. The quorum of the Nomination and Remuneration Committee's meetings consists 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 all committee members sign their names on a copy of the text of such resolution and such resolution shall be in the same force and effective as if it has 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. Mr. Veravat Chutichetpong ^{/1} | Chairman of the Nomination and Remuneration Committee |
| 2. Mr. Chet Pattrakornkul ^{/1} | Member of the Nomination and Remuneration Committee |
| 3. Mr. Suvit Mapaisansin ^{/2} | Member of the Nomination and Remuneration Committee |
| Mrs. Penroong Suwannakudt | Secretary of the Nomination and Remuneration Committee |

Remarks: ^{/1} Independent director

^{/2} Non-executive director

7.3.3 Compliance and Governance Committee

The Compliance and Governance Committee has roles, duties and responsibilities as assigned by the Board of Directors as follows:

1. Through the Compliance unit, oversee that the Bank and the Group companies conduct business in compliance with laws, regulations, rules, standards, ethics, corporate governance principles and compliance policy.
2. Ensure that the Bank and the Group companies have an efficient and independent compliance system and corporate governance practice.
3. Oversee that the Bank and the Group companies establish the process to take corrective actions for issues raised by regulatory agencies, the external auditor, the internal auditor and the compliance unit.
4. Approve the Annual Compliance Plan of the compliance unit and monitor the performance of the compliance unit to ensure that it completes tasks and achieves targets according to the plan.
5. Provide an opinion on the Annual Compliance Report and report to the Board of Directors.
6. Develop Guidelines for Business Conduct to be used as a performance framework for the Board members, executives and employees of the Bank and the Group companies and propose to the Board of Directors for consideration.
7. 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 Policy to the Board of Directors for approval.
8. Approve the appointment, transfer and performance evaluation of the highest executive of the compliance unit.
9. Report on the committee's performance to the Board of Directors at least once a year and immediately in case there is any significant incompliance with rules of the regulators or the Bank and the Group companies.
10. Review the Compliance Policy and any policies and guidelines in relation to good corporate governance as well as the performance of the

Compliance Unit. Endorse and/or approve any amendments which are non-significant matters and report to the Board of Directors once a year.

The Compliance and Governance Committee shall meet at least once every quarter or as it deems appropriate. The Chairman of the Compliance and Governance Committee may determine that the meeting of the Compliance and Governance Committee be organized and held through electronic media. The quorum of the Compliance and Governance Committee's meetings consists 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 all committee members sign their names on a copy of the text of such resolution and such resolution shall be in the same force and effective as if it has 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. Chet Pattrakornkul ^{/1} | Chairman of the Compliance and Governance Committee |
| 2. Mr. Suvit Mapaisansin ^{/2} | Member of the Compliance and Governance Committee |
| 3. Mrs. Patchanee Limapichat ^{/2} | Member of the Compliance and Governance Committee |
| Mr. Aphichart Chongsanguanpradab | Secretary of the Compliance and Governance Committee |

Remarks: ^{/1} Independent director

^{/2} Non-executive director

7.3.4 Risk Oversight Committee

The Risk Oversight Committee has roles, duties and responsibilities as assigned by the Board of Directors as follows:

1. Set up the overall policy on risk management for the Bank and the Group companies and propose 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 risk which could adversely affect the Bank and the Group companies' reputation.
2. Develop strategies which are consistent with the Bank's risk management policy. The strategies should enable the committee to assess, monitor and control risks to be at acceptable levels. Additionally, it is the responsibility of the committee to set up criteria in considering reserve for asset classification.
3. Consider and approve criteria relating to lending, commitments and any transactions with loan-like characteristics which 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 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 of 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 are 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, as well as 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 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 it deems appropriate. The Chairman of the Risk Oversight Committee may determine that the meeting of the Risk Oversight Committee be organized and held through electronic media. The quorum of the Risk Oversight Committee's meetings consists 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 all committee members sign their names on a copy of the text of such resolution and such resolution shall be in the same force and effective as if it has 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 Wattanavekin ^{/1} | Chairman of the Risk Oversight Committee |
| 2. Prof. Dr. Anya Khanthavit ^{/1} | Member of the Risk Oversight Committee |
| 3. Mr. Aphinant Klewpatinond | Member of the Risk Oversight Committee |
| 4. Mr. Philip Chen Chong Tan | Member of the Risk Oversight Committee |
| Dr. Popanit Poommarapan | Secretary of the Risk Oversight Committee |
| Mr. Banyong Pongpanich | Advisor of the Risk Oversight Committee. |

Remark: ^{/1} Non-executive director

7.3.5 Executive Committee

The Executive Committee has roles, duties and responsibilities as assigned by the Board of Directors as follows:

1. Determine 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 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 to the Board

of Directors for consideration by emphasizing on adequate and efficient allocation of key resources and ensure that the CEO operates the business in accordance with the approved policy effectively and efficiently.

3. Consider and approve policies, guidelines and working rules of the Bank and the Group companies.
4. Oversee the business operation 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 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 on the Bank's organizational structure at the group level (in case of setting up a new business or dismissal of any business) prior to proposing to the Board of Directors for consideration. Meanwhile, the CEO and the President are authorized to approve any revision on the organizational structure at the department level or the group level (excluding setting up a new businesses or dismissal of 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 to the Board of Directors for acknowledgement.

8. Approve the unreviewed/unaudited financial statements in order to disclose to the SET and relevant supervisory agencies and consider the reviewed/audited financial statements before proposing to the Board of Directors for approval.

The Executive Committee shall meet at least once a month or as it deems appropriate. The Chairman of the Executive Committee may determine that the meeting of the Executive Committee be organized and held through electronic media. The quorum of the Executive Committee's meetings consists 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 agenda to the Board of Directors for consideration. The Executive Committee may adopt a resolution without holding a meeting if all committee members sign their names on a copy of the text of such resolution and such resolution shall be in the same force and effective as if it has 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 | Member of the Executive Committee |
| 3. Ms. Thitinan Wattanavekin | Member of the Executive Committee |
| 4. Mr. Pracha Chumnarnkitkosol | Member of the Executive Committee |
| 5. Dr. Anuchit Anuchitanukul | Member of the Executive Committee |
| 6. Mr. Philip Chen Chong Tan | Member of the Executive Committee |



- | | |
|-----------------------------|--|
| 7. Mr. Trairak Tengtrirat | Member of the Executive Committee |
| 8. Mrs. Kulnan Tsanthaiwo | Member of the Executive Committee |
| 9. Mr. Supachoke Supabundit | Member of the Executive Committee |
| 10. Mr. Kampol Jantavibool | Member of the Executive Committee |
| Mrs. Vararat Satayarak | Secretary of the Executive Committee |
| Mr. Supol Wattanavekin | is Advisor of the Executive Committee. |

In addition, the Bank has other committees and sub-committees which are established to assist the above-mentioned committees and CEO to effectively and efficiently operate the business of the Bank and the Group companies.

Sub-committees under the Supervision of the Risk Oversight Committee

- 1) Operational Risk 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

Sub-committee under the Supervision of the Assets and Liabilities Management Committee

- 1) Money Desk Sub-committee

Committees and sub-committees 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

Sub-committees 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

Committees under the Supervision of the Board of Directors of KKPAM

- 1) Audit Committee
- 2) Risk Management Committee
- 3) Investment Committee
- 4) Property/REITS Investment Committee

7.4 Management

7.4.1 Name of Management (As of December 31, 2021)

No.	Name - Surname	Position
1.	Mr. Aphinant Klewpatinond	Chief Executive Officer Acting Head of Commercial Lending Group Member of the Executive Committee
2.	Mr. Philip Chen Chong Tan	President Member of the Executive Committee
3.	Mrs. Kulnan Tsanthaiwo	First Executive Vice President Head of Private Client Business Member of the Executive Committee
4.	Mr. Trairak Tengtrirat	First Executive Vice President Head of Wholesales & Investment Banking Business Head of Corporate Banking Group Member of the Executive Committee
5.	Mr. Pracha Chumnarnkitkosol	First Executive Vice President Head of Special Asset Management Group Member of the Executive Committee
6.	Dr. Anuchit Anuchitanukul	First Executive Vice President Advisor to Chief Executive Officer Member of the Executive Committee
7.	Mr. Supachoke Supabundit	Member of the Executive Committee
8.	Mr. Kampol Jantavibool	Member of the Executive Committee
9.	Ms. Kusumann Lowsalaraks	First Executive Vice President Head of Auto Finance Group Acting Department Head of Auto Finance Performance Management and Salesforce Effectiveness
10.	Mr. Preecha Techarungchaikul	First Executive Vice President Head of Financial Markets Group Head of Finance and Budgeting Group Acting Department Head of Investor Relations and Business Planning
11.	Mr. Panya Vechbanyongratana	First Executive Vice President Head of Information Technology Group Head of Customer & Digital Group
12.	Dr. Popanit Poommarapan	First Executive Vice President Head of Risk Management Group Acting Department Head of Operational Risk Management
13.	Mrs. Penroong Suwannakudt	First Executive Vice President Head of Human Resources Management Group
14.	Mr. Pattarapong Raktabutr	First Executive Vice President Head of Consumer Finance Group Head of Sales and Distribution Group Acting Department Head of Planning & Analytics
15.	Mr. Worrakit Jaruwongpak	First Executive Vice President Head of Operations Group
16.	Mr. Somkiat Jomprachaya	First Executive Vice President Head of Retail Credit and Collection Group
17.	Mr. Anuwat Ruamsuke	First Executive Vice President Head of Capital Markets Group



No.	Name - Surname	Position
18.	Mr. Aphichart Chongsanguanpradab	First Executive Vice President Head of Legal and Compliance Group
19.	Ms. Nilawan Treetitjamroon	Senior Vice President Department Head of Accounting
20.	Mrs. Kessara Liengchayetz	Executive Vice President Acting Head of Priority Banking Group Department Head of Sales
21.	Mrs. Ketsuda Uthalye	Executive Vice President Deputy Head of Operations Group
22.	Mr. Jakrawarn Jakrawarnwibul	Executive Vice President Department Head of Trading
23.	Mr. Chainarong Rojanasintu	Executive Vice President Department Head of Corporate Lending
24.	Dr. Narong Preedanan	Executive Vice President Head of Internal Audit Office
25.	Ms. Tongjai Chartwinyanuyutt	Executive Vice President Department Head of Retail Credit Risk Management
26.	Mr. Thaworn Chuengoen	Senior Vice President Deputy Head of Sales and Distribution Group Acting Regional Director - Commercial Bank Business Province
27.	Ms. Naranont Lewchalermwongs	Senior Vice President Deputy Head of Retail Credit and Collection Group
28.	Ms. Nithivadee Tantipoj	Executive Vice President Department Head of Business Development
29.	Ms. Pattanai Luangtrakul	Executive Vice President Head of Corporate and Marketing Communication Office
30.	Mrs. Pichaya Sotangkur	Executive Vice President Department Head of Commercial Credit Analysis
31.	Mr. Partsakorn Boonyaprasit	Executive Vice President Deputy Head of Information Technology Group
32.	Mr. Romsai Tandakoseya	Executive Vice President Department Head of Commercial and Financial Institutions Credit Risk Management
33.	Mr. Wanakan Kanjanasoon	Executive Vice President Department Head of Retail Strategy, Analytics and Partnership Development
34.	Mr. Varanyu Thirapatthan	Senior Vice President Deputy Head of Auto Finance Group
35.	Ms. Sirilak Anantasuphakul	Executive Vice President Department Head of Deposit and Bancassurance Product Development
36.	Ms. Sanikorn Suparp	Senior Vice President Department Head of Wealth Management Acting Department Head of Investment Support & Services
37.	Mrs. Suwannee Wattanavekin	Executive Vice President Department Head of Foreclosed Property Management
38.	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

Remarks: No. 1 - 18 and 20 - 38 are executives according to the definition of the Bank of Thailand.
No. 1 - 6 and 9 - 19 are executives according to the definition of the SEC.

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 2021, the Bank paid compensation to thirty-eight executives², including executives who are on secondment from subsidiaries, of Baht 429,946,699 in total. The compensation arranged for the executives (including the CEO) were in the form of monthly salary and bonus,

which were determined based on the total compensation concept, taking into account the performance of the Bank, the business groups and the individual performance in accordance with his/her duty and management responsibility for operating the business to achieve the specified plan and strategy. The Bank has not offered any right to purchase or sell any asset to the senior executives.

Furthermore, the executives of the Bank receive the same benefits and welfares as employees, such as medical fee, health check-up, life, accident, total permanent disability, health insurance, staff loan, employer's provident fund contribution, etc. In 2021, the Bank paid contribution to the provident fund for thirty-eight executives in the total of Baht 17,393,069.

The table shows changes in executives' KKP shareholding.

No.	Name of Executive	Shareholding (Share)		Change Increase/ (Decrease) (Share)	Shareholding (%)
		December 31, 2020	December 31, 2021		
1.	Mr. Aphinant Klewpatinond	750,000	1,200,000	450,000	0.14
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
2.	Mr. Philip Chen Chong Tan	-	40,000	40,000	0.00
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
3.	Mrs. Kulnan Tsanthaiwo	-	-	-	-
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
4.	Mr. Trairak Tengtrirat	-	-	-	-
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
5.	Mr. Pracha Chumnarnkitkosol	-	-	-	-
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
6.	Dr. Anuchit Anuchitanukul	-	-	-	-
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
7.	Mr. Supachoke Supabundit	-	-	-	-
	Spouse	-	-	-	-
	Minor Children	-	-	-	-

² 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.



No.	Name of Executive	Shareholding (Share)		Change Increase/ (Decrease) (Share)	Shareholding (%)
		December 31, 2020	December 31, 2021		
8.	Mr. Kampol Jantavibool ^{/1}	N/A	-	-	-
	Spouse	N/A	-	-	-
	Minor Children	N/A	-	-	-
9.	Ms. Kusumann Lowsalaraks	-	-	-	-
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
10.	Mr. Preecha Techarungchaikul	-	-	-	-
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
11.	Mr. Panya Vechbanyongratana	-	-	-	-
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
12.	Dr. Popanit Poommarapan	-	-	-	-
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
13.	Mrs. Penroong Suwannakudt	-	-	-	-
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
14.	Mr. Pattarapong Raktabutr	-	-	-	-
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
15.	Mr. Worrakrit Jaruwongpak	-	-	-	-
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
16.	Mr. Somkiat Jompratchaya	-	-	-	-
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
17.	Mr. Anuwat Ruamsuke	-	-	-	-
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
18.	Mr. Aphichart Chongsanguanpradab	-	-	-	-
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
19.	Ms. Nilawan Treekitjamroon	-	-	-	-
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
20.	Mrs. Kessara Liengchayetz	-	-	-	-
	Spouse	50,000	50,000	-	0.01
	Minor Children	-	-	-	-
21.	Mrs. Ketsuda Uhthalye	-	-	-	-
	Spouse	-	-	-	-
	Minor Children	-	-	-	-

No.	Name of Executive	Shareholding (Share)		Change Increase/ (Decrease) (Share)	Shareholding (%)
		December 31, 2020	December 31, 2021		
22.	Mr. Jakrawarn Jakrawarnwibul	-	-	-	-
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
23.	Mr. Chainarong Rojanasintu	82	82	-	0.00
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
24.	Dr. Narong Preedanan	-	-	-	-
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
25.	Ms. Tongjai Chartwinyanuyutt	-	-	-	-
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
26.	Mr. Thawron Chuengoen	30,000	35,000	5,000	0.00
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
27.	Ms. Naranont Lewchalemwongs	-	-	-	-
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
28.	Ms. Nithivadee Tantipoj	18,000	18,000	-	0.00
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
29.	Ms. Pattanai Luangtrakul	-	-	-	-
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
30.	Mrs. Pichaya Sotangkur	-	-	-	-
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
31.	Mr. Partsakorn Boonyaprasit	5,500	5,500	-	0.00
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
32.	Mr. Romsai Tandakoseya	-	-	-	-
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
33.	Mr. Wanakan Kanjanasoon	56,500	56,500	-	0.01
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
34.	Mr. Varanyu Thirapatthan	2,100	3,000	900	0.00
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
35.	Ms. Sirilak Anantasuphakul	2,000	2,000	-	0.00
	Spouse	-	-	-	-
	Minor Children	-	-	-	-



No.	Name of Executive	Shareholding (Share)		Change Increase/ (Decrease) (Share)	Shareholding (%)
		December 31, 2020	December 31, 2021		
36.	Ms. Sanikorn Suparp	-	-	-	-
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
37.	Mrs. Suwannee Wattanavekin	55,750	55,750	-	0.01
	Spouse	10,176,871	9,026,871	(1,150,000)	1.07
	Minor Children	-	-	-	-
38.	Mr. Hirunrooj Loutheeravong	-	-	-	-
	Spouse	-	-	-	-
	Minor Children	-	-	-	-

Remarks: No. 1 - 18 and 20 - 38 are executives according to the definition of the Bank of Thailand.

No. 1 - 6 and 9 - 19 are executives according to the definition of the SEC.

^{/1} Mr. Kampol Jantavibool was appointed to be a Member of the Executive Committee, effective from November 11, 2021.

Hence, the number of shareholdings as of December 31, 2020 is not appropriate comparison.

7.5 Personnel

Human Resources is the utmost important resource of the organization and is key to the organization's success and sustainable growth. Employees are not only the closest business partner but are also regarded as members of the Group.

The year 2021 is the third year of the 3-year HR strategic plan (2019 - 2021). Such plan focuses on building KKP to be "A Great Place to Work" organization for employees and candidates through employee journey. The Group continually emphasizes and encourages all employees to live the corporate principles, "Winning Attitude, Grit, Community and Market". The strong corporate culture embedded in business operations will certainly maximize benefits for clients, the Group and society and eventually build a sustainable growth for the organization.

In addition, to cope with the ongoing pandemic situation of COVID-19, the Group has announced the Work from Home ("WFH") policy to increase flexibility and mobility of work, allow employees to balance work and personal life and still maintain efficiency and productivity under new normal working and digital transformation situation. For any positions that cannot WFH, the Group has set up a surveillance process to take care of those employees who are required to work

at the office on their health and safety by screening for COVID-19 infection using antigen test kits (ATK), limiting the number of employees working at the office, etc.

As of December 31, 2021, the Bank employed a total of 3,665 personnel (excluding employees who were on secondment from the Group companies) as follows:

1. Number of personnel in business functions:
1,298 persons
2. Number of personnel in support functions:
2,367 persons

Internal Capabilities Development

The Group has been focusing on the development of internal capabilities to ensure its readiness for competition and to support its sustainable growth. Hence, human resources strategy, policy and vision are critical for achieving strategic business goals. In addition to the focus on identifying and recruiting highly qualified personnel who possess the needed knowledge and expertise, the Group also seeks candidates who possess the set of values aligned with the corporate principles. With the internal capabilities and dedication of the personnel, the Group will be able to deliver the best services and products to clients. The Group

also emphasizes on providing a very competitive compensation scheme which ensures internal equity and external competitiveness. Furthermore, the Group thrives to promote a good corporate culture, a happy workplace, good relationships, knowledge-sharing, equality, diversity and respect for individual rights.

7.5.1 Human Resources Policy

(1) Personnel Recruitment and Selection

The Group has employed state-of-the-art technology and various channels and networks to reach its target qualified candidates for the required vacancies, strengthening and expanding the gateway/network to the prospective labor market which supports its business needs and increases its competitiveness in the labor market. The Talent Acquisition Department aims to create employee experience in recruiting to support the demand of the Group and its business direction by designing and creating corporate image (Employer Branding) for applicants through public relations on various channels, such as LinkedIn, Line Official Account: KKPCareer, Workventure website, etc. It also aims to develop recruitment and selection processes to create a good impression on applicants, as well as to develop recruiting channels (Sourcing Channels) to create image and to increase recruiting channels to meet the requirements (Direct Target). Examples of new channels are Blognone and Jobtopgun. Furthermore, the Group has placed importance on the development of selection tools to assess candidates' qualifications, skills and potential (Behavioral Based Interview) to be suitable for the required position and in line with corporate principles. Also, the Group develops hiring managers' skills through every quarter's knowledge sharing to ensure that hiring managers are well-trained to leverage their interviewing and selection skills to identify quality workforce and strengthen attitude, ethics and creativity for the respective positions.

In addition, the recruitment process does not tolerate the discrimination on the basis of race, nationality, religion, gender, age, disability or sexual orientation; does not tolerate any form of illegal discrimination and provides equal employment opportunities to all groups of people who meet the job requirement.

(2) Career Management

To motivate employees and build up the organization's strength, every employee has the opportunity for career progression, both vertically and horizontally. The Group promotes and supports "internal promotion". Unless there is no best candidate within the organization, hiring from outside will be considered. The promotion is conducted twice a year and the criteria has been established, communicated and comprehended by all employees. Moreover, the Group supports and provides opportunities for employees to self-select and plan their career development via the process provided by the Group in order to prepare for a change of duties in the future.

(3) People Assessment

The Group annually appraises its employees' performance, with emphasis on the assessment of the achievement of their goals (What) and competency (How). The appraisal process is transparent, fair and undiscriminating. The Group has applied various appraisal methods to assess employee performance, such as performance appraisals from line supervisors and 360-degree evaluations, where applicable.

The key assessment objectives are not limited to performance appraisal, but also focus on collaboration to improve/push the operation process and integrate human resources management functions. The annual appraisal is a vital methodical tool to ensure the Group's standard of work and service quality, particularly the services provided to clients and other related parties. At the same time, appraisal outcomes are regarded as valuable feedback for employees, providing information for ongoing self-improvement, competency enhancement and career development programs. They are also valuable information for the Group in selecting and retaining good performers.

(4) Performance Management

The performance management system aims to promote employee dedication to provide the best services to internal and external clients and create a mutual understanding between supervisors and subordinates. Performance management is an important and fundamental responsibility of all supervisors, who are held accountable



for supervising, developing and providing continuous feedback and coaching subordinates. Effective performance management focuses on the achievement of goals that are agreed upon between employees and managers, especially managers who are key persons to drive goal achievement. It is mandatory for all supervisors to comprehend the concept, processes and system of performance management. The Group continues to carry on a development program for employees who act as supervisors, by providing more knowledge and understanding of the HR role so that they can be trainers or good role models for the next generation. Through the People Manager Program, supervisors can enhance awareness and understanding of the system, principle, work process and performance management areas.

Performance management system of the Bank and the Group companies are under the concept of flexibility within framework, embedding corporate principles, collaboration and self-development in the performance management process between managers and subordinates by empowering employees and managers along with performance management. In addition, the Bank and the Group companies encourage meaningful ongoing conversations, focus on all employees' involvement in the goal setting process and encourage all employees to demonstrate behaviour consistent with the corporate principles in order to drive collaboration for goals achievement. Also, the calibration performance evaluation process has been established for all senior management positions in order to ensure that the overall assessment results are considered fairly and under the principles and guidelines for performance evaluation set by the Group.

(5) Employee Compensation and Benefits

The Group strives to promote internal equity and fairness in human resources management. Employees' compensation is consistent with the long and short-term operating result of the Bank and the Group companies and considered from three main principles as follows:

- 1) Equitability
- 2) Pay for performance based
- 3) Competency based

Employees' compensation in terms of a monthly salary takes into account the factors of knowledge, competency, experience, capability, duty and responsibility and is comparable with those of companies in the same industry. Other benefits, e.g. an annual bonus, are considered based on actual individual performance, duty, responsibility and achievement compared with the planned target on the total compensation basis. Such benefits are aligned with the operating result of the Bank and the Group companies both in the short- and long-term, as well as business competency in the future and long-term value creation for shareholders.

Nevertheless, the Group also emphasizes on the importance of non-monetary components of compensation including several welfares suitable for the current economic situation and comparable with standards of leading companies. Furthermore, the Group emphasizes on diversity and inclusion trend of the employees within the organization, such as LGBTQ, etc. This is to ensure that employees consider the Group as a happy workplace and have benefits of choice according to their need.

Employees' compensation consists of three components:

1) Direct Monetary Compensation

Monetary compensation is structured based on the employee's job scope, competency and performance, and will be explicitly rewarded to employees in the form of salaries and other monetary forms which reflect performance in assigned roles. As such, employees who deliver the required performance will be entitled to a salary increase/adjustment, bonus, incentives and other related monetary rewards. Furthermore, the Bank also provides job-related allowances, such as accommodation allowance, shift allowance, weekend shift allowance, auto insurance allowance, etc. in accordance with the job title.

In 2021, the Bank paid compensation to its employees and executives³ (including the CEO) in the form of salary, performance bonus and contribution to the provident fund for a total of Baht 3,304,686,023.33. The ratio of compensation for employees and executives is 86.99% and 13.01% respectively.

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.

2) Indirect Monetary Compensation

To ensure that employees have good morale and work-life balance, the Group provides several welfare and benefits, such as provident fund, social security fund, life, accident and total permanent disability insurance, a variety of staff loans covering all necessities, retirement benefit, annual medical checkup, prolonged sick leave with pay, first aid room, etc.

Provident Fund

The Bank set up its employee provident fund in compliance with the Ministerial Regulation No. 162 (B.E. 2526), and with the intention of providing its employees with welfare and benefits that:

- (1) Promote employee savings and
- (2) Establish a safety net mechanism for employees and their families.

The provident fund has been registered in compliance with the Provident Fund Act B.E. 2530 (1987) under the name “Kiatnakin Registered Provident Fund” and “Provident Fund SCBAM Master Fund Already Registered”. The details and contribution scheme are presented below.

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

The fund's investment policy has been considered by the Provident Fund Committee whose members are elected by representatives of employees and the employer. The Provident Fund Committee shall be in the position for two years and has the authority and responsibility in monitoring the fund performance, including determining the appropriate investment policy. To better suit employees' needs and savings goals, the Group allows provident fund members to switch their investment policy or change their contribution by themselves in order to cope with the economic situation, risk profile and individual saving goals. The proportion of employees who have passed the probationary period and registered to be provident fund member is 100%.

Other Welfare & Benefits

- Health Care

The Group provides health care for employees in the form of group health insurance through the selected insurer, which provides services and hospital/clinic networks to ensure employees' convenience in accessing required treatments. The Group has upgraded the regular health care plan to a flexible benefit plan to offer alternatives for employees to choose the health care plan which best suits them. In addition, employees are allowed to purchase regular group health insurance for their families at a corporate rate, which is lower than individual personal insurance premiums. This is an effort to provide accessibility to medical treatments for employees' families at a reasonable cost. Furthermore, the Group has provided annual preventive medical checkup for employees and also arranged a treatment first aid room, including a Mother Corner room, with an in-house specialized doctor.

- Life, Accident and Total Permanent Disability Group Insurance

To ensure that employees have security and work-life balance, as well as to strengthen employees' morale and minimize any impacts on their families from undesirable incidents, the Group provides 24-hour insurance coverage both inside and outside of working hours.

- Staff Loan

Besides the current housing loan for employees, the Group also offers more types of loans to better respond to their needs, for instance, multi-purpose personal loan, car loan and natural disaster loan.

In 2021, the Group has adjusted welfare in many aspects to support diversity and inclusion to value and recognize the differences among employees within the organization. The adjusted welfare included ordination leave to cover ordination as a nun, benefit of life partnership, child adoption leave, sick leave extension to include transsexual operation, etc. In addition, the Group provides the employee assistance program to alleviate the burden of employees under the COVID-19 pandemic, focusing on employee admission as an inpatient from critical illness/infections. The program also provides emergency loan benefits for treatment of serious illnesses for both the employees and their family members.



3) Non-monetary Compensation

In addition to direct and indirect monetary compensation, the Group provides other compensation to promote and develop employees' capabilities, such as challenging job assignments, personal development through training programs and other systems, job transfers and assignments to work within the Group in order to prepare, encourage and support employees to search for opportunities for their career development via internal transfers (Career Connect). In addition, in order to provide a good employee experience, the Group has launched policies and activities which best suit the varied needs of employees of different generations, such as flexible work time, freedom to dress policy, recreational activities and various activity clubs. This is to promote a good workplace which creates happiness and fun as well as a good relationship between employees within the Bank and the Group.

7.5.2 Human Development

(1) Training

The Group intends to support the skill and knowledge development of all employees, as well as foster positive work attitude that helps enhance trustworthiness and expertise. The overall concept of the Group's training programs is to develop work skills, knowledge, core competency, functional competency and leadership competency. During 2021, the Group had been supporting its employees to attend various training programs ranging from generic to specialized development objectives, both conducted in-house and outside. These included workshops, lectures and leadership development programs which aimed for the exchange of experiences. The Group has also introduced a digital learning technology as a tool for employees to easily access self-development training for more convenience via the internet, both in the form of e-Learning and VDO micro-learning in response to the COVID-19 pandemic which made face-to-face training impossible. The training curriculum designed for all employees is provided through the KKP Academy which has started since the year 2020 and consists of the following:

Wealth School is a source of all knowledge and skills needed to serve clients in financial and investment planning. Employees, both in the wealth management business and general employees of the organization, can access the curriculum and learn by themselves at all times to improve their knowledge on the wealth management business.

Investment Banking School is a source of knowledge and skills for the investment banking business. Employees can search for knowledge in the general category in order to understand the investment banking business as well as pick up the knowledge and skills needed for personnel working in related fields.

Retail Banking School is a comprehensive learning resource for the retail banking business where employees can easily find relevant knowledge on financial products, work processes and other knowledge relating to the provision of services to retail clients.

Corporate and Commercial Banking School is a comprehensive source of product knowledge and product policy for medium- and large-sized enterprises covering product formats and workflow techniques to provide employees with convenient access.

Leadership School is another category of knowledge and skills designed for the development of potential employees and executives in relation to leadership matters including attitude and skills to appropriately care for employees under their responsibility.

Examples of in-house trainings arranged for developing skills of employees and management are as follows:

- **Technic for New Leader:** the course to develop the skills of those newly promoted to the role of manager;
- **Coaching for High Performance:** the course for coaching skill enhancement for leaders to be ready to perform their role as team coach;
- **Essential of Leadership:** the course to prepare high performers prior to being promoted to the managerial level;
- **Negotiation Skill:** the course to add on the communication skill for negotiation under different circumstances which may occur in both daily living and in the workplace; and

- Course for new employees working at branches: the course which focuses on the skills and knowledge necessary for new employees working at branches. All new employees who work at branches have to attend this course. It has been proven that all new employees attending such course could perform their duties as the Bank expects.

Moreover, the Group has invited knowledgeable and experienced facilitators to share their thoughts, knowledge and experiences with its employees and management through various forums, e.g. Leadership Forum, Tea Time Talk and Business Forum. The Group encourages its staff to enhance knowledge and gain experience through domestic or overseas training to fulfill their tasks creatively and effectively, which shall eventually increase value for the Group. In addition, the Group has initiated more learning intervention through the KKP Edge Project which is a continuous learning program for employees in different key functions whose responsibilities are related to generate mutual understanding and respect. Furthermore, in 2018, the Group launched a new learning system, called "TAXILA", to facilitate all types of learning anywhere and anytime via mobile phones and the internet network. This new learning system is consistent with the lifestyle of the new generation in the organization and has become a channel to exchange knowledge. This new learning system has been used as a tool for all employees to review their business knowledge and understand the important topics as required on a regular basis, such as the Anti-money Laundering Policy, Anti-corruption Policy, Guidelines for Business Conduct Policy, etc.

In 2021, the Group's employees attended approximately 13.2 training hours per year on average and there are more than 36,000 training records. The behavior and learning styles of employees have changed to online learning with preference on shorter, more concise and readier to use content (Micro Learning). These led to a decrease in employee's training hours. However, access to training content has increased significantly, or approximately 2 - 3 courses, which are the standard level of training provided by organizations in the banking industry.

(2) Knowledge Management

Knowledge has been compiled and stored in the KKP Academy format, which is divided into groups of business in the form of schools, such as the Wealth School which is a source of knowledge about private banking in terms of products, processes and working techniques. This database is also kept as online courses offered on TAXILA which can be used to initiate improvement and promote innovation within departments.

(3) Succession Plan

The Group constantly follows the succession and talent pool management plan. During 2021, the Group reviewed such plans to ensure that the defined talent successors are ready to continually support the Group's business operation. The talent pool management will have great opportunities in their career paths and will be developed in several aspects to become successors in necessary and critical positions at the management level and/or positions which require special expertise. Such succession plan is annually reported to the Board of Directors.

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 message to all employees, including a variety of channels via internal email to send news and information within the organization, Facebook & Line for employees, Intranet (KKP World), desktop wallpaper, LED on office floors, VDO conference 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 and creates an open-minded working environment, promotes the good image of the organization and supports the Group to achieve 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. Pornpip Chuprakhun Senior Vice President Department Head of Corporate Secretariat, Executive Office
Internal Audit Head	:	Dr. Narong Predanan 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 Investor Relations and Business Planning Department, Finance and Budgeting Group
Contact Information		Tel. 0-2495-1366 Fax. 0-2495-1253 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 2021, the Bank and its subsidiaries engaged PricewaterhouseCoopers ABAS Ltd. as an external auditor for the Bank and its subsidiaries and incurred the fee charge as follows:

7.7.1 Audit Fee

The Bank and its subsidiaries paid the audit fee in the previous accounting period totaling Baht 14.95 million.

7.7.2 Non-audit Fee

The Bank and its subsidiaries will pay the non-audit fee for the corporate income tax review for the year 2021, which was conducted by the tax expert to ensure the accuracy and completeness and to minimize the possible tax risk issues, totaling Baht 375,500 as previously agreed upon but not yet fully provided.

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 was responsible for selecting and determining appropriate persons with experience, knowledge and competencies beneficial to the Bank to be nominated as the Bank's directors, independent directors or Audit Committee members and to propose 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 considered the board structure according to the board skill matrix, which had been approved by the Board of Directors, to determine necessary qualifications, knowledge, skills and experiences of new directors so that the Board of Directors' component was in line with the Group's business strategy. Also, the Bank used a director pool to select new directors.

The Bank had twelve directors. During the 2021 AGM, four directors, who were retired by rotation, were as follows:

- | | |
|------------------------------|----------------------|
| 1. Mr. Pongtep Polanun | Independent Director |
| 2. Mr. Veravat Chutichetpong | Independent Director |
| 3. Mr. Banyong Pongpanich | Executive Director |
| 4. Mr. Philip Chen Chong Tan | 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, yet there was no director nominee from any shareholder.

Mr. Pongtep Polanun, who was one of the directors retired by rotation and would hold the position as an independent director for nine years in the 2021 AGM, had shown his intention to not be re-elected as the Bank's director for another term in order to comply with

the Bank's definition of independent director and relevant laws regarding the term of service of independent director.

The Board of Directors, excluding the directors who had 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 three retiring directors, namely Mr. Veravat Chutichetpong, Mr. Banyong Pongpanich and Mr. Philip Chen Chong Tan, possessed complete qualifications with no prohibited attribute as defined in the legal provisions currently applied for the Bank. They have knowledge, competencies and experiences in the related business operations of the Group, had performed their duties with accountability and integrity and had contributed greatly to the operations of the Group throughout their term. Thus, the shareholders' meeting should re-elect all three retiring directors for another term.

Furthermore, the Nomination and Remuneration Committee selected a qualified person to replace Mr. Pongtep Polanun and proposed Assoc. Prof. Dr. Chayodom Sabhasri, who has knowledge, competencies and experiences in macroeconomics as well as monetary and financial economics which would benefit the Group in defining its direction, strategy and business plan with no prohibited attribute as defined in the legal provisions currently applied for the Bank, to the Board of Directors to propose to the AGM for election as the Bank's director.

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 proposing 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 election along with the opinion of the Board of Directors. For the 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 desired qualifications to be appointed as the highest executive of the Bank and the Group. The Committee selects qualified individuals based on qualifications, knowledge, capabilities and experience in the financial and banking industry, and other attributes which are necessary for the appointed roles. Furthermore, the qualified individuals should demonstrate professional values and vision which are aligned with that of the Board of Directors to ensure 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 knowledge, capabilities and experiences which are required for appointed positions. Senior Executives will propose selected candidates to the Nomination and Remuneration Committee, and subsequently propose to the Bank of Thailand for approval and to the Board of Directors for official appointments.

Procedures in the Appointment of Directors, Executives, Persons with Management Authority or Advisors of the Bank

The Bank has set the guideline 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.

Upon the approval from the Bank of Thailand, the nominated persons will be proposed to the Board of Directors for approval or for proposing to 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 2021, there were thirteen directors and senior executives who attended the training programs of the IOD and other independent institutions as per details shown in Attachment 1 and summarized as follows:

Name	Course	Organizer
1. Mr. Supol Wattanavekin	• Seminar “Cyber Resilience Leadership: Herd Immunity 2021” (Online)	• BOT, SEC and OIC
2. Mrs. Dayana Bunnag	• Ethical Leadership Program (ELP 22/2021) (Online) • Seminar “Cyber Resilience Leadership: Herd Immunity 2021” (Online) • Capital Market Threat Landscape (2021) (Online) • Data Awareness & Culture for Data Champions (2021) (Online)	• IOD • BOT, SEC and OIC • SEC • Coraline Co., Ltd.
3. Mr. Veravat Chutichetpong	• Seminar “Cyber Resilience Leadership: Herd Immunity 2021” (Online)	• BOT, SEC and OIC
4. Assoc. Prof. Dr. Chayodom Sabhasri	• Ethical Leadership Program (ELP 23/2021) (Online)	• IOD
5. Prof. Dr. Anya Khanthavit	• Guest speaker on the topic “CSR and ESG Risk according to the UNPD and ISO 26000 framework” • Meeting with the Audit Committee of Thai Listed Companies 2021 (Online) • Ethical Leadership Program (ELP 22/2021) (Online) • Seminar “Cyber Resilience Leadership: Herd Immunity 2021” (Online)	• Thailand Science Research and Innovation (TSRI) • SEC • IOD • BOT, SEC and OIC
6. Mrs. Patchanee Limaphichart	• Seminar “Cyber Resilience Leadership: Herd Immunity 2021” (Online)	• BOT, SEC and OIC
7. Ms. Thitinan Wattanavekin	• Seminar “Cyber Resilience Leadership: Herd Immunity 2021” (Online)	• BOT, SEC and OIC
8. Mr. Banyong Pongpanich	• Lecture for AC 701 Accounting Implications for Business Integration Course on the topic “Global Capitalism/Thai Capitalism/Financial Market” (Online)	• Master of Accounting Program (MAP), Faculty of Commerce and Accountancy, Thammasat University
9. Mr. Philip Chen Chong Tan	• Seminar “Cyber Resilience Leadership: Herd Immunity 2021” (Online)	• BOT, SEC and OIC
10. Mr. Preecha Techrunghaikul	• TLCA CFO Professional Development Program (TLCA CFO CPD) No. 7/2021 on the topic “Economic Update for CFO” (Online) (2 Hrs.) • TLCA CFO Professional Development Program (TLCA CFO CPD) No. 6/2021 on the topic “ESG Integration in Sustainable Investing” (Online) (2 Hrs.) • TLCA CFO Professional Development Program (TLCA CFO CPD) No. 5/2021 on the topic “Fraud & Cyber Security Risk” (Online) (2 Hrs.)	• Thai Listed Companies Association • Thai Listed Companies Association • Thai Listed Companies Association
11. Dr. Popanit Poommarapan	• The 5 th Annual Advanced Credit Risk Management, Modeling & Validation (2021) (Online)	• marcus evans, Singapore
12. Mr. Aphichart Chongsanguanpradub	• Corporate Knowledge for Head of Compliance 2021 (Online) • ASCO Compliance Training Program 2021 (Online)	• Thai Bankers’ Association • ASCO



Name	Course	Organizer
13. Mr. Trairak Tengtrirat	<ul style="list-style-type: none"> Share-base Payment: Accounting and Case Study (2021) (Online) Impact of COVID-19 Pandemic on Financial Report and Accounting Standard in 2021 (Online) Internal Control for IPO Firm (2021) (Online) Personal Data Protection Law on Investment Banking Business (2021) (Online) Internal Control Modernization (2021) (Online) 	<ul style="list-style-type: none"> ASCO ASCO ASCO ASCO ASCO

In addition, the Corporate Secretariat Department has arranged executive talk sessions on the business operation of the Group for directors and executives. During 2021, there were seven executive talk sessions on the following topics:

- No. 1/2564 Support Groups Business Plan 2021
- No. 2/2564 Year 2020 Annual Cyber Security Report and Security Awareness Training 2021 and Internal Arrangement of Personal Data Protection Act B.E. 2562 (2019)
- No. 3/2564 COVID-19 Variants and Global Recovery Outlook and Case Study on GameStop
- No. 4/2564 Digital Currencies and DeFi: Applications and Implications
- No. 5/2564 Money Management in Thailand: Perspectives from Behavioral Economics Research
- No. 6/2564 Update on SCBX
- No. 7/2564 The Future of Banking

Below was the directors' attendance record for the above-mentioned executive talk sessions.

Name	No. 1 Feb. 2021	No. 2 Mar. 2021	No. 3 Jul. 2021	No. 4 Aug. 2021	No. 5 Oct. 2021	No. 6 Nov. 2021	No. 7 Nov. 2021
1. Mr. Supol Wattanavekin	✓	✓	✓	✓	✓	✓	✓
2. Mrs. Dayana Bunnag	✓	✓	✓	✓	✓	✓	✓
3. Mr. Chet Pattrakornkul	✓	✓	✓	✓	✓	✓	-
4. Mr. Pongtep Polanun ^{/1}	✓	✓	✓	✓	-	✓	✓
5. Mr. Veravat Chutichetpong	✓	✓	✓	✓	-	-	✓
6. Assoc. Prof. Dr. Chayodom Sabhasri ^{/2}			✓	✓	✓	✓	-
7. Mr. Suvit Mapaisansin	✓	✓	✓	✓	✓	✓	✓
8. Prof. Dr. Anya Khanthavit	✓	✓	-	✓	✓	✓	-
9. Mrs. Patchanee Limapichat	✓	✓	✓	✓	✓	✓	✓
10. Mr. Banyong Pongpanich	✓	-	✓	✓	-	✓	-
11. Ms. Thitinan Wattanavekin	✓	✓	✓	✓	✓	✓	✓
12. Mr. Aphinant Kiewpatinond	✓	✓	✓	✓	✓	✓	✓
13. Mr. Philip Chen Chong Tan	✓	✓	✓	✓	✓	✓	-

Remarks: ^{/1} Completed the directorship term in the 2021 AGM held on April 22, 2021 and attended the executive talk sessions as the advisor of the Board of Directors since session No. 3 onwards.

^{/2} Elected as the Bank's director, replacing Mr. Pongtep Polanun, by the resolution of the 2021 AGM held on April 22, 2021.

The Board of Directors is periodically made aware of the development plan for directors and executives. Over the past year, 2021 - 2022 training programs relevant to the development of directors and executives of the Group were brought for acknowledgment during the Board of Directors' meeting No. 10/2564 held on November 11, 2021.

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 making it suitable for the Bank's Board of Directors. It assesses six major aspects: 1) qualifications of the structure of the Board members, 2) roles and responsibilities of the Board members, 3) Board of Directors' meetings, 4) duties of the Board, 5) relationship with the management and 6) self-development of directors, of which the entire 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 2021 annual assessment of the Board of Directors as a whole was favorable with an average score of 3.83, which was higher than the average score of 3.81 in the year 2020.

Performance Assessment of the Board as an Individual

In 2021, the Board of Directors conducted its self-assessment as an individual by both self-evaluation and cross-evaluation. It is conducted on a yearly basis. The assessment result is gathered and summarized by the Corporate Secretary and is used to improve the performance of the Board of Directors.

The individual self-evaluation assessment form used for 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) director's duties and 2) 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 2021 annual assessment of the Board of Directors as an individual by self-evaluation was favorable with an average score of 3.90, which was higher than the average score of 3.87 in the year 2020.

The assessment form used for the Board of Directors as an individual by cross-evaluation assesses two major aspects: 1) director's duties and 2) 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 2021 annual assessment of the Board of Directors as an individual by cross-evaluation was favorable with an average score of 3.94, which was higher than the average score of 3.91 in the year 2020.

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 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 the 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 Bank's strategy and goals 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 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 sub-committees' members which have the CEO as their Chairman, employ the following criteria:
 - 2.1 Visionary leader
 - 2.1.1 Establishing direction and Group business structuring and position
 - 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 effectiveness of committees
 - 2.3 Planning and execution
 - 2.3.1 Creating alignment of 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-controlling 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 to the Nomination and Remuneration Committee and to the Board of Directors respectively. Such evaluation result 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 on the expectations of the Board of Directors afterwards.

The result of the CEO performance evaluation proposed to the Board of Directors comprises of the overall performance evaluation result of the current year compared with those in the past two years, the evaluating scores from different groups of evaluators which are the Board of Directors and the sub-committees in which the CEO acts of the Chairman, the evaluating scores from the front office, the middle office and the business enabler, open-ended questions, opinions and suggestions.

The result of the CEO performance evaluation for 2021 had the average score of all sections of 3.78 from the scale 1 - 4 or the range of need to improve to excellent levels.

8.1.5 Meeting Attendance of Directors

No.	Name	Board Meeting Attendance in 2021			2021 AGM Attendance		
		Total (No. of Meetings)	In Person (No. of Meetings)	Via Electronic Channel (No. of Meetings)	Total (No. of Meetings)	In Person (No. of Meetings)	Via Electronic Channel (No. of Meetings)
1.	Mr. Supol Wattanavekin	11/11	5	6	1/1	1	-
2.	Mrs. Dayana Bunnag	11/11	1	10	1/1	1	-
3.	Mr. Chet Pattrakornkul	11/11	4	7	1/1	1	-
4.	Mr. Pongtep Polanun ^{/1}	2/2	1	1	1/1	-	1

No.	Name	Board Meeting Attendance in 2021			2021 AGM Attendance		
		Total (No. of Meetings)	In Person (No. of Meetings)	Via Electronic Channel (No. of Meetings)	Total (No. of Meetings)	In Person (No. of Meetings)	Via Electronic Channel (No. of Meetings)
5.	Mr. Veravat Chutichetpong	10/11	3	7	1/1	1	-
6.	Assoc. Prof. Dr. Chayodom Sabhasri ^{/2}	8/8	1	7	-	-	-
7.	Prof. Dr. Anya Khanthavit	11/11	-	11	1/1	-	1
8.	Mr. Banyong Pongpanich	11/11	2	9	1/1	-	1
9.	Mr. Suvit Mapaisansin	11/11	4	7	1/1	-	1
10.	Mrs. Patchanee Limapichat	11/11	3	8	1/1	-	1
11.	Mr. Aphinant Klewpatinond	11/11	4	7	1/1	1	-
12.	Ms. Thitinan Wattanavekin	11/11	2	9	1/1	-	1
13.	Mr. Philip Chen Chong Tan	11/11	5	6	1/1	1	-

Remarks: ^{/1} Retired by rotation in the 2021 AGM held on April 22, 2021 and appointed as the advisor of the Board of Directors

^{/2} Elected as the Bank's director, replacing Mr. Pongtep Polanun, by the resolution of the 2021 AGM held on April 22, 2021

8.1.6 Directors' Remuneration

Monetary Remuneration

The Bank has developed the directors' remuneration structure which is in line with industry practices. The directors' remuneration shall be determined based on the fiduciary of duty. The level of the 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 directors' remuneration of the 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 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 sub-committee meetings.
- Bonus: Annual remuneration for the directors which is related to the Bank's performance.

The 2021 AGM, dated on April 22, 2021, approved a budget of Baht 20 million for the directors' remuneration (excluding directors' bonus) for the year 2021, decreased by 33% from the previous year. The remuneration included retaining fee and attendance fee. The rates of monthly remuneration and attendance fees were maintained at the same level as those for the previous year as they were still appropriate and comparable with the remuneration rates of other commercial banks with equivalent business size and structure of which details were as follows:



Components of Remuneration	Retaining Fee (Baht/Month)	Attendance Fee (Baht/Meeting)
(1) Remuneration of Board of Directors		
- Chairperson	100,000	-
- Member	50,000	-
(2) Remuneration of Sub-committees		
- Chairperson of the Audit Committee	-	60,000
- Chairman of the other sub-committees	-	45,000
- Member	-	30,000

In case there were additional sub-committees being appointed, the Board of Directors could determine the remuneration for such sub-committee members providing that the total remuneration would not exceed Baht 20 million as proposed to the shareholders' meeting for approval.

The Board of Directors was of the opinion that the remuneration for Chairpersons, which was higher than those of other directors, was appropriate as the Chairpersons have a significant role in supporting the performance of the Board of Directors and committees for the utmost benefit of the Bank and shareholders.

The Board of Directors set the attendance fee for the Chairperson of the Audit committee at higher than the attendance fee for the Chairperson of other sub-committees since the Chairperson of the Audit Committee has a significant role in ensuring the Bank and the Group companies have a 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 sub-committee of the Bank in order to perform the duty independently.

Regarding the directors' bonus for performance in the year 2021, the Board of Directors would propose to the 2022 AGM for consideration and approval so it would be in accordance with the actual performance of the Board of Directors and operating result of the Bank.

Executive directors, who receive a monthly salary as employees of the Bank or the Group companies, shall not be eligible for the monthly retaining fee, attendance fee and bonus as directors of the Bank.

Directors, who are appointed as directors in any committee 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 2021. In general, the Bank paid all components of the remunerations in a total of Baht 13,560,000 which was under the 2021 directors' remuneration budget of Baht 20 million but excluded directors' bonus which would be proposed to the 2022 AGM for approval. Furthermore, there was the remuneration of Baht 8,120,000 paid to the Bank's directors, who were also consultant/directors and/or sub-committee members of the Group companies.

(Unit : Baht)

Retaining Fee		Attendance Fee (Based on Their Attendance)												Total Directors' Remuneration of the Group Companies		
No.	Name of Director	Board of Directors	Audit Committee	Nomination and Remuneration Committee	Compliance & Governance Committee	Risk Oversight Committee	Executive Committee	Credit and Foreclosed Property Committee	Investment Management Committee	Human Resource Management Committee	2021 Bonus (Paid in Remuneration 2022) ¹ of the Bank	Total Directors' Remuneration (Excluding Bonus)				
1.	Mr. Supol Wattanavekin	1,200,000	-	-	-	540,000	-	-	-	-	1,740,000	3,000,000	4,740,000	-	4,740,000	
2.	Mrs. Dayana Bunnag	600,000	900,000	-	-	-	-	-	-	-	1,500,000	1,500,000	3,000,000	-	3,000,000	
3.	Mr. Chet Pattrakomkul	600,000	450,000	180,000	270,000	-	-	-	-	-	1,500,000	1,500,000	3,000,000	-	3,000,000	
4.	Mr. Pongtep Polanun ²	186,667	-	-	-	-	-	630,000	630,000	120,000	-	1,566,667	-	1,566,667	1,566,667	
5.	Mr. Veravat Chutichetpong	600,000	360,000	270,000	-	-	-	-	-	-	1,230,000	1,500,000	2,730,000	-	2,730,000	
6.	Mr. Suvit Mapaisansin	600,000	-	150,000	180,000	-	-	-	-	-	930,000	1,500,000	2,430,000	600,000	3,030,000	
7.	Prof. Dr. Anya Khanthavit	600,000	-	-	-	360,000	-	-	-	-	960,000	1,500,000	2,460,000	495,000	2,955,000	
8	Mr. Banyong Pongpanich	600,000	-	-	-	-	585,000	-	630,000	45,000	1,860,000	3,000,000	4,860,000	1,335,000	6,195,000	
9.	Ms. Thitinan Wattanavekin	600,000	-	-	-	-	450,000	-	-	30,000	1,080,000	1,500,000	2,580,000	690,000	3,270,000	
10.	Ms. Patchanee Limapichat	600,000	-	-	180,000	-	-	-	-	-	780,000	1,500,000	2,280,000	5,000,000	7,280,000	
11.	Assoc. Prof. Dr.Chayodom Subhasri ³	413,333	-	-	-	-	-	-	-	-	413,333	1,040,000	1,453,333	-	1,453,333	
12.	Mr. Aphirant Kiewpatinond	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
13.	Mr. Philip Chen Chong Tan	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total		6,600,000	1,710,000	600,000	630,000	900,000	1,035,000	630,000	630,000	750,000	75,000	13,560,000	17,540,000	31,100,000	8,120,000	39,220,000

Remarks: - For the year 2021, the Bank has paid other general benefits, such as group life and health insurances, amounted to Baht 283,590.

- Executive Directors, who received monthly salary as employees from the Bank or the Group companies, would not receive monthly retaining fee, attendance fee and bonus as directors of the Bank.

¹ The Board of Directors will propose the directors' 2021 bonus to the 2022 AGM for consideration and approval so it is in accordance with the actual performance of the Board of Directors and operating result of the Bank.² Retired from the Bank's director post by rotation in the 2021 AGM dated April 22, 2021³ Appointed as the Bank's director in replacement of Mr. Pongtep Polanun in the 2021 AGM dated April 22, 2021



Other Compensations

In addition to the directors' remuneration in the form of 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, accident, total permanent disability and health for the Chairman and directors who are non-executive directors. Insurance

coverage for life, accident and total permanent disability is Baht 5 million and Baht 2.5 million for the Chairman and non-executive directors respectively. Health insurance coverage is identical to those of the senior executives. The Group life and health insurance premium for directors for the year 2021 was Baht 283,590.

Table Shows Changes in Directors' KKP Shareholding

No.	Name	Shareholding (Share)		Change Increase/ (Decrease) (Share)	Shareholding (%)
		December 31, 2020	December 31, 2021		
1.	Mr. Supol Wattanavekin	12,605,416	12,605,416	-	1.49
	Spouse	1,071,434	1,071,434	-	0.13
	Minor Children	-	-	-	-
2.	Mrs. Dayana Bunnag	-	-	-	-
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
3.	Mr. Chet Pattarakornkul	50,000	50,000	-	0.01
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
4.	Mr. Veravat Chutichetpong	629,739	629,739	-	0.07
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
5.	Assoc. Prof. Dr. Chayodom Sabhasri ^{/1}	N/A	-	-	-
	Spouse	N/A	-	-	-
	Minor Children	N/A	-	-	-
6.	Mr. Suvit Mapaisansin	779,406	779,406	-	0.09
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
7.	Prof. Dr. Anya Khanthavit	-	-	-	-
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
8.	Mrs. Patchanee Limapichat	-	-	-	-
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
9.	Mr. Banyong Pongpanich	1,000,046	1,800,046	800,000	0.21
	Spouse	-	-	-	-
	Minor Children	-	-	-	-

No.	Name	Shareholding (Share)		Change Increase/ (Decrease) (Share)	Shareholding (%)
		December 31, 2020	December 31, 2021		
10.	Ms. Thitinan Wattanavekin	35,532,761	35,532,761	-	4.20
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
11.	Mr. Aphinant Klewpatinond	750,000	1,200,000	450,000	0.14
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
12.	Mr. Philip Chen Chong Tan	-	40,000	40,000	0.00
	Spouse	-	-	-	-
	Minor Children	-	-	-	-
13.	Mr. Pongtep Polanun ^{/2}	488	488	-	0.00
	Spouse	-	-	-	-
	Minor Children	-	-	-	-

Remarks: ^{/1} Assoc. Prof. Dr. Chayodom Sabhasri has been elected as the Bank's director effective April 22, 2021, replacing Mr. Pongtep Polanun who was retired by rotation and intended not to be re-elected as the Bank's director for another term. Hence, the number of shareholdings as of December 31, 2020 is not appropriate comparison.

^{/2} Mr. Pongtep Polanun has become the advisor of the Board of Directors since April 22, 2021.

8.17 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. Also, the Nomination and Remuneration Committee has been assigned to give consent on the appointment of the directors and persons with management authority of the Group companies prior to being proposed to the authorized persons for appointment.

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, internal control system monitoring, compliance and business administration.

As the Bank recognizes the importance of information disclosure under the 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 reporting to the Compliance and Governance Committee.

Moreover, the Board of Directors has assigned the Bank's Audit Committee to ensure appropriate and efficient internal control system of 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 shall be responsible for supervising the Group companies in the capital market business to operate under sufficient and appropriate internal control system.

This year, the Bank has improved the guideline on the Group's supervision and the Bank's policies and announcements in relation to overseeing the Bank and the Group companies' business operation in order to enhance the efficiency of working procedures, to



prevent any conflict of interest and to align with the laws and regulations issued by the regulators, namely the BOT, the OIC, the SEC and the SET, such as Corporate Governance Policy, Risk Management Policies, Delegation of Authority Policy for Retail Lending, IT and Data Policy, Non-audit Services Policy, Bancassurance Business Policy, Strategic Planning and Market Conduct Policy, Policy on Non-financial Services & Support Businesses of the Bank and Support Businesses of the Group companies, Debt Restructuring, Asset Classification, Provision and Write-off Policy, Policy and Plan on Capital Management, Know Your Merchant Policy, Historical Rate Rollover Policy, Credit Approval Guidelines, Outside Interest Guidelines, Risk Management Guidelines from Third Parties of the Bank, Liquidity Management Guidelines, Data Governance and Management Guidelines, KYC/CDD Regulations, Business Partner Regulations, Guidelines for Providing Services to Customers Requiring Special Precautions Regulations and Master Product Program for Derivatives, etc. to ensure that the Bank and the Group supervise their operations in accordance with the Bank of Thailand's guideline.

8.1.8 Monitoring Compliance of Policies and Guidelines

1. Protection Against Conflict of Interest

The Group intends and is committed to protect against conflict of interest in doing business of the Bank and the Group companies by adhering to protect against conflict of interest in different ways including motivating directors, executives and employees of the Group to avoid activities, interests or associations which may interfere with the independent exercise of their judgment or the best interests of the Group.

1) Connected Transactions

The Group does not encourage any transaction entered into between the Group and directors, executives, major shareholders and 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 on such matters.

The Bank's Audit Committee has authority in considering and disclosing the connected transactions

or transactions which 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 had audited connected transactions which may lead to a conflict of interest and found no issue against the specified measures for protecting conflict of interest. The Internal Audit Office has an audit plan on this matter annually.

2) Business Activities Outside the Bank/the Group Companies

Directors, executives and employees may have business activities outside the Bank/the Group companies such as serving as a partner or a 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, interests or investment opportunities depends on many factors, including the nature and extent of the outside interest and the relationship between the Bank/the Group companies and the outside entities as well as the duties involved.

Before serving as a director or executive of any other corporation or business, the directors, executives and employees must be approved in writing by the designated office of the Bank/the Group companies according to the specified guidelines.

The directors, executives and employees must strictly comply with the Outside Interest Policy. For example, they must report all outside business activities, including ownership of privately held stock and limited partnership interests, to the Bank/the Group companies to review for potential conflicts of interest which may arise.

The director of the Bank cannot serve as a partner or a director of the other private companies or public companies which are doing the same business and are competitive with the Bank's business unless they inform the shareholders' meeting to acknowledge the issue prior to being appointed.

Prior to taking up the post of director, officer or employee in any other business, the executive directors of the Bank must receive approval from the Bank. If any executive director wishes to take up the post of director

in a listed company in Thailand or overseas, they must receive approval from the Executive Committee of the Bank in advance. This is to avoid any potential conflict of interest which 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 of such directors, executives and related persons to consider any potential conflict of interest which may arise.

In the previous year, before serving as a director 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 Bank.

2. Supervision of Usage of Internal Information

The Bank has issued a written directive forbidding the use of internal information for personal gain or others which would be taking advantage of others. The Bank has forbidden directors, executives, employees and related persons including spouse, children and adopted children who are under the legal age to use any undisclosed information which could affect the change in the value of shares or for securities trading of the Bank.

The Bank has forbidden any directors, executives or employees, who are aware of the Bank's important information and financial statements, to trade the Bank's securities, seven 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. Moreover, the directors, executives and employees who can access such undisclosed information must ask for approval prior to trading securities of the Bank 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 has instructed that directors, executives, their spouses, children who are under the legal age and 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.

In the previous year, the directors and executives of the Bank traded the Bank's securities eleven times. (The details on the changes in directors and executives' KKP shareholding 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 the usage of internal information and found no violation 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 Thai laws on anti-corruption which are to be strictly followed. The Bank and its subsidiaries in the capital market business 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 all of its subsidiaries in the capital market business 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 1st recertified on November 10, 2017 and was recertified for the second time on December 31, 2020;
- KKP CAP was certified as a full member of the CAC on January 10, 2014; was 1st recertified on March 9, 2017 and was recertified for the second time on February 7, 2020;
- KKPS was certified as a full member of the CAC on April 4, 2014; was 1st recertified on March 9, 2017 and was recertified for the second time on February 7, 2020; and
- KKPAM was certified as a full member of the CAC on October 3, 2014; was 1st recertified on February 12, 2018 and was recertified for the second time on March 31, 2021.



The Bank and its subsidiaries in the capital market business have continually implemented an anti-corruption program as follows:

- The Anti-corruption Policy has been issued by the Board of Directors for all directors, executives and employees as a guideline to perform their duties in a transparent manner, paving the way to build a sustainable organization. Such 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. It covers all types of payments which may or may not be considered legal under the circumstances. Special rules may apply for payments or gifts (including entertainment) to officers, directors, employees or other affiliates of government-owned or controlled entities.

The Group will not cooperate with or support any illegal activity, person or organization which is involved in corruption or is a threat to society and national security.

Furthermore, no director, executive, employee or member of their families may, directly or indirectly, accept or receive gifts, frequent or excessive entertainment or any similar form of consideration which is of more than the nominal value from any person or entity with which the Group does or seek to do business.

- The Bank and its subsidiaries in the capital market business require that all departments implement operational risk management standards through the use of Risk and Control Self Assessment (RCSA), Operational Loss Reporting and Key Risk Indicator (KRI). In addition, all departments are required to perform their own risk assessment in relation to anti-corruption which will identify the specific forms of corruption and report to the Operational Risk Management Department and Legal and Compliance Group for further review and analysis and report to the Operational Risk Sub-committee, Risk Oversight Committee and senior executives. Key risk indicators are determined for the monitoring and controlling of such risks to

be within an acceptable level as well as to ensure efficiency and preparedness to deal with potential risks in the future.

- The Bank and its subsidiaries in the capital market business have issued regulations on the receiving and giving of gifts, entertainment and other expenses to external persons to be used by 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 are reasonable and appropriate in value and do not have characteristics leading to corruption.
- The Bank and its subsidiaries in the capital market business communicate the Anti-corruption Policy and related regulations and clarify the role of 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 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 towards the Anti-corruption Policy. In the previous year, 3,847 directors, executives and employees altogether or 100% of the Group's employees attended such training course and passed the assessment.

The Bank and its subsidiaries in the capital market business also communicate the Anti-corruption Policy to the general public and other stakeholders through various channels, such as the website, the Form 56-1 One Report and the Sustainability Report. Letters have been sent to notify clients and counterparties about their services which are based on corporate governance and anti-corruption

principles. Furthermore, the Group specifies clauses in its agreement with third parties regarding compliance with the Group's Anti-corruption Policy and relevant laws. In addition, Mr. Banyong Pongpanich, executive of the Bank and its subsidiaries in the capital market business 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 rejection of all types of corruption, the Group communicated and sought cooperation from employees to send e-Cards to clients and counterparties in New Year well-wishing and not provide gifts to directors, executives and employees of the Group during the New Year festival or other occasions.
- The Bank and its subsidiaries in the capital market business, in conjunction with the CAC, have announced the No Gift Policy, which is consistent with the Group's continuous practices on anti-corruption. 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 operation.

4. Whistleblowing

The Bank has arranged for reporting channels for whistleblowers, e.g. the report on the accuracy of financial reports, deficient internal controls or any illegal or unethical activities or any suspected corruption

or improper behavior of all employees. The Bank's employees and other stakeholders can communicate these actions to the Bank through various channels, e.g. electronic email to independent directors (Independent_director@kkpfg.com), or the Bank's branch, KKP Contact Center (Tel. 0-2165-5555) or other online channels, e.g. website and Facebook (Kiatnakin Phatra). Moreover, employees can directly contact the Bank's Chairman of the Board of Directors, Chairperson of the Audit Committee, CEO, President or Head of the Internal Audit Office to file complaints on such wrongdoing.

The Bank has set the whistleblower protection process and will not commit any unfair treatment on all employees, temporary staff or contract staff who report any suspected acts. The Bank realizes the importance of keeping reported information and evidence confidential. The whistleblowing information will be acknowledged only among the responsible parties or only be disclosed by law as stipulated. In addition, the whistleblowers can submit a complaint confidentially.

The Bank has defined the process and procedures for complaints and roles and duties of responsible units in each step starting from receiving the complaint, identifying the problem, collecting information, verifying and analyzing the facts, reporting to relevant parties and recording information to filing. Such defined procedures and process are in line with the supervisory agencies' regulations.

For employees' misconduct, the Bank will handle complaints according to the Bank's whistleblowing process as well as investigation and disciplinary regulation.

In the previous year, there were 733 complaint cases in total in which 1 case was related to crooked and breaking good governance policies as summarized below.

Case No.	Issue	Result from Investigation	Action/Solution
1.	Outsourced collection staff persuaded client to pay loan installments to him and did not deliver them to the Bank	Severe violation of the Bank's ethics and rules	<ul style="list-style-type: none"> - Implemented the highest level of personnel management regulations - Took legal action against the offender - Considered healing scheme for victims - Communicated to relevant parties to inform that the Bank has no policy for clients to make payment through employees' accounts



The Board of Directors, in meeting No.1/2565 dated January 27, 2022, acknowledged the report on complaints in 2021 and was of the opinion that the number of complaints in 2021 increased significantly from that of 2020 due to the unusual situation in 2021 and the assistance the Bank provided for debtors which had to be thoroughly considered case by case.

8.1.9 Review of Strategy, Vision and Mission

The Bank's Board of Directors, in conjunction with the Executive Committee, reviews the Bank's vision

and mission periodically so as to make adjustments which reflect the business target and strategy in the future. Furthermore, the Board of Directors sporadically monitors the management's business operation in accordance with the Group's strategic direction.

In the previous year, the Board of Directors, in meeting No.10/2564 dated November 11, 2021, reviewed the vision, mission and corporate principles in order to be consistent with the business target and strategy.

8.2 Performance of the Audit Committee in the Previous Year

In the year 2021, the Audit Committee had 16 meetings to perform the 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 from the auditing and reviewing of financial statements. The Committee acknowledged the progress of temporary relief measures in the COVID-19 situation issued by the Bank of Thailand and the accounting treatment guideline from the Federation of Accounting Professions, and discussed with auditors and management about the appropriateness of expected credit loss allowance and 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 auditor and external auditor, 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 supported the internal auditor's initiatives on improving efficiency by adopting data analytics and agile auditing, in response to emerging risks. Moreover, in 2021, 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 assessment results were reviewed by the Committee and the Board of Directors in order to exchange views and develop a mutual understanding over the state of internal controls so that appropriate actions could be further determined.
- The Committee reviewed and approved the Annual Internal Audit Plan with a recommendation for the internal audit team to prepare and ensure readiness for technological changes, including financial technology (Fintech). In addition, the Committee determined the independence of the internal audit function and reviewed the annual performance of the Internal Audit Head.
- 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 management response

to address those risks, in line with the Group's policies, strategies and plans. In addition, the Committee had a meeting with the Risk Oversight Committee to consult and exchange views so as to assess whether the risk management policies and strategies covered all existing and emerging risks and if the implementations of such policies and strategies were effective and efficient.

- The Committee reviewed related-party transactions or transactions that may lead to 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 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.
- As the signing audit partner completed her 7 - year term in 2021 and in order to comply with the SEC's rule, the Committees, together with other Audit Committees within the Group, considered and selected the new auditor from the big 4 audit firms and unanimously resolved to select PricewaterhouseCoopers ABAS Ltd. to be the external auditor of the Bank and its subsidiaries for the year 2022, and then proposed the appointment of the external auditor as well as the remuneration to the Board of Directors for endorsement prior to proposing to the general meeting of shareholders for approval. The Committee was of the opinion that PricewaterhouseCoopers ABAS Ltd. has a sound quality control review process and employs new audit technology, including audit software and data analytic tools, in their audit works to increase efficiency and effectiveness. The signing audit

partner and senior audit teams have knowledge, capability and experiences in auditing banking and capital markets businesses. Also, the auditors are independent, possess great skills and knowledge about international auditing standards and have sufficient resources.

- The Committee considered the Group's policy on non-audit services to be provided by the Bank's external auditor and reviewed its services, aiming to ensure that non-audit engagement does not impair the independence of the Bank's external auditor.
- The Committee arranged meetings with other Audit Committees within the Group to exchange views and opinions regarding the role of the Audit Committee, 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 2021, 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 an appropriate and efficient risk management and sound internal controls in place to undertake related party transactions and monitor compliance with the rules and policies and for other Bank operations. The financial statements of the Bank are reliable and have been constructed with sufficient control systems and in accordance with Thai Financial Reporting Standards.

The Committee has recommended to the Board of Directors so that communications shall be continuously made to all staff that the Group emphasizes the importance of a corporate culture in which unethical and fraudulent behavior is unacceptable (Zero Tolerance to Fraud Policy).



Meeting Attendance Record

No.	Name	Position	Meeting Attendance		
			Total (No. of Meetings)	In Person (No. of Meetings)	Via Electronic Channel (No. of Meetings)
1.	Mrs. Dayana Bunnag	Chairperson	16/16	-	16
2.	Mr. Chet Pattrakornkul	Member	16/16	-	16
3.	Mr. Veravat Chutichetpong	Member	13/16	-	13

Performance Assessment

The Audit Committee performed its self-assessment by using the assessment form published by 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 which could help the Committee to effectively perform its task and Part 2: the performance of the Committee during the year. The assessment form of the Committee had ninety-nine 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 be more suitable. The result showed that all of the Committee members (100%) were of the opinion that the Bank has the structure and composition of the Committee and the general environment which helped the Committee perform its duties effectively and all of the Committee members (100%) viewed that they had performed their tasks according to the scope of work, authorities and responsibilities prescribed in its charter in the previous year.

8.3 Performance of the Nomination and Remuneration Committee in the Previous Year

In the year 2021, the Nomination and Remuneration Committee had six meetings to perform the 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:

1. Selected and nominated candidates for the Bank's directors to replace the directors, who were retired by rotation or resigned from the director post, in order to propose such candidates to the Board of Directors and subsequently to the annual shareholders' meeting for election, as well as monitored and ensured that the component and size of the Board of Directors are adequately effective in supporting the business direction and comply with corporate governance. The Committee utilized mechanism or tools in the candidate selection and nomination process, such as the board skill matrix, to ensure that the proposed directors possess the knowledge, competency and experiences beneficial to long-term operation and are suitable for the business direction and strategy of the Group.
2. Endorsed the revision of the Bank's Executive Committee members to ensure that the Executive Committee consists of qualified members with knowledge, competencies and experiences covering the Group's business operations.
3. Consented to the nominated candidates for the Group companies' directors prior to proposing to the Board of Directors and the shareholders' meeting of each company for consideration and appointment.
4. Assessed and nominated qualified candidates for appointment as the Bank's persons with management authority prior to proposing the

said nominations to the Bank of Thailand for endorsement and subsequently to the Board of Directors for approval and appointment, as well as endorsed the appointment of the persons with management authority of the Group companies prior to proposing to the authorized persons for appointment. Consideration of the candidates' qualifications was given to ensure diversity and appropriateness in terms of knowledge, competence and experiences in order to strengthen and support the Group's business direction.

5. Assured the annual performance assessment of the Board of Directors and CEO were properly carried out. The assessments were conducted by members of the Board of Directors and other related committees. The assessment results, including all feedbacks and comments to increase the overall performance of the Board of Directors and senior executives, were reported to the Board of Directors for consideration and acknowledgement.
6. Reviewed and ensured that the compensation of the Board of Directors and sub-committee members are appropriate given their assigned duties and responsibilities and are competitive with banking industry practices prior to proposing to the Board of Directors for consideration and

subsequently to the shareholder's meeting for approval.

7. Approved compensation of the CEO based on the scope of duties and responsibilities, relevant risks, assessment result and feedback, long- and short-term performance of the Bank and the Group companies and ability to increase long-term shareholders' values under the annual budget framework approved by the Board of Directors.
8. Acknowledged bonus and annual merit's budget criteria and guidelines for the Bank's persons with management authority, which were determined based on several factors, such as the performance of the overall organization, function or business unit, the individual performance and the total compensation concept as specified.
9. Acknowledged and monitored the progress of the succession planning of senior executive positions and talents of the Group as well as ensure the succession plan continuously and appropriately proceeds to guarantee sustainable human resources management.

The Committee has performed the duties as set forth in its bylaws with prudence and transparency as well as in compliance with relevant laws and regulations and the good corporate governance principles for the utmost benefits of the Bank and shareholders.

Meeting Attendance Record

No.	Name	Position	Meeting Attendance		
			Total (No. of Meetings)	In Person (No. of Meetings)	Via Electronic Channel (No. of Meetings)
1.	Mr. Veravat Chutichetpong	Chairman	6/6	1	5
2.	Mr. Chet Pattrakomkul	Member	6/6	2	4
3.	Mr. Suvit Mapaisansin	Member	5/6	1	4



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 at an average of 3.77.

8.4 Performance of the Compliance and Governance Committee in the Previous Year

In the year 2021, the Compliance and Governance Committee had 6 meetings to perform the 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:

- Reviewed and revised the Committee's charter, policies and action plan prior to proposing to the Board of Directors for approval as follows:
 - Endorsed the review and the revision of the Committee's charter; and
 - Endorsed the review and the revision of the Corporate Governance Policy of the Bank for the year 2021 to comply with current operations and relevant regulations.
- Approved the action plans of the Legal and Compliance Group for the year 2021.
- Acknowledged and monitored the implementation progress of the corrective actions and suggestions required by the Bank of Thailand's examiners and the Regulatory Monitoring Department of the Bank, such as monitoring compliance with the regulations on market conduct, the preparation process including the delivery and accuracy of the data (Data Set related to TFRS 9) to the Bank of Thailand, the asset and liability management to report information to the Bank of Thailand, the trading process of brokerage of investment units, the process of selling and providing bond services (Primary Market), the Priority Banking Group and the custodian business, etc. as well as reported the audit results of Kiatnakin Phatra Bank Public Company Limited and the Group companies for the year 2021 by the Bank of Thailand.

- Acknowledged the compliance reports of the Bank and the Group companies proposed by the compliance units. The Committee also expressed its views and made suggestions on the improvement of the Bank's and the Group's compliance. In the case where any significant issues which might cause a compliance risk were found, the Committee requested the management or relevant units to urgently address such issue.
- Considered and expressed opinions on the compliance reports for the year 2020 prior to submission to relevant governing authorities.
- Acknowledged the filing in compliance with the Corporate Governance Report of Thai Listed Companies and the ASEAN CG Scorecard assessment for the year 2021 and endorsed the review of the practices in accordance with the CG Code for the year 2021.
- Performed the Committee self-assessment for the year 2021 to consider the result and performance improvement.

In 2021, the Bank was bestowed the following awards which reflected the Bank's management based on business conduct in accordance with good corporate governance:

- One of the 282 listed companies which is ranked "5 TIA" with a full 100 score from the quality assessment of the AGM in 2021 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 2021 and received five Logos from the IOD;

- One of the 146 listed companies selected by the SET to receive the Thailand Sustainability Investment 2021 for the seventh consecutive year due to efforts to develop good corporate governance, responsibilities to the environment and society and business management under corporate governance (Environment, Social and Governance/ESG) in order to uphold sustainable growth and build trust for all stakeholders;
- One of the 100 listed companies selected by Thaipat Institute's ESG Rating Unit to be on the list of ESG100 in the year 2021 due to outstanding sustainability performance in ESG aspects and one of the 15 listed companies selected for this award for the seventh consecutive year; and

- Obtained the Sustainability Disclosure Recognition Award from Thaipat Institute in the State of Corporate Sustainability in 2021 due to the determination in the disclosure of sustainable business information which was beneficial to all stakeholders and for the long-term organizational sustainable development.

The Bank recognizes the importance of ethics and integrity in its business conduct in order to comply with laws, business conduct and good corporate governance. This is because its business is predicated on the trust and respect of clients, shareholders, stakeholders and all concerned parties, as well as in promoting the Bank's sustainable growth. The Bank is fully committed to pursuing best practice under good corporate governance principles.

Meeting Attendance Record

No.	Name	Position	Meeting Attendance		
			Total (No. of Meetings)	In Person (No. of Meetings)	Via Electronic Channel (No. of Meetings)
1.	Mr. Chet Pattrakornkul	Chairman	6/6	2	4
2.	Mr. Suvit Mapaisansin	Member	6/6	2	4
3.	Mrs. Patchanee Limapichat	Member	6/6	2	4

Performance Assessment

The Compliance and Governance Committee performed its self-assessment by using the assessment form in which questions were 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 was at an average of 3.56.



8.5 Performance of the Executive Committee in the Previous Year

In the year 2021, the Executive Committee had fifteen meetings to perform the 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:

1. Determined the Group's short and long-term business directions and strategic goals for both financial and non-financial aspects by analyzing the ecosystem and factors and endorsed the review of the Group's vision, mission and principles for the year 2021 prior to proposing to the Board of Directors for approval.
2. Endorsed the revision of the mid-year 2021 business plan and budget and the business plan and annual budget for the years 2022 - 2024 of the Group by emphasizing on adequate and efficient allocation of key resources, for instance, capital investment, personnel, technology, etc. prior to proposing to the Board of Directors for approval.
3. Monitored the Group's business operation to ensure that it is in accordance with laws and specified policies and acknowledged important management reports, such as the Group's business performance report, the risk appetite report, etc.
4. Endorsed and defined new policies, as well as reviewed and improved those policies and guidelines currently being used to promote transparent and efficient business operation and to follow the changing regulations. Examples include Policy on Non-financial Services & Support Businesses of the Bank and Support Businesses of the Group companies, Know Your Merchant Policy, Delegation of Authority Policy for Retail Lending, Information Technology Policy, Non-audit Services Policy, Bancassurance Business Policy, Master Product Program for Derivatives, and Guideline for Issuing Policies, Rules, Regulations, Instructions and Notifications.
5. Endorsed the Group's supervisory guideline for the year 2021 to ensure it is in line with the current Group's structure and business operation, as well as to enable the Group to have a better practice in corporate management and policy governance prior to proposing to the Board of Directors for approval.
6. Approved the unreviewed/unaudited financial statements in order to disclose to the SET, relevant supervisory agencies and the public.
7. Endorsed the allocation of profit and dividend payment for the year 2020 prior to proposing to the Board of Directors and the shareholders' meeting for approval, as well as the allocation of profit and interim dividend payment from the operating result during January 1 - June 30, 2021 prior to proposing to the Board of Directors for approval.
8. Endorsed the review and revision of the Capital Management Plan and Policy and the Internal Capital Adequacy Assessment Process (ICAAP Report) for the year 2021 to ensure capital is appropriate for the current business operation prior to proposing to the Board of Directors for approval and approved the review and revision of the Liquidity Management Guideline for the year 2021.
9. Endorsed the improvement of the Bank's organizational structure at the group level (in the case of setting up a new business or dismissal of any business) prior to proposing to the Board of Directors for approval.
10. Reviewed the roles, duties and responsibilities of the Executive Committee for the year 2021 prior to proposing to the Board of Directors for approval, approved the revision of the roles, duties, responsibilities and the change of members for sub-committees under supervision to ensure more appropriateness and monitored the performance of the sub-committees under supervision.

11. Approved, reviewed and revised the credit line and credit covenant for the Bank's counterparties in accordance with the authority of the Executive Committee and acknowledged the review, revision and approval of the credit line and credit covenant for the Bank's counterparties as executed by the Main Credit and Foreclosed Property Committee.
12. Approved the market conduct annual statement for selling of insurance products for the year 2020 and the revision plan prior to filing with the OIC.
13. Acknowledged the report on the improvement of commercial lending's NPL for the year 2020 and approved its NPL improvement plan for the year 2021 prior to proposing to the Bank of Thailand for consideration.
14. Acknowledge the report on the issuance and offering of debentures for the year 2020, endorsed the issuance and offering of debentures prior to proposing to the Board of Directors and the shareholders' meeting for approval and approved the limit for issuance and offering of subordinated debentures intended to qualify as tier 2 capital and the early redemption.
15. Performed the self-assessment of the Executive Committee and approved the Executive Committee's report for the year 2021.
16. Acknowledged the COVID-19 situation and measures to assist the Group's employees.

Meeting Attendance Record

No.	Name	Position	Meeting Attendance		
			Total (No. of Meetings)	In Person (No. of Meetings)	Via Electronic Channel (No. of Meetings)
1.	Mr. Supol Wattanavekin	Advisor	15/15	1	14
2.	Mr. Banyong Pongpanich	Chairman	13/15	-	13
3.	Mr. Aphinant Kiewpatinond	Member	15/15	1	14
4.	Ms. Thitinan Wattanavekin	Member	15/15	-	15
5.	Mr. Pracha Chumnarnkitkosol	Member	14/15	-	14
6.	Dr. Anuchit Anuchitanukul	Member	13/15	-	13
7.	Mr. Philip Chen Chong Tan	Member	15/15	1	14
8.	Mr. Trairak Tengtrirat	Member	9/15	-	9
9.	Mrs. Kulnan Tsanthaiwo	Member	13/15	-	13
10.	Mr. Supachoke Supabundit	Member	15/15	-	15
11.	Mr. Kampol Jantavibool ^{/1}	Member	2/2	-	2

Remark : ^{/1} Appointed as a member of the Executive Committee by the resolution of the Board of Directors' meeting no. 10/2564 held on November 11, 2021.



Performance Assessment

The Executive Committee performed its self-assessment by using the assessment form of which questions were divided into four topics, which were 1) performance according to duties, authorities and responsibilities; 2) the Committee's meetings; 3) the

performance of the chairperson and 4) the minutes of the Committee's meetings. The answer scale was 1 - 5 rating from the lowest to the highest. The result of the self-assessment of the Executive Committee was an average of 4.43.

8.6 Performance of the Risk Oversight Committee in the Previous Year

In the year 2020, the Risk Oversight Committee had fourteen meetings to perform the 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:

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 be at acceptable levels.
2. Reviewed and updated overall policies on risk management for the Bank and the Group and proposed 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 Scenario) in order to assess capital adequacy for the year 2021, single lending limit plan and risk mitigation plan.
4. Approved the well-suited member changes and acknowledged the performance of sub-committees 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 (No. of Meetings)	In Person (No. of Meetings)	Via Electronic Channel (No. of Meetings)
1.	Mr. Banyong Pongpanich	Advisor	-/14	-	-
2.	Mr. Supol Wattanavekin	Chairman	14/14	-	14
3.	Prof. Dr. Anya Khanthavit	Member	14/14	-	14
4.	Mr. Aphinant Klewpatinond	Member	10/14	-	10
5.	Mr. Philip Chen Chong Tan	Member	14/14	-	14

Performance Assessment

The Risk Oversight Committee performed its self-assessment by using the assessment form of which questions were divided into four topics, which were 1) performance according to duties, authorities and responsibilities; 2) the Committee's meetings;

3) the performance of the chairperson and 4) the minutes of the Committee's meetings. The answer scale was 1 - 5 rating from the lowest to the highest. The result of the self-assessment of the Risk Oversight Committee was an average of 4.40.



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 create positive relationships and widespread acceptance among executives and employees on 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-regulation 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 the three such processes, which govern financial controls, operations and compliance. Accordingly, internal control elements are being assessed, particularly in eight aspects, namely 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 on 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 and assessable, and are 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 of good governance, internal controls, and risk management. The Group has also established in writing policies and procedures that strictly govern financial transactions, procurement, general administration and fraud protection measures. In addition, it has set strategies on human resources management and prescribes staff policies regarding selection, recruitment, orientation, and training and development. Other internal control mechanisms include supervision and team management, and 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 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 comprehensible to all employees.

Measurable: achievements can be quantified and measured.

Achievable: targets are possible to achieve under 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 can affect its achievement targets for business operations. Appropriate stress test assessments under given stress scenarios are implemented to evaluate the severity of potential losses or adversity, as well as to find 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 continually fosters risk management policy and risk assessment processes, evaluates both internal and external risk factors that may materially affect the Bank's business operations, establishes control measures to monitor circumstance changes in such factors and implements mitigation measures thereof. The Risk Management Group, under the supervision of the Risk Oversight Committee, regularly communicates with relevant functions of the Group to remain aware 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 risk to an acceptable threshold. Exploring appropriate risk response methods to 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 clearly prescribes in writing its delegation of authority governing all its authority levels in the management and committees. The controls include the segregation of duties and responsibilities of various functional roles, involving granting of approval and authorization, recording of information data and recognition of accounting entries, as well as fiduciary duty and property management. The actions create a check-and-balance mechanism. In the event that 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 provides strategic directions to an individual whom it has appointed to serve as director or management of such entities to comply with. The Legal and Compliance Group monitors legal compliance of the Group to assure the mitigation of reputation risk. In the event of error and deficiency, a fact-finding panel comprising an independent body shall be established to investigate facts as well as to propose remedial and improvement methods to prevent any recurrence of such error and deficiency.

7. Information & 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 with organization-wide



coverage. The system, which has the beneficial features of completeness, simplicity and an easy-to-use pattern, provides support to 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 render maximized 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 to monitor business operations, improve efficiency and make assessments according to the key performance indicators. All these help in assuring performances and on-going 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 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, which can protect the assets of the Bank and its subsidiaries from any misappropriation or unauthorized action of directors or executives. In the past year, the Bank and its subsidiaries had some deficiencies in its 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 shared similar views to those of the Board of Directors. The external auditors did not make any remark which could be deemed as being of any significance on the Group's internal controls. The related party transactions between the Group and persons who could present potential conflicts of interest which 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 2021, 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 assessment results had been reviewed by the Audit Committee and the Board of Directors in order to exchange views and have a common understanding over the state of internal controls so that appropriate actions could be further determined.

9.1.3 Internal Audit Head

During the meeting of the 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, Head of the Internal Audit Office. The decision was submitted to the Board of Directors for further approval. Dr. Narong Preedanant has over thirty years of internal audit work experience with leading financial institutions. He

sufficiently attended various internal audit training courses and has a good understanding of the Group's business and operations, and thus is suitable to perform his assigned tasks. The decisions on appointment, transfer, dismissal as well as performance appraisal on the efficiency and effectiveness of the Internal Audit Head require approval from the Audit Committee. His qualifications are shown in the Attachment 3.

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 Legal and Compliance Group,

effective from July 16, 2019 and reported to the Bank of Thailand to acknowledge such appointment. Later, Mr. Aphichart Chongsanguanpradab has been appointed as the First Executive Vice President, Head of Legal and Compliance Group, effective from March 1, 2020.

Mr. Aphichart Chongsanguanpradab has more than twenty years of experience in compliance, supervisory policy for securities business, and internal audit of financial institutions. He attended various training courses, 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. His roles, responsibilities and qualifications are shown in the Attachment 3.

9.2 Related Party Transactions

In 2019, 2020 and 2021 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 towards 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 as, 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 the approval thereof. The Bank discloses information transparently in accordance with the corporate governance principles.



9.2.2 Significant Related Party Transactions

1. Significant related party transactions with subsidiaries

Name	Relationship	Description of Transaction	Transaction Amount (Baht Million)			Reasons and Necessities
			2019	2020	2021	
KKP Capital Public Company Limited/ KKP CAP	99.98% owned by the Bank	• Loans and accrued interest receivables and undue interest receivable	1,776	1,946	(2)	The Bank calculated interest at the normal rate similar to regular clients.
		• Deposit	73	44	14	
		• Other assets	4	4	13	
		• Debt issued and borrowings	-	-	1,300	
		• Other liabilities	145	172	-	
		• Interest income	88	61	50	
		• Dividend income	1,367	1,051	1,051	
		• Other income	20	29	150	
		• Interest expense	-	-	1	
		• Other expenses	210	212	(1)	
Kiatnakin Phatra Securities Public Company Limited/ KKPS	Indirectly holding via KKP CAP of 99.95%	• Loans and accrued interest receivables and undue interest receivable	2,900	-	6,900	The Bank calculated interest at the normal rate similar to regular clients.
		• Deposit	316	320	256	
		• Other assets	60	64	116	
		• Other liabilities	70	102	250	
		• Interest income	6	-	27	
		• Other income	107	134	73	
		• Interest expense	46	83	92	
		• Other expenses	82	94	324	
Kiatnakin Phatra Asset Management Company Limited/ KKPAM	Indirectly holding via KKP CAP of 99.97%	• Deposit	5	18	17	The Bank calculated interest at the normal rate similar to regular clients.
		• Other assets	5	6	6	
		• Other income	33	35	49	
KKP Dime Company Limited	Indirectly holding via KKP CAP of 99.97%	• Deposit	-	-	25	The Bank calculated interest at the normal rate similar to regular clients.
The Asia Recovery 1 Fund	99.95% owned by the Bank	-	-	-	-	
The Asia Recovery 2 Fund	99.59% owned by the Bank	• Other income	1	1	1	
The Asia Recovery 3 Fund	99.97% owned by the Bank	• Other income	2	2	2	
Thai Restructuring Fund	98.91% owned by the Bank	• Other income	5	5	5	

Name	Relationship	Description of Transaction	Transaction Amount (Baht Million)			Reasons and Necessities
			2019	2020	2021	
Bangkok Capital Fund	95.72% owned by the Bank	• Deposit	40	60	117	The Bank calculated interest at the normal rate similar to regular clients.
		• Dividend income and profit sharing	96	-	-	
		• Other income	6	6	12	
Gamma Capital Fund	94.03% owned by the Bank	• Deposit	340	331	215	The Bank calculated interest at the normal rate similar to regular clients.
		• Dividend income and profit sharing	6	-	-	
		• Other income	7	6	6	
KKP Tower Company Limited	91.34% owned by the Bank	• Loans and accrued interest receivables and undue interest receivable	1,768	2,337	2,371	The Bank calculated interest at the normal rate similar to regular clients.
		• Deposit	34	106	151	
		• Other assets	50	700	662	
		• Other liabilities	7	645	614	
		• Interest income	70	204	104	
		• Interest expense	1	11	16	
		• Other expenses	196	201	208	
Phatra Asset Management (Cayman) Limited	Completion of oversea subsidiaries' dissolution on April 1, 2020	-	-	-	-	
Phatra Equity Market Neutral Asia Pacific Fund	Redemption of all redeemable participating shares on April 1, 2019	-	-	-	-	

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 Transaction	Transaction Amount (Baht Million)			Reasons and Necessities
			2019	2020	2021	
Business entities in which the directors, key executives and related persons have significant influence	Business entities are related to the directors and executives.	• Deposit	163	212	741	The Bank calculated interest at the normal rate similar to regular clients.
		• Borrowings	400	400	-	
		• Other assets	1	-	-	
		• Other liabilities	7	6	4	
		• Interest expense	21	22	13	
		• Other expenses	102	93	76	



3. Related transactions between the Bank and directors, key executives and related persons have significant influence

Name	Relationship	Description of Transaction	Transaction Amount (Baht Million)			Reasons and Necessities
			2019	2020	2021	
Directors/ key executives/ related persons	Directors/ key executives/ related persons	• Loan and accrued interest receivables	9	8	11	The Bank calculated interest at the normal rate similar to regular clients.
		• Deposit	769	953	1,358	
		• Borrowings	133	-	5	
		• Interest expense	12	13	10	KKPS and KKPAM provide services and charge at the same commission rate as other regular clients.
		• Brokerage income	14	11	12	

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 are those which occur in their normal course of business operations. In that regard, such related party transactions shall maintain their pricing or terms which 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 Bank and its Subsidiaries' shares in Excess of 10.00% by a Person that May Have Potential Conflict, Instead of Direct Holdings

It is not the Bank's policy to have a person that may have potential conflict 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 the separate financial position of the Bank as at 31 December 2021, 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 2021;
- 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 issued by the Federation of Accounting Professions that are relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. 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><i>Allowance for expected credit losses of loan to customers</i></p> <p>As at 31 December 2021, total gross loans to customers balance reported in the consolidated financial statements and the separate financial statements was Baht 315,653 million and Baht 317,468 million, respectively. The balance of allowance of expected credit losses of loan to customers was Baht 16,505 million and Baht 16,501 million, which represents 5.23% and 5.12% 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 3.7: Accounting policies on financial instruments• Note 6.1: Estimates and assumptions on measurement allowance for expected credit losses• Note 15: Allowance for expected credit losses• Note 49: 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> <ol style="list-style-type: none">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;<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 overlay2) 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. As disclosed in Note 3, 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><i>Individual assessment</i></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><i>Collective assessment</i></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 for 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 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 3 to the consolidated and separate 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 2020 until 31 December 2021. 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.

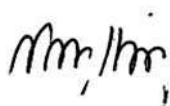
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain 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.



Sakuna Yamsakul

Certified Public Accountant (Thailand) No. 4906

Bangkok

24 February 2022



Kiatnakin Phatra Bank Public Company Limited and Subsidiaries

Statement of Financial Position

As at 31 December 2021

	Notes	Consolidated		Separate	
		2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Assets					
Cash		1,242,065	1,490,626	1,241,867	1,490,407
Interbank and money market items, net	7	55,238,234	32,770,543	60,737,760	30,857,786
Financial assets measured at fair value					
through profit or loss	9	22,364,824	11,289,598	7,369,286	6,752,638
Derivatives assets	8	7,481,509	10,276,081	7,433,220	10,251,116
Investments, net	10	16,840,213	23,312,942	15,116,585	20,223,133
Investments in subsidiaries, net	11	-	-	10,203,805	10,628,028
Investments in properties, net	12	21,502	21,761	-	-
Loans to customers and accrued interest receivables, net	13	299,147,566	258,846,014	300,966,592	262,643,112
Properties foreclosed, net	16	3,981,941	2,937,160	4,722,159	3,639,337
Land, premises and equipment, net	17	3,500,887	3,284,464	709,940	706,577
Right-of-use assets	18	321,019	229,835	932,842	877,100
Other intangible assets, net	19.1	1,211,574	1,128,488	1,125,139	1,045,584
Goodwill	19.2	3,066,035	3,066,035	-	-
Deferred tax assets	20	1,743,966	1,338,682	1,591,719	1,091,945
Accounts receivable from clearing house and broker-dealers		979,499	1,334,267	-	-
Securities and derivative business receivables		10,996,362	6,837,597	-	-
Other assets, net	21	7,986,005	5,246,923	6,754,453	4,261,535
Total assets		436,123,201	363,411,016	418,905,367	354,468,298

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 2021

		Consolidated		Separate	
		2021	2020	2021	2020
	Notes	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Liabilities and equity					
Liabilities					
Deposits	22	288,381,946	251,525,874	288,903,970	252,066,562
Interbank and money market items, net	23	16,664,329	10,263,870	16,667,768	10,230,265
Liabilities payable on demand		668,531	392,712	668,531	392,712
Financial liabilities measured at fair value					
through profit or loss	24	1,699,750	896,906	-	-
Derivatives liabilities	8	9,036,326	8,724,685	8,163,197	8,674,189
Debt issued and borrowings	25	43,804,907	28,343,500	43,750,833	27,757,881
Lease liabilities	18	240,002	183,697	848,579	820,206
Provisions	26	1,098,744	1,066,255	787,534	764,774
Deferred tax liabilities	20	10,111	13,556	-	-
Accounts payable to clearing house and broker-dealers		1,661,003	588,026	-	-
Securities and derivative business payables		8,898,093	5,539,391	-	-
Accrued interest expenses		346,922	467,833	346,922	467,833
Other accounts payable	27	6,250,144	3,923,055	6,072,565	3,803,024
Income tax payable and specific business tax payable		1,278,686	399,461	964,377	260,420
Other liabilities	28	4,921,552	4,456,474	3,776,085	3,538,122
Total liabilities		384,961,046	316,785,295	370,950,361	308,775,988
Equity					
Share capital					
Authorised share capital					
846,751,109 ordinary shares of Baht 10 each		8,467,511	8,467,511	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	8,467,511
Premium on share capital		9,356,233	9,356,233	9,356,233	9,356,233
Other components of equity	32	(285,547)	(137,048)	157,482	398,230
Retained earnings					
Appropriated					
Legal reserve	29	852,337	852,337	852,337	852,337
Unappropriated		32,655,567	27,978,147	29,121,443	26,617,999
Total equity of the Bank		51,046,101	46,517,180	47,955,006	45,692,310
Non-controlling interests		116,054	108,541	-	-
Total equity		51,162,155	46,625,721	47,955,006	45,692,310
Total liabilities and equity		436,123,201	363,411,016	418,905,367	354,468,298

(Mr. Banyong Pongpanich)
Chairman of the Executive Committee

(Mr. Aphinant Klewpatinond)
Chief Executive Officer



Kiatnakin Phatra Bank Public Company Limited and Subsidiaries

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2021

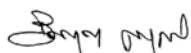
	Notes	Consolidated		Separate	
		2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Interest income	42	19,489,069	19,584,141	19,300,236	19,364,058
Interest expenses	43	3,788,433	4,904,954	3,865,524	4,947,134
Interest income, net		15,700,636	14,679,187	15,434,712	14,416,924
Fees and services income	44	6,973,605	5,107,313	2,526,519	2,120,120
Fees and services expenses	44	899,548	771,057	210,695	187,584
Fees and services income, net		6,074,057	4,336,256	2,315,824	1,932,536
Gain (loss) on financial instruments measured at fair value					
through profit or loss, net	45	(157,758)	1,078,933	(555,338)	329,254
Gain (loss) on investments, net	46	(9,640)	49,555	76,507	776,555
Dividend income		1,329,401	389,160	1,992,409	1,144,478
Other operating income	47	1,309,321	700,323	1,260,711	669,893
Total operating income		24,246,017	21,233,414	20,524,825	19,269,640
Other operating expenses					
Employee's expenses		6,428,423	5,664,254	4,480,788	4,119,483
Directors' remuneration		36,298	32,838	30,784	27,609
Premises and equipment expenses		1,003,044	1,139,782	894,224	982,228
Taxes and duties		461,927	493,384	448,786	413,734
Loss from revaluation of foreclosed assets		59,592	848,563	93,746	804,854
Loss from sale of foreclosed assets		1,503,667	893,858	1,861,634	1,174,088
Other expenses	48	1,755,308	1,579,257	1,537,310	1,343,563
Total other operating expenses		11,248,259	10,651,936	9,347,272	8,865,559
Expected credit losses	49	5,200,829	4,094,627	5,201,065	4,094,689
Profit from operating before income tax expenses		7,796,929	6,486,851	5,976,488	6,309,392
Income tax expenses	50	1,441,616	1,343,722	976,902	1,038,865
Net profit		6,355,313	5,143,129	4,999,586	5,270,527

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 2021

		Consolidated		Separate	
		2021	2020	2021	2020
		Thousand	Thousand	Thousand	Thousand
	Notes	Baht	Baht	Baht	Baht
Other comprehensive income (expenses)					
Items that will be reclassified subsequently to profit or loss					
Gain (loss) on debt instruments classified at fair value through other comprehensive income	10	(302,505)	115,368	(302,505)	115,368
Income taxes relating to items that will be subsequently reclassified to profit or loss	51	60,501	(23,074)	60,501	(23,074)
Total items that will be reclassified subsequently to profit or loss		(242,004)	92,294	(242,004)	92,294
Items that will not be reclassified subsequently to profit or loss					
Gain on equity instruments designated at fair value through other comprehensive income		1,168,874	249,753	1,574	6,335
Remeasurements of post-employment benefit		72,495	-	55,082	-
Income taxes on items that will not be subsequently reclassified to profit or loss	51	(248,084)	(49,574)	(11,331)	(1,266)
Total items that will not be reclassified subsequently to profit or loss		993,285	200,179	45,325	5,069
Total other comprehensive income (expenses)		751,281	292,473	(196,679)	97,363
Total comprehensive income		7,106,594	5,435,602	4,802,907	5,367,890
Net profit attributable to					
Equity holders of the Bank		6,318,052	5,123,266	4,999,586	5,270,527
Non-controlling interests		37,261	19,863	-	-
Total comprehensive income attributable to					
Equity holders of the Bank		7,069,132	5,415,610	4,802,907	5,367,890
Non-controlling interests		37,462	19,992	-	-
Earnings per share of Equity holders of the Bank					
Basic earnings per share (Baht)	36	7.46	6.05	5.90	6.22



(Mr. Banyong Pongpanich)
Chairman of the Executive Committee



(Mr. Aphinant Klewpatinond)
Chief Executive Officer

Kiatnakin Phatra Bank Public Company Limited and Subsidiaries

Statement of Changes in Equity

For the year ended 31 December 2021

Unit: Thousand Baht

Consolidated												
Attributable to owners of the parent												
Other components of equity												
Appropriated retained earnings												

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 2021

Unit: Thousand Baht

		Separate									
		Other components of equity					Appropriated retained earnings				
		Revaluation surplus (deficit) on investments	Revaluation surplus (deficit) on investment in debt instruments measured at fair value through other comprehensive income	Revaluation surplus (deficit) on investment in equity instruments designated at fair value through other comprehensive income	Deferred tax relating to components of other comprehensive income (expenses)	Legal reserve	Unappropriated retained earnings				
		Issued and paid-up share capital	Premium on share capital	Income	Income	Income	Others	Unappropriated retained earnings			
Notes											
Opening balances as at 1 January 2020		8,467,511	9,356,233	170,756	205,328	(75,217)	852,337	23,675,614	380	42,652,942	
Dividend paid		31	-	-	-	-	-	(2,328,522)	-	(2,328,522)	
Transfer to retained earnings		-	-	-	-	-	-	380	(380)	-	
Total comprehensive income (expense)		-	-	115,368	6,335	(24,340)	-	5,270,527	-	5,367,890	
Closing balances as at 31 December 2020		8,467,511	9,356,233	286,124	211,663	(99,557)	852,337	26,617,999	-	45,692,310	
Opening balance as at 1 January 2021		8,467,511	9,356,233	286,124	211,663	(99,557)	852,337	26,617,999	-	45,692,310	
Dividend paid		31	-	-	-	-	-	(2,540,211)	-	(2,540,211)	
Transfer to retained earnings		-	-	-	(4)	1	-	3	-	-	
Total comprehensive income (expense)		-	-	(302,505)	1,574	60,186	-	5,043,652	-	4,802,907	
Opening balance as at 1 January 2021		8,467,511	9,356,233	(16,381)	213,233	(39,370)	852,337	29,121,443	-	47,955,006	

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Chairman of the Executive Committee

(Mr. Aphinant Kiewpatinond)
Chief Executive Officer

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 2021

	Consolidated		Separate	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Cash flows from operating activities				
Profit from operating before income tax expenses	7,796,929	6,486,851	5,976,488	6,309,392
Adjustments to reconcile profit from operating before income tax expenses to cash received (paid) from operating activities				
Depreciation	482,479	602,523	402,413	442,233
Amortisation	210,273	195,536	175,678	165,703
Amortisation of premium (discount) on investments in securities	104,239	(186,891)	104,825	(185,567)
Expected credit loss	3,392,502	2,006,799	3,392,739	2,006,861
Unrealised (gain) loss on trading and foreign exchange transactions	3,106,213	(1,248,745)	2,306,904	(1,311,281)
(Gain) loss on financial instrument measured at fair value through profit an loss	(2,519,388)	1,018,584	(1,565,656)	1,139,610
Loss (reversal) on impairment on investments in subsidiaries	-	-	(78,235)	(725,836)
Loss on lease modifications	-	2,161	-	4,774
Loss on diminution in value of properties foreclosed	59,592	848,563	93,746	804,854
Loss (reversal) on impairment of other assets	(17,335)	5,214	(17,335)	5,214
Gain on transfer from investment to loan	-	(226)	-	(226)
Loss (gain) on disposal of investment in securities	(1,296,750)	2,018,030	-	-
Gain on disposal of equipment and intangible assets	(14,568)	(23,781)	(11,505)	(22,877)
Loss on write-off of equipment and intangible assets	52,793	29,206	52,092	29,197
Net interest income	(15,804,875)	(14,492,296)	(15,539,537)	(14,231,357)
Dividend income	(1,329,401)	(389,160)	(1,992,409)	(1,144,478)
Proceeds from interest income	18,720,250	18,207,662	18,538,669	17,982,279
Interest paid	(3,886,542)	(5,278,721)	(3,963,633)	(5,320,901)
Dividend received	1,329,604	405,564	941,089	93,159
Cash paid for corporate income tax	(1,171,251)	(1,148,575)	(729,943)	(775,238)
Increase in provision expenses	119,991	92,752	93,557	77,388
Increase in specific business tax payable	6,625	31,223	6,394	36,168
Increase (decrease) in accrued expenses	606,348	97,280	394,704	(127,373)
Profit from operating before changes in operating assets and liabilities	9,947,728	9,279,553	8,581,045	5,251,698
(Increase) decrease in operating assets				
Interbank and money market items	(22,457,164)	(20,762,362)	(29,872,254)	(17,527,015)
Financial assets measured at fair value through profit or loss	(7,240,579)	2,803,501	966,215	(92,715)
Loans and receivables	(50,067,680)	(35,735,460)	(47,989,989)	(36,080,403)
Properties foreclosed	6,132,290	4,283,750	6,403,887	4,298,937
Securities and derivative business receivables	(4,158,765)	(2,217,515)	-	-
Accounts receivable from clearing house and broker-dealers	354,768	2,722,671	-	-
Other assets	(2,730,953)	(901,325)	(2,527,808)	(932,173)

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 2021

	Consolidated		Separate	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Cash flows from operating activities (Cont'd)				
Increase (decrease) in operating liabilities				
Deposits	36,856,072	79,352,315	36,837,408	79,405,259
Interbank and money market items	6,400,459	(7,075,241)	6,437,503	(7,059,258)
Liabilities payable on demand	275,819	15,386	275,819	15,386
Accounts payable to clearing house and broker-dealers	1,072,977	(26,245)	-	-
Securities and derivative business payables	3,358,702	1,670,930	-	-
Other payables	2,273,674	776,284	2,216,128	795,703
Other liabilities	(160,035)	(209,238)	(175,508)	(201,641)
Net cash from operating activities	(20,142,687)	33,977,004	(18,847,554)	27,873,778
Cash flows from investing activities				
Cash paid for investment in debt designated at fair value through other comprehensive income	(5,382,178)	(18,767,995)	(5,381,112)	(18,767,994)
Proceeds from investment in debt designated at fair value through other comprehensive income	9,071,420	18,234,768	9,071,420	18,234,768
Cash paid for investment in equity designated at fair value through other comprehensive income	(1,659,627)	(1,800,136)	-	(200)
Proceeds from investment in equity designated at fair value through other comprehensive income	4,248,386	1,831,360	5	-
Cash paid for investment in debt at amortise cost	(264,203)	(6,259,721)	-	-
Proceeds from investment in debt at amortise cost	1,201,965	6,319,105	1,000,000	-
Cash paid for investment properties	(6)	(155)	-	-
Proceeds from reduction of the capital in subsidiaries	-	-	84,231	371,103
Dividend received from subsidiaries	-	-	1,051,320	1,051,319
Cash paid for investment in subsidiaries	-	-	(4)	-
Cash paid for building improvement and equipment	(627,649)	(741,547)	(218,422)	(158,455)
Proceeds from sales of equipment	63,902	37,565	12,534	22,887
Purchases of intangible assets	(337,123)	(182,530)	(298,996)	(149,279)
Net cash from investing activities	6,314,887	(1,329,286)	5,320,976	604,149
Cash flows from financing activities				
Proceeds from issuance of debentures	51,023,270	24,626,855	49,399,151	23,017,770
Cash paid for redemption of debentures	(35,565,898)	(51,809,127)	(34,710,236)	(48,605,549)
Proceeds from borrowings	-	-	1,300,000	-
Cash paid for redemption of financial liabilities designated at fair value through profit or loss	(6,371,946)	(2,601,796)	-	-
Proceeds from issuance of financial liabilities designated at fair value through profit or loss	7,174,790	-	-	-
Cash paid for lease liabilities	(110,817)	(133,014)	(170,666)	(180,000)
Dividend paid	(2,540,211)	(2,328,522)	(2,540,211)	(2,328,522)
Dividend paid to non-controlling interest	(533)	(533)	-	-
Decrease in share capital of non-controlling interest in subsidiaries	(29,416)	(20,613)	-	-
Net cash from financing activities	13,579,239	(32,266,750)	13,278,038	(28,096,301)
Net increase (decrease) in cash and cash equivalents	(248,561)	380,968	(248,540)	381,626
Cash and cash equivalents as at 1 January	1,490,626	1,109,658	1,490,407	1,108,781
Cash and cash equivalents as at 31 December	1,242,065	1,490,626	1,241,867	1,490,407

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 2021

Supplementary information for cash flows:

Non-cash transactions

Significant non-cash transactions for the years ended 31 December 2021 and 2020 are as follows;

	Consolidated		Separate	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Increase in account payables from land, premises and equipment purchased	53,414	4,828	53,414	4,797
Transfer of assets for loan settlement	7,236,662	4,483,943	7,169,540	3,993,355
Increase in lease liabilities	167,122	20,171	199,039	255,426
Increase in right-of-use assets	167,122	18,010	199,039	250,653
Increase (decrease) in fair value of investment in debt designated at fair value through other comprehensive income	(302,505)	115,368	(302,505)	115,368
Increase in fair value of investment in equity designated at fair value through other comprehensive income	121,828	85,557	1,570	6,334
Pay-in-kind properties foreclosed for reduction and distribution of the capital of the subsidiaries	-	-	418,230	29,512
Decrease in payables from trading securities	(232,609)	-	(232,609)	-
Decrease in receivables from trading securities	(108,907)	-	(103,683)	-
Transfer of land, premises and equipment to right-of-use assets	41,233	-	41,233	-

(Mr. Banyong Pongpanich)
Chairman of the Executive Committee

(Mr. Aphinant Klewpatinond)
Chief Executive Officer

Kiatnakin Phatra Bank Public Company Limited and Subsidiaries

Notes to the Consolidated and the Separate Financial Statements

For the year ended 31 December 2021

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 2021 and 2020, has 11 and 10 subsidiaries and funds (“subsidiaries”), respectively.

This consolidated and separate financial statements have been approved for issued by the Board of Directors on 24 February 2022.

2 Significant events during the current period

Throughout 2021, the COVID-19 local infections continued to persist with new waves occurring throughout the year. The Bank of Thailand has announced various measures aimed at providing financial support to customers still impacted by the prolong situation with recent measures aiming to create sustainability through targeted long-term debt restructuring. The Bank continues to focus on providing assistance to impacted customers by focusing on measures as appropriate for each customer segment and taking into account long-term restructuring plan to match with the deterioration in the current financial status of customers impacted by COVID-19 which has been the approach the Bank has employed throughout the situation. During 4Q21, the Bank has continued to receive additional requests for financial assistance but the increase in new requests has not been significant. The Bank will continue to assess the situation closely especially in terms of portfolio quality and will continue to prudently set up provisions to cushion against any possible deteriorations.

3 Accounting policies

The principal accounting policies applied in the preparation of these consolidated and separate financial statements are set out below.

3.1 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 (23) Wor 276/2563 directive dated on 28 February 2020, regarding to “The relief programs for customers affected by Thai economic situations.



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 6 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.

3.2 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 2021	31 December 2020
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⁾
KKP Dime Co., Ltd.	Financial service and Digital Asset Business	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%

3.3 New and amended financial reporting standards

Amended financial reporting standards that are effective for accounting period beginning or after 1 January 2022 and have significant impacts to the Group and the Bank.

The amended TFRSs have not been early adopted by the Group and the Bank.

- A) Interest rate benchmark (IBOR) reform - phase 2, amendments to TFRS 9, TFRS 7, TFRS 16 and TFRS 4, and accounting guidance for insurance business provide relief measures addressing issues that might affect financial reporting during the reform, including the effects of changes to contractual cash flows or hedging relationship arising from the replacement of one benchmark with an alternative benchmark.

Key relief measures of the phase 2 amendments are as follows:

- When changing the basis for determining contractual cash flows for financial assets and financial liabilities (including lease liabilities), changes that are necessary as a direct result of the IBOR reform and which are considered economically equivalent, will not result in an immediate gain or loss in the income statement. TFRS 16 has also been amended to require lessees to use a similar practical expedient when accounting for lease modifications that change the basis for determining future lease payments as a result of the IBOR reform.
- Hedge accounting relief measures will allow most TFRS 9 hedge relationships that are directly affected by the IBOR reform to continue. However, additional ineffectiveness might need to be recorded.

TFRS 7 requires additional disclosure about:

- the nature and extent of risks arising from the IBOR reform to which the entity is exposed to
- how the entity manages those risks
- the entity's progress in transitioning from the IBOR to alternative benchmark rates and how the entity is managing this transition.

The management is currently assessing the impact of initial adoption of this standard.

- B) Accounting guidance on temporary relief measure for entities assisting debtors affected by the COVID-19 pandemic

On 22 December 2021, TFAC has announced the accounting guidance on temporary relief measures for 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 For. Nor. Sor 2. Wor. 802/2564 to help debtors between 1 January 2022 and 31 December 2023 which has the similar content to this existing accounting guidance (BoT circular letter number TorPorTor ForNorSor (23) Wor 276/2563, regarding to "The relief programs for customers affected by Thai economic situations.") which the Bank currently applies.

3.4 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) Disposal of subsidiaries

When the Group ceases to have control it shall cease to consolidate its subsidiaries. Any retained interest in the entity is re-measured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities.

D) Business combination under common control

The Group accounts for business combination under common control by measuring acquired assets and liabilities of the acquiree in the proportion of interests under common control at the carrying values of the acquiree presented in the highest level of the consolidation prior to the business combination under common control at the acquisition date. The Group retrospectively adjusted the business combination under common control transactions as if the combination occurred from the beginning of period of which the financial statements in the previous period are comparatively presented in accordance with the guidance of business combination under common control as issued by the Federation of Accounting Professions.

Costs of business combination under common control are the aggregated amount of fair value of assets transferred, liabilities incurred and equity instruments issued by the acquirer at the date of which the exchange in control occurs. Other costs directly attribute to business combination under common control, such as professional fees of legal advisors and other advisors, registration fees, and costs relating to preparation of information for shareholders, are capitalised as an investment in the separate financial statements while immediately recognised as expenses in the consolidated financial statements in the period of which the business combination occurs.

The differences between costs of business combination under common control and the acquirer's interests in the carrying value of the acquiree is presented as "Surplus arising from business combination under common control" in equity and is derecognised when the investment is disposed by transfer to retained earnings.

E) 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.

F) 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 3.2

3.5 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.

3.6 Cash

Cash includes cash on hand according to the BOT's Notification.

3.7 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.

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 2020. 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. 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 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.

The Group applies staging guideline to debtors, who make debt restructuring contract as a result from being affected by the situation impacting the Thai economy, from BoT circular letter number TorPorTor ForNorSor (23) Wor 276/2563, regarding to "The relief programs for customers affected by Thai economic situations." with effective date from 1 January 2020 until 31 December 2021 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.

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.

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.

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.

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 letter number TorPorTor ForNorSor (23) Wor 276/2563, regarding to “The relief programs for customers affected by Thai economic situations.” with effective date from 1 January 2020 until 31 December 2021 by provisioning the expected credit losses only from outstanding loans which have been drawn down.

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.

3.8 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.

3.9 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.

3.10 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.

3.11 Land, premises and equipment

The Group states land at historical cost, while premises and equipment are stated at historical 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.

Depreciation is calculated on a straight-line basis to write off the cost of each asset, except for land, to its residual value over its estimated useful life 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.



3.12 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.

3.13 Intangible assets

3.13.1 Computer software

Acquired computer software licenses are capitalised when the Group uses the specific software. These costs are amortised over their estimated useful lives of not exceeding 10 years.

3.13.2 Deferred license fee

The subsidiaries amortise deferred license fee on a systematic basis over the useful economic useful life of 5 years.

3.14 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.

3.15 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.

3.16 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.

3.17 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.

3.18 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.



3.19 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 3.7

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.

3.20 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.

3.21 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.

3.22 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.



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 is recognised, using the liability method, on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

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.

3.23 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 and presents only the assets which belong to the subsidiary.

3.24 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.

3.25 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.

3.26 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.



3.27 Recognition of expenses

The Group recognises expenses on an accrual basis.

3.28 Earnings per share

The Group computes basic earnings per share by dividing the net profit for the period by the weighted-average number of issued and paid-up ordinary shares during the period. The diluted earnings per share are computed by dividing the net profit for the period 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).

3.29 Dividend distribution

Dividend distribution to the Group's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Group's shareholders.

3.30 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.

4 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 30 to the financial statements.

5 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;

5.1 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 derivatives trading and 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;

5.1.1 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.

5.1.2 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.

5.1.3 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 of 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 2021 and 2020, concentrations of credit risk relative to the loans and receivables summarised by type of industry are as follows;

	Consolidated		Separate	
	31 December 2021 Thousand Baht	31 December 2020 Thousand Baht	31 December 2021 Thousand Baht	31 December 2020 Thousand Baht
Agriculture and mining	484,337	674,033	484,337	674,033
Manufacturing and commerce	34,423,380	23,485,428	34,423,380	23,485,428
Real estate and constructions	31,454,056	37,485,119	33,825,591	39,824,344
Public utilities and services	24,108,269	21,608,735	24,108,269	21,608,735
Housing loans	33,098,198	23,314,771	33,098,198	23,314,771
Hire-purchase loans	156,061,626	129,507,903	156,061,626	129,507,903
Finance lease loans	462,925	359,109	462,925	359,109
Others	26,816,959	28,337,864	26,386,810	29,858,873
Total loans and receivables	306,909,750	264,772,962	308,851,136	268,633,196

5.1.4 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 utilisation 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 2021 are set out below. The scenarios "base", "upside" and "downside" were used for all portfolios.



		2021	2022	2023
GDP at current market prices (%YoY)	Base	1.7%	6.2%	5.5%
	Upside	3.2%	6.7%	5.8%
	Downside	-0.5%	5.1%	6.5%
Unemployment Rate	Base	2.50%	2.20%	1.80%
	Upside	1.80%	1.40%	1.30%
	Downside	3.10%	2.65%	2.27%
Inflation	Base	0.42%	0.50%	0.60%
	Upside	0.40%	0.50%	0.70%
	Downside	0.30%	0.43%	0.60%
Automotive sales (%YoY)	Base	-9.01%	13.03%	12.49%
	Upside	-0.95%	15.71%	14.10%
	Downside	-20.16%	10.26%	18.15%

The weightings assigned to each economic scenario at 31 December 2021 were as follows:

	Base	Upside	Downside
Retail	60%	15%	25%
Non-retail	60%	15%	25%

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 a semi-annually basis.

For the year ended 31 December 2021, 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.

5.1.5 Credit risk exposure

5.1.5.1 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 2021	31 December 2020
	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	3,580,389	5,392,064
Investments, net	14,834,250	19,341,380
	18,414,639	24,733,444
Credit risk exposure of		
off-statement of financial position items:		
Financial guarantees	2,439,578	2,630,369
Loan commitments	41,739,870	43,663,041
	44,179,448	46,293,410
Separate		
	31 December 2021	31 December 2020
	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	3,514,536	5,236,136
Investments, net	14,609,700	19,179,500
	18,124,236	24,415,636
Credit risk exposure of		
off-statement of financial position items:		
Financial guarantees	2,439,578	2,630,369
Loan commitments	42,446,086	45,437,566
	44,885,664	48,067,935

5.1.5.2 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 2021				
	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	3,158,799	1,588,825	1,569,974	-
Personal loan	93,764	70,907	22,857	-
Micro SME loan	1,341,070	808,998	532,072	1,132,164
Housing loan	490,608	171,396	319,212	448,667
Commercial lending				
Real estate development loan	3,202,068	1,127,266	2,074,802	4,479,393
SME loan	1,849,026	442,249	1,406,777	2,031,870
Special Asset Management Loan	1,357,763	152,921	1,204,841	2,817,609
Total credit-impaired assets	11,493,098	4,362,562	7,130,535	10,909,703

Consolidated				
31 December 2020				
	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	1,503,503	710,492	793,011	-
Personal loan	117,816	89,045	28,771	-
Micro SME loan	934,089	539,035	395,054	795,016
Housing loan	374,081	130,657	243,425	373,604
Commercial lending				
Real estate development loan	3,203,934	1,108,990	2,094,944	3,792,856
SME loan	1,660,922	364,389	1,296,533	1,589,676
Special Asset Management Loan	1,241,269	160,397	1,080,872	2,681,713
Total credit-impaired assets	9,035,614	3,103,005	5,932,610	9,232,865

Separate				
31 December 2021				
	Gross carrying amount	Expected credit losses	Net carrying amount	Fair value of collateral held
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Retail lending				
Auto hire purchase loan	3,158,799	1,588,825	1,569,974	-
Personal loan	93,764	70,907	22,857	-
Micro SME loan	1,341,070	808,998	532,072	1,132,164
Housing loan	490,608	171,396	319,212	448,667
Commercial lending				
Real estate development loan	3,202,068	1,127,266	2,074,802	4,479,393
SME loan	1,849,026	442,249	1,406,777	2,031,870
Special Asset Management Loan	804,930	146,629	658,301	952,746
Total credit-impaired assets	10,940,265	4,356,270	6,583,995	9,044,840

Separate				
31 December 2020				
	Gross carrying amount	Expected credit losses	Net carrying amount	Fair value of collateral held
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Retail lending				
Auto hire purchase loan	1,503,503	710,492	793,011	-
Personal loan	117,816	89,045	28,771	-
Micro SME loan	934,089	539,035	395,054	795,016
Housing loan	374,081	130,657	243,425	373,604
Commercial lending				
Real estate development loan	3,203,934	1,108,990	2,094,944	3,792,856
SME loan	1,660,922	364,389	1,296,533	1,589,676
Special Asset Management Loan	757,569	159,602	597,967	788,934
Total credit-impaired assets	8,551,914	3,102,210	5,449,705	7,340,086

Collateral for financial assets at fair value through profit or loss

	Consolidated		Separate	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Derivatives	1,047,699	1,398,011	1,047,699	1,398,011



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:

- the principal or interest both is past due more than 90 days or 3 months from the first day of default;
- 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
- the loans to customers are classified as rescheduled and restructured

Distribution of loans, advances and financing by credit quality

Consolidated					
31 December 2021					
	12-month ECL	Lifetime ECL not	Lifetime ECL	Purchased or originated credit-impaired financial assets	Total
	Thousand Baht	credit-impaired Thousand Baht	credit-impaired Thousand Baht	Thousand Baht	Thousand Baht
Neither past due nor impaired	271,708,256	4,019,531	-	-	275,727,787
Past due but not impaired	15,432,764	12,999,257	-	-	28,432,021
Impaired	-	-	10,637,842	855,256	11,493,098
Gross carrying amount	287,141,020	17,018,788	10,637,842	855,256	315,652,906
Less: Expected credit losses	(8,153,465)	(2,857,114)	(4,336,418)	(26,143)	(15,373,140)
Net carrying amount	278,987,555	14,161,674	6,301,424	829,113	300,279,766

Consolidated					
31 December 2020					
	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	234,911,698	3,454,846	-	-	238,366,544
Past due but not impaired	12,577,274	11,971,347	-	-	24,548,621
Impaired	-	-	8,255,609	780,005	9,035,614
Gross carrying amount	247,488,972	15,426,193	8,255,609	780,005	271,950,779
<u>Less:</u> Expected credit losses	(5,468,900)	(3,023,260)	(3,080,190)	(22,815)	(11,595,165)
Net carrying amount	242,020,072	12,402,933	5,175,419	757,190	260,355,614

Separate					
31 December 2021					
	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	274,076,240	4,019,531	-	-	278,095,771
Past due but not impaired	15,432,764	12,999,257	-	-	28,432,021
Impaired	-	-	10,637,842	302,423	10,940,265
Gross carrying amount	289,509,004	17,018,788	10,637,842	302,423	317,468,057
<u>Less:</u> Expected credit losses	(8,155,882)	(2,857,114)	(4,336,418)	(19,851)	(15,369,265)
Net carrying amount	281,353,122	14,161,674	6,301,424	282,572	302,098,792

Separate					
31 December 2020					
	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	239,194,642	3,454,846	-	-	242,649,488
Past due but not impaired	12,577,273	11,971,347	-	-	24,548,620
Impaired	-	-	8,255,609	296,305	8,551,914
Gross carrying amount	251,771,915	15,426,193	8,255,609	296,305	275,750,022
<u>Less:</u> Expected credit losses	(5,471,841)	(3,023,260)	(3,080,190)	(22,020)	(11,597,311)
Net carrying amount	246,300,074	12,402,933	5,175,419	274,285	264,152,711



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 2021				
	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	11,209,224	-	-	11,209,224
AAA	18,573,204	-	-	18,573,204
AA- to AA+	10,183,155	-	-	10,183,155
A- to A+	3,834,556	-	-	3,834,556
Lower than A-	10,471,300	-	-	10,471,300
Unrated	979,186	-	-	979,186
<u>Less: Expected credit losses</u>	(12,391)	-	-	(12,391)
	55,238,234	-	-	55,238,234
Financial assets measured at fair value through profit or loss				
Sovereigns	831,575	-	-	831,575
AAA	-	-	-	-
AA- to AA+	2,017,361	-	-	2,017,361
A- to A+	653,534	-	-	653,534
Lower than A-	23,226	-	-	23,226
Unrated	65,853	-	-	65,853
	3,591,549	-	-	3,591,549
Investment				
Sovereigns	13,623,993	-	-	13,623,993
AAA	19,714	-	-	19,714
AA- to AA+	35,103	-	-	35,103
A- to A+	140,544	-	-	140,544
Lower than A-	1,250,906	-	-	1,250,906
Unrated	25,714	-	-	25,714
	15,095,974	-	-	15,095,974
Derivative assets				
Sovereigns	153,377	-	-	153,377
AAA	2,440,399	-	-	2,440,399
AA- to AA+	902,895	-	-	902,895
A- to A+	444,229	-	-	444,229
Lower than A-	1,258,049	-	-	1,258,049
Unrated	2,225,470	-	-	2,225,470
	7,424,419	-	-	7,424,419

Consolidated				
31 December 2020				
	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	-	-	-	-
AAA	7,421,519	-	-	7,421,519
AA- to AA+	1,691,001	-	-	1,691,001
A- to A+	2,626,048	-	-	2,626,048
Lower than A-	20,350,990	-	-	20,350,990
Unrated	692,380	-	-	692,380
<u>Less: Expected credit losses</u>	(11,395)	-	-	(11,395)
	32,770,543	-	-	32,770,543
Financial assets measured at fair value through profit or loss				
Sovereigns	1,137,504	-	-	1,137,504
AAA	232,980	-	-	232,980
AA- to AA+	1,646,006	-	-	1,646,006
A- to A+	2,037,602	-	-	2,037,602
Lower than A-	126,481	-	-	126,481
Unrated	285,495	-	-	285,495
	5,466,068	-	-	5,466,068
Investment				
Sovereigns	19,521,489	-	-	19,521,489
AAA	30,087	-	-	30,087
AA- to AA+	128,279	-	-	128,279
A- to A+	237,593	-	-	237,593
Lower than A-	51,806	-	-	51,806
Unrated	179,338	-	-	179,338
	20,148,592	-	-	20,148,592
Derivative assets				
Sovereigns	1,672,748	-	-	1,672,748
AAA	69,417	-	-	69,417
AA- to AA+	215,671	-	-	215,671
A- to A+	3,156,453	-	-	3,156,453
Lower than A-	3,245,319	-	-	3,245,319
Unrated	1,891,243	-	-	1,891,243
	10,250,851	-	-	10,250,851



Separate

31 December 2021

	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	11,209,224	-	-	11,209,224
AAA	18,557,923	-	-	18,557,923
AA- to AA+	10,154,504	-	-	10,154,504
A- to A+	10,722,383	-	-	10,722,383
Lower than A-	9,129,763	-	-	9,129,763
Unrated	979,186	-	-	979,186
<u>Less:</u> Expected credit losses	(15,223)	-	-	(15,223)
	60,737,760	-	-	60,737,760
Financial assets measured at fair value through profit or loss				
Sovereigns	831,575	-	-	831,575
AAA	-	-	-	-
AA- to AA+	2,017,361	-	-	2,017,361
A- to A+	653,534	-	-	653,534
Lower than A-	23,226	-	-	23,226
Unrated	-	-	-	-
	3,525,696	-	-	3,525,696
Investment				
Sovereigns	13,399,428	-	-	13,399,428
AAA	19,714	-	-	19,714
AA- to AA+	35,103	-	-	35,103
A- to A+	140,544	-	-	140,544
Lower than A-	1,250,906	-	-	1,250,906
Unrated	25,714	-	-	25,714
	14,871,409	-	-	14,871,409
Derivative assets				
Sovereigns	153,377	-	-	153,377
AAA	2,440,399	-	-	2,440,399
AA- to AA+	902,895	-	-	902,895
A- to A+	453,030	-	-	453,030
Lower than A-	1,258,049	-	-	1,258,049
Unrated	2,225,470	-	-	2,225,470
	7,433,220	-	-	7,433,220

	Separate			
	31 December 2020			
	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	-	-	-	-
AAA	7,402,939	-	-	7,402,939
AA- to AA+	1,636,541	-	-	1,636,541
A- to A+	2,183,151	-	-	2,183,151
Lower than A-	18,954,170	-	-	18,954,170
Unrated	692,380	-	-	692,380
<u>Less: Expected credit losses</u>	<u>(11,395)</u>	<u>-</u>	<u>-</u>	<u>(11,395)</u>
	30,857,786	-	-	30,857,786
Financial assets measured at fair value through profit or loss				
Sovereigns	1,137,504	-	-	1,137,504
AAA	232,980	-	-	232,980
AA- to AA+	1,646,006	-	-	1,646,006
A- to A+	2,037,602	-	-	2,037,602
Lower than A-	126,481	-	-	126,481
Unrated	129,566	-	-	129,566
	5,310,139	-	-	5,310,139
Investment				
Sovereigns	19,359,738	-	-	19,359,738
AAA	30,087	-	-	30,087
AA- to AA+	128,279	-	-	128,279
A- to A+	237,593	-	-	237,593
Lower than A-	51,806	-	-	51,806
Unrated	179,338	-	-	179,338
	19,986,841	-	-	19,986,841
Derivative assets				
Sovereigns	1,672,748	-	-	1,672,748
AAA	69,417	-	-	69,417
AA- to AA+	215,671	-	-	215,671
A- to A+	3,156,718	-	-	3,156,718
Lower than A-	3,245,319	-	-	3,245,319
Unrated	1,891,243	-	-	1,891,243
	10,251,116	-	-	10,251,116



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 2021				
	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	979,499	-	-	979,499
Securities and derivative business receivables	10,996,362	-	-	10,996,362
Other assets	2,520,526	41,716	55,672	2,617,914
<u>Less:</u> Expected credit losses	(1,554)	(5,390)	(44,131)	(51,075)
	14,494,833	36,326	11,541	14,542,700

Consolidated				
31 December 2020				
	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	1,334,267	-	-	1,334,267
Securities and derivative business receivables	6,837,597	-	-	6,837,597
Other assets	2,126,967	37,705	26,607	2,191,279
<u>Less:</u> Expected credit losses	(1,156)	(4,435)	(18,922)	(24,513)
	10,297,675	33,270	7,685	10,338,630

Separate				
31 December 2021				
	12-month ECL Thousand Baht	Lifetime ECL not credit-impaired Thousand Baht	Lifetime ECL credit-impaired Thousand Baht	Total Thousand Baht
Other assets	2,577,456	41,716	55,672	2,674,844
<u>Less:</u> Expected credit losses	(1,554)	(5,390)	(44,131)	(51,075)
	2,575,902	36,326	11,541	2,623,769

Separate				
31 December 2020				
	12-month ECL Thousand Baht	Lifetime ECL not credit-impaired Thousand Baht	Lifetime ECL credit-impaired Thousand Baht	Total Thousand Baht
Other assets	2,148,485	37,705	26,607	2,212,797
<u>Less:</u> Expected credit losses	(1,156)	(4,435)	(18,922)	(24,513)
	2,147,329	33,270	7,685	2,188,284

Loan commitments and financial guarantees below represent the ECL being recognised.

	Consolidated			
	31 December 2021			
	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	113,417	1,042	-	114,459

	Consolidated			
	31 December 2020			
	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	126,327	3,139	-	129,466

	Separate			
	31 December 2021			
	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	113,905	1,042	-	114,947

	Separate			
	31 December 2020			
	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	127,523	3,139	-	130,662

5.2 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 utilised 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, futures contract in TFEX, and equity derivatives. The key market risk factors consist of equity prices, liquidity 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.

5.2.1 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 2021 and 2020, the loan information classified by fixed and floating rates is summarised as follows;

	Consolidated		Separate	
	31 December 2021 Thousand Baht	31 December 2020 Thousand Baht	31 December 2021 Thousand Baht	31 December 2020 Thousand Baht
Loans and receivables with fixed interest rate	241,062,764	208,575,451	241,062,764	209,525,451
Loans and receivables with floating interest rate	65,846,986	56,197,511	67,788,372	59,107,745
Total loans and receivables	306,909,750	264,772,962	308,851,136	268,633,196

The Group has summarised financial assets and liabilities classified on maturity of interest re-pricing years as at 31 December 2021 and 2020 as follows;

Consolidated							
31 December 2021							
	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	40,887,913	10,002,621	-	-	-	4,348,051	55,238,585
Financial assets measured at fair value through profit or loss	1,499,705	-	1,176,738	915,106	-	18,773,275	22,364,824
Derivatives assets	1,085,354	616,311	-	-	-	5,779,844	7,481,509
Investments in securities, net	107,162	2,182,996	9,517,634	3,288,182	-	1,744,239	16,840,213
Loans	104,030,123	48,815,052	129,833,761	12,193,110	2,605,209	9,432,495	306,909,750
Account receivables from clearing house and broker - dealers	-	-	-	-	-	979,499	979,499
Securities and derivative business receivables	-	-	-	-	-	10,996,362	10,996,362
Financial liabilities							
Deposits	198,773,779	73,136,150	15,747,951	-	-	724,066	288,381,946
Interbank and money market items	11,157,467	1,953,684	2,764,108	-	-	789,070	16,664,329
Liabilities payables on demand	-	-	-	-	-	668,531	668,531
Financial liabilities designated at fair value through profit or loss	-	1,699,750	-	-	-	-	1,699,750
Derivatives liabilities	2,502,970	549,834	-	-	-	5,983,522	9,036,326
Debt issued and borrowings	16,095,817	14,317,090	5,000,000	8,392,000	-	-	43,804,907
Lease liabilities	1,568	10,254	152,283	75,897	-	-	240,002
Payable to clearing house house and broker - dealers	-	-	-	-	-	1,661,003	1,661,003
Securities and derivative business payables	-	-	-	-	-	8,898,093	8,898,093



Consolidated

31 December 2020

	0 - 3 months	Over 3 - 12 months	Over 1 - 5 years	Over 5 years	Non-performing loans	Non-interest bearing	Total
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Financial assets							
Interbank and money market items	22,335,575	6,193,096	-	-	-	4,252,750	32,781,421
Financial assets measured at fair value through profit or loss	2,408,870	228,522	2,279,662	549,014	-	5,823,530	11,289,598
Derivatives assets	1,667,762	2,201,310	-	-	-	6,407,009	10,276,081
Investments in securities, net	183,252	3,172,598	12,237,933	4,798,654	-	2,920,505	23,312,942
Loans	107,249,994	30,830,537	106,316,118	10,118,904	2,557,114	7,700,295	264,772,962
Account receivables from clearing house and broker - dealers	-	-	-	-	-	1,334,267	1,334,267
Securities and derivative business receivables	-	-	-	-	-	6,837,597	6,837,597
Financial liabilities							
Deposits	159,932,270	79,893,337	11,073,823	-	-	626,444	251,525,874
Interbank and money market items	5,609,390	2,503,632	1,067,226	-	-	1,083,622	10,263,870
Liabilities payables on demand	-	-	-	-	-	392,712	392,712
Financial liabilities designated at fair value through profit or loss	-	896,906	-	-	-	-	896,906
Derivatives liabilities	1,919,711	1,423,314	32,783	-	-	5,348,877	8,724,685
Debt issued and borrowings	5,944,300	14,009,200	-	8,390,000	-	-	28,343,500
Lease liabilities	1,392	47,518	57,600	77,187	-	-	183,697
Payable to clearing house house and broker - dealers	-	-	-	-	-	588,026	588,026
Securities and derivative business payables	-	-	-	-	-	5,539,391	5,539,391

Separate

31 December 2021

	0 - 3 months	Over 3 - 12 months	Over 1 - 5 years	Over 5 years	Non-performing loans	Non-interest bearing	Total
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Financial assets							
Interbank and money market items	47,075,371	10,002,621	-	-	-	3,662,982	60,740,974
Financial assets measured at fair value through profit or loss	1,499,705	-	1,110,885	915,106	-	3,843,590	7,369,286
Derivatives assets	1,085,354	616,311	-	-	-	5,731,555	7,433,220
Investments in securities, net	57,179	2,008,414	9,517,634	3,288,182	-	245,176	15,116,585
Loans	104,030,123	51,186,587	129,833,761	12,193,110	2,175,060	9,432,495	308,851,136
Financial liabilities							
Deposits	199,295,803	73,136,150	15,747,951	-	-	724,066	288,903,970
Interbank and money market items	11,260,906	1,853,684	2,764,108	-	-	789,070	16,667,768
Liabilities payables on demand	-	-	-	-	-	668,531	668,531
Derivatives liabilities	1,663,936	549,834	-	-	-	5,949,427	8,163,197
Debt issued and borrowings	17,395,817	12,963,016	5,000,000	8,392,000	-	-	43,750,833
Lease liabilities	1,568	10,040	152,052	684,919	-	-	848,579

Separate

31 December 2020

	0 - 3 months	Over 3 - 12 months	Over 1 - 5 years	Over 5 years	Non-performing loans	Non-interest bearing	Total
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Financial assets							
Interbank and money market items	21,706,892	6,193,096	-	-	-	2,968,732	30,868,720
Financial assets measured at fair value through profit or loss	2,408,870	228,522	2,123,734	549,014	-	1,442,498	6,752,638
Derivatives assets	1,667,762	2,201,310	-	-	-	6,382,044	10,251,116
Investments in securities, net	156,263	3,030,150	12,001,774	4,798,654	-	236,292	20,223,133
Loans	107,249,994	35,119,762	106,316,118	10,118,904	2,128,123	7,700,295	268,633,196
Financial liabilities							
Deposits	160,472,958	79,893,337	11,073,823	-	-	626,444	252,066,562
Interbank and money market items	6,575,785	1,503,632	1,067,226	-	-	1,083,622	10,230,265
Liabilities payables on demand	-	-	-	-	-	392,712	392,712
Derivatives liabilities	1,919,711	1,423,314	32,783	-	-	5,298,381	8,674,189
Debt issued and borrowings	5,944,300	13,423,581	-	8,390,000	-	-	27,757,881
Lease liabilities	1,392	45,203	56,760	716,851	-	-	820,206



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 2021			
	Average outstanding balances Thousand Baht	Interest Thousand Baht	Average rate %
Significant performing financial assets			
Interbank and money market items, net	39,848,174	289,379	0.73
Investments in securities	39,960,347	374,356	0.94
Loans	282,810,375	18,816,961	6.65
	362,618,896	19,480,696	5.37
Significant financial liabilities			
Deposits	259,749,551	2,476,702	0.95
Interbank and money market items, net	17,345,891	103,078	0.59
Debt issued and borrowings	37,720,560	508,044	1.35
	314,816,002	3,087,824	0.98

Consolidated			
For the year ended 31 December 2020			
	Average outstanding balances Thousand Baht	Interest Thousand Baht	Average rate %
Significant performing financial assets			
Interbank and money market items, net	41,907,603	324,280	0.77
Investments in securities	34,822,851	477,783	1.37
Loans	252,418,150	18,767,026	7.43
	329,148,604	19,569,089	5.95
Significant financial liabilities			
Deposits	233,727,762	3,184,969	1.36
Interbank and money market items, net	14,087,653	133,415	0.95
Debt issued and borrowings	39,886,097	911,967	2.29
	287,701,512	4,230,351	1.47

Separate

For the year ended 31 December 2021

	Average outstanding balances Thousand Baht	Interest Thousand Baht	Average rate %
Significant performing financial assets			
Interbank and money market items, net	41,116,215	305,247	0.74
Investments in securities	26,328,883	345,252	1.31
Loans	285,657,748	18,645,765	6.53
	353,102,846	19,296,264	5.46
Significant financial liabilities			
Deposits	260,335,247	2,476,940	0.95
Interbank and money market items, net	17,168,277	99,499	0.58
Debt issued and borrowings	36,539,980	502,458	1.38
	314,043,504	3,078,897	0.98

Separate

For the year ended 31 December 2020

	Average outstanding balances Thousand Baht	Interest Thousand Baht	Average rate %
Significant performing financial assets			
Interbank and money market items, net	38,363,925	307,466	0.80
Investments in securities	27,983,393	433,499	1.55
Loans	255,297,561	18,613,898	7.29
	321,644,879	19,354,863	6.02
Significant financial liabilities			
Deposits	234,269,841	3,185,279	1.36
Interbank and money market items, net	14,626,971	136,858	0.94
Debt issued and borrowings	38,532,138	897,800	2.33
	287,428,950	4,219,937	1.47



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 2021		31 December 2020	
	+ 1 basis point	- 1 basis point	+ 1 basis point	- 1 basis point
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Impact on profit after taxation	25,070	(25,070)	19,082	(19,082)
Impact on equity	20,000	(20,000)	12,023	(12,023)

	Separate			
	31 December 2021		31 December 2020	
	+ 1 basis point	- 1 basis point	+ 1 basis point	- 1 basis point
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Impact on profit after taxation	25,070	(25,070)	19,177	(19,177)
Impact on equity	20,000	(20,000)	12,118	(12,118)

5.2.2 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 2021 and 2020 are summarised as follows;

Consolidated							
31 December 2021							
	US Dollar Thousand Baht	Hong Kong Dollar Thousand Baht	Yen Thousand Baht	Yuan Thousand Baht	Vietnamese Dong Thousand Baht	Others Thousand Baht	Total Thousand Baht
Financial assets							
Interbank and money market items, net	3,878,431	3,014	25,134	13,352	6	185,783	4,105,720
Financial assets measured at fair value							
through profit or loss	5,922	-	-	-	143,501	-	149,423
Investments in securities, net	-	-	-	-	356,282	341,083	697,365
Loans to customers and accrued interest receivables	9,314,554	-	-	-	-	-	9,314,554
Account receivables from clearing house and broker-dealers	185,470	8,769	-	34	-	7	194,280
Securities and derivative business							
Receivables	523,596	1,736	-	-	-	-	525,332
Total financial assets	13,907,973	13,519	25,134	13,386	499,789	526,873	14,986,674
Financial liabilities							
Deposits	683,573	515	-	-	-	4,510	688,598
Interbank and money market items, net	3,676,525	-	-	-	-	-	3,676,525
Financial liabilities measured at fair value through profit or loss	6,009	-	-	-	-	-	6,009
Debt issued and borrowings	-	-	-	-	-	15,006,341	15,006,341
Lease liabilities	-	-	-	-	-	-	-
Account payable to clearing house and broker-dealers	508,742	1,271	-	-	-	-	510,013
Securities and derivative business							
Payables	452,399	465	-	-	-	-	452,864
Total financial liabilities	5,327,248	2,251	-	-	-	15,010,851	20,340,350
Foreign currency position of items recognised on the statements of financial position-net	8,580,725	11,268	25,134	13,386	499,789	(14,483,978)	(5,353,676)
Items not recognised off the statements of financial position-net							
(Forward exchange contracts and cross currency swaps)	(10,130,305)	6,091	(26,068)	(12,363)	-	14,917,105	4,754,460



Consolidated							
31 December 2020							
	US Dollar Thousand Baht	Hong Kong Dollar Thousand Baht	Yen Thousand Baht	Yuan Thousand Baht	Vietnamese Dong Thousand Baht	Others Thousand Baht	Total Thousand Baht
Financial assets							
Interbank and money market items, net	2,268,254	4,583	5,297	936	414,412	19,047	2,712,529
Financial assets measured at fair value							
through profit or loss	194	-	-	-	-	-	194
Investments in securities, net	-	-	-	-	1,083,366	882,473	1,965,839
Loans to customers and accrued							
interest receivables	5,940,760	-	-	-	-	-	5,940,760
Account receivables from clearing house							
and broker-dealers	99,501	7,958	-	-	-	6	107,465
Securities and derivative business							
Receivables	331,154	7,132	-	-	-	-	338,286
Total financial assets	8,639,863	19,673	5,297	936	1,497,778	901,526	11,065,073
Financial liabilities							
Deposits	172,974	-	-	-	-	-	172,974
Interbank and money market items, net	3,007,036	-	-	-	-	-	3,007,036
Financial liabilities measured at fair							
value through profit or loss	12,710	-	-	-	-	-	12,710
Debt issued and borrowings	-	-	-	-	-	1,032,538	1,032,538
Lease liabilities	-	-	-	-	-	-	-
Account payable to clearing house							
and broker-dealers	312,926	6,675	-	-	-	-	319,601
Securities and derivative business							
Payables	37,859	457	-	-	-	-	38,316
Total financial liabilities	3,543,505	7,132	-	-	-	1,032,538	4,583,175
Foreign currency position of							
items recognised on the statements							
of financial position-net	5,096,358	12,541	5,297	936	1,497,778	(131,012)	6,481,898
Items not recognised off the							
statements of financial position-net							
(Forward exchange contracts							
and cross currency swaps)	(5,549,828)	800	(3,690)	-	-	1,047,892	(4,504,826)

Separate					
31 December 2021					
	US Dollar Thousand Baht	Yen Thousand Baht	Yuan Thousand Baht	Others Thousand Baht	Total Thousand Baht
Financial assets					
Interbank and money market items, net	3,850,349	25,134	13,352	187,759	4,076,594
Investments in securities, net	-	-	-	-	-
Loans to customers and accrued interest receivables	9,314,554	-	-	-	9,314,554
Total financial assets	13,164,903	25,134	13,352	187,759	13,391,148
Financial liabilities					
Deposits	683,573	-	-	5,025	688,598
Interbank and money market items, net	3,676,525	-	-	-	3,676,525
Debt issued and borrowings	-	-	-	15,006,341	15,006,341
Lease liabilities	-	-	-	-	-
Total financial liabilities	4,360,098	-	-	15,011,366	19,371,464
Foreign currency position of					
items recognised on the statements of					
financial position, net	8,804,805	25,134	13,352	(14,823,607)	(5,980,316)
Items not recognised off the statements of					
financial position, net					
(Forward exchange contracts and cross currency swaps)	(10,130,305)	(26,068)	(12,363)	14,923,196	4,754,460

Separate					
31 December 2020					
	US Dollar Thousand Baht	Yen Thousand Baht	Yuan Thousand Baht	Others Thousand Baht	Total Thousand Baht
Financial assets					
Interbank and money market items, net	2,226,074	5,297	936	21,806	2,254,113
Investments in securities, net	-	-	-	-	-
Loans to customers and accrued interest receivables	5,940,760	-	-	-	5,940,760
Total financial assets	8,166,834	5,297	936	21,806	8,194,873
Financial liabilities					
Deposits	172,974	-	-	-	172,974
Interbank and money market items, net	3,007,036	-	-	-	3,007,036
Debt issued and borrowings	-	-	-	1,032,538	1,032,538
Lease liabilities	-	-	-	-	-
Total financial liabilities	3,180,010	-	-	1,032,538	4,212,548
Foreign currency position of					
items recognised on the statements of					
financial position, net	4,986,824	5,297	936	(1,010,732)	3,982,325
Items not recognised off the statements of					
financial position, net					
(Forward exchange contracts and cross currency swaps)	(5,549,828)	(3,690)	-	1,048,692	(4,504,826)



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 2021 Thousand Baht	31 December 2020 Thousand Baht
+ 1%		
US Dollar	(42,896)	50,918
Hong Kong Dollar	295	-
Yen	(255)	(1)
Yuan	(88)	-
Dong	4,998	14,978
Others	154,362	8,828
	<u>116,416</u>	<u>74,723</u>
- 1%		
US Dollar	42,896	(50,918)
Hong Kong Dollar	(295)	-
Yen	255	1
Yuan	88	-
Dong	(4,998)	(14,978)
Others	(154,362)	(8,828)
	<u>(116,416)</u>	<u>(74,723)</u>
	Separate	
	31 December 2021 Thousand Baht	31 December 2020 Thousand Baht
+ 1%		
US Dollar	(36,732)	59,428
Hong Kong Dollar	207	-
Yen	(255)	(1)
Yuan	(88)	-
Dong	-	-
Others	150,941	3
	<u>114,073</u>	<u>59,430</u>
- 1%		
US Dollar	36,732	(59,428)
Hong Kong Dollar	(207)	-
Yen	255	1
Yuan	88	-
Dong	-	-
Others	(150,941)	(3)
	<u>(114,073)</u>	<u>(59,430)</u>

5.2.3 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 summarises 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 2021		31 December 2020	
	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	3,257	(199)	42	298
Impact on equity	9,391	(6,333)	19,063	(18,723)

5.3 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 analysed 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 2021						
On demand	Within 1 year	Over 1 - 5 years	Over 5 years	No maturity	Total	
Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Financial assets						
Cash	-	-	-	-	1,242,065	1,242,065
Interbank and money market items	7,094,789	-	48,168,563	-	5,835	55,269,187
Financial assets measured at fair value through profit or loss	-	22,298,971	65,853	-	-	22,364,824
Derivatives assets	-	6,416,657	625,812	439,040	-	7,481,509
Investments in securities, net	-	2,290,158	9,517,634	3,288,183	1,744,238	16,840,213
Hire-purchase receivables	24,166	2,449,855	79,717,742	73,869,863	-	156,061,626
Finance lease receivables	67,167	65,921	329,837	-	-	462,925
Loans and receivables	11,830,268	21,564,309	49,450,845	67,109,628	430,149	150,385,199
Accounts receivable from clearing house and broker - dealers	-	979,499	-	-	-	979,499
Securities and derivative business receivables	-	10,996,362	-	-	-	10,996,362
Total financial assets	19,016,390	67,061,732	187,876,286	144,706,714	3,422,287	422,083,409
Financial liabilities						
Deposits	170,317,727	102,316,268	15,747,951	-	-	288,381,946
Interbank and money market items	2,691,907	7,980,020	3,283,134	2,709,268	-	16,664,329
Liabilities payable on demand	668,531	-	-	-	-	668,531
Financial liabilities designated at fair value through profit or loss	-	1,699,750	-	-	-	1,699,750
Derivatives liabilities	-	8,008,539	631,498	396,289	-	9,036,326
Debt issued and borrowings	-	30,412,907	5,000,000	8,392,000	-	43,804,907
Lease liabilities	-	11,822	152,283	75,897	-	240,002
Accounts payable to clearing house and broker - dealers	-	1,661,003	-	-	-	1,661,003
Securities and derivative business payables	-	8,898,093	-	-	-	8,898,093
Total financial liabilities	173,678,165	160,988,402	24,814,866	11,573,454	-	371,054,887



Consolidated						
31 December 2020						
	On demand	Within 1 year	Over 1 - 5 years	Over 5 years	No maturity	Total
	Thousand	Thousand	Thousand	Thousand	Thousand	Thousand
	Baht	Baht	Baht	Baht	Baht	Baht
Financial assets						
Cash	-	-	-	-	1,490,626	1,490,626
Interbank and money market items	6,475,655	-	26,310,598	-	5,835	32,792,088
Financial assets measured at fair value through profit or loss	-	11,133,670	155,928	-	-	11,289,598
Derivatives assets	-	6,457,822	3,332,615	485,644	-	10,276,081
Investments in securities, net	-	3,355,850	12,001,774	4,798,654	3,156,664	23,312,942
Hire-purchase receivables	23,321	2,165,099	78,904,483	48,415,001	-	129,507,904
Finance lease receivables	45,709	55,951	257,449	-	-	359,109
Loans and receivables	2,832,444	19,618,220	56,725,875	55,300,419	428,991	134,905,949
Accounts receivable from clearing house and broker - dealers	-	1,334,267	-	-	-	1,334,267
Securities and derivative business receivables	-	6,837,597	-	-	-	6,837,597
Total financial assets	9,377,129	50,958,476	177,688,722	108,999,718	5,082,116	352,106,161
Financial liabilities						
Deposits	132,032,579	108,419,472	11,073,823	-	-	251,525,874
Interbank and money market items	4,363,880	4,398,135	1,501,855	-	-	10,263,870
Liabilities payable on demand	392,712	-	-	-	-	392,712
Financial liabilities designated at fair value through profit or loss	-	896,906	-	-	-	896,906
Derivatives liabilities	-	5,777,245	2,431,598	515,842	-	8,724,685
Debt issued and borrowings	-	19,953,500	-	8,390,000	-	28,343,500
Lease liabilities	-	48,910	57,600	77,187	-	183,697
Accounts payable to clearing house and broker - dealers	-	588,026	-	-	-	588,026
Securities and derivative business payables	-	5,539,391	-	-	-	5,539,391
Total financial liabilities	136,789,171	145,621,585	15,064,876	8,983,029	-	306,458,661

Separate						
31 December 2021						
On demand	Within 1 year	Over 1 - 5 years	Over 5 years	No maturity	Total	
Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Financial assets						
Cash	-	-	-	-	1,241,867	1,241,867
Interbank and money market items	12,602,983	-	48,168,563	-	-	60,771,546
Financial assets measured at fair value through profit or loss	-	7,369,286	-	-	-	7,369,286
Derivatives assets	-	6,368,368	625,812	439,040	-	7,433,220
Investments in securities, net	-	2,065,593	9,517,634	3,288,183	245,175	15,116,585
Hire-purchase receivables	24,166	2,449,855	79,717,742	73,869,863	-	156,061,626
Finance lease receivables	67,167	65,921	329,837	-	-	462,925
Loans and receivables	11,830,268	23,935,844	49,450,845	67,109,628	-	152,326,585
Total financial assets	24,524,584	42,254,867	187,810,433	144,706,714	1,487,042	400,783,640
Financial liabilities						
Deposits	170,839,751	102,316,268	15,747,951	-	-	288,903,970
Interbank and money market items	2,733,481	7,941,885	3,283,134	2,709,268	-	16,667,768
Liabilities payable on demand	668,531	-	-	-	-	668,531
Derivatives liabilities	-	7,135,410	631,498	396,289	-	8,163,197
Debt issued and borrowings	-	30,358,833	5,000,000	8,392,000	-	43,750,833
Lease liabilities	-	11,609	152,052	684,918	-	848,579
Total financial liabilities	174,241,763	147,764,005	24,814,635	12,182,475	-	359,002,878



Separate						
31 December 2020						
On demand	Within 1 year	Over 1 - 5 years	Over 5 years	No maturity	Total	
Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	
Financial assets						
Cash	-	-	-	-	1,490,407	1,490,407
Interbank and money market items	4,568,733	-	26,310,598	-	-	30,879,331
Financial assets measured at fair						
value through profit or loss	-	6,752,638	-	-	-	6,752,638
Derivatives assets	-	6,432,858	3,332,615	485,643	-	10,251,116
Investments in securities, net	-	3,186,413	12,001,774	4,798,654	236,292	20,223,133
Hire-purchase receivables	23,321	2,165,099	78,904,483	48,415,001	-	129,507,904
Finance lease receivables	45,709	55,951	257,449	-	-	359,109
Loans and receivables	2,832,444	23,907,445	56,725,875	55,300,419	-	138,766,183
Total financial assets	7,470,207	42,500,404	177,532,794	108,999,717	1,726,699	338,229,821
Financial liabilities						
Deposits	132,573,267	108,419,472	11,073,823	-	-	252,066,562
Interbank and money market items	5,268,410	3,460,000	1,501,855	-	-	10,230,265
Liabilities payable on demand	392,712	-	-	-	-	392,712
Derivatives liabilities	-	5,726,749	2,431,598	515,842	-	8,674,189
Debt issued and borrowings	-	19,367,881	-	8,390,000	-	27,757,881
Lease liabilities	-	46,595	56,760	716,851	-	820,206
Total financial liabilities	138,234,389	137,020,697	15,064,036	9,622,693	-	299,941,815

5.4 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.

6 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;

6.1 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.



6.2 Valuation of investments in properties

Fair value of investments in properties is calculated from the appraisal value, appraised by an internal appraiser. The fair value of investment properties is based on Market Approach by surveying the comparative market data in the vicinity to perform a comparative analysis by means of data modification (Grid-Adjustment).

6.3 Valuation of properties foreclosed

Fair value of properties foreclosed-immovable assets is calculated from the appraisal value, appraised by an external independent valuer or internal valuer of the Bank every year, less estimated selling expenses, and the appraisal value is discounted according to the holding period.

The Bank calculates allowance for impairment of repossessed vehicles and movable foreclosed assets in accordance with the BOT's Notification.

6.4 Goodwill

Goodwill is tested for impairment using a fair value method of present value of dividend discount model on an annual basis.

6.5 Fair value of financial derivative instruments

In determining the fair value of financial derivative instruments, the management has made judgement by using a variant of acceptable valuation techniques. The input parameter to the models used is taken from observable market, and includes consideration of maturity, interest rate, correlation and volatility, etc. The counterparty risk from derivative transactions is taken into account when reporting the fair value of derivative positions.

6.6 Provision for post-retirement benefits and pension fund

The present value of the retirement benefit obligations depends on a number of assumptions. The Key assumptions used and impacts from possible changes in key assumptions are disclosed in note 26.

6.7 Lease contracts

Determination of lease terms

Critical judgement in determining the lease term, the Group considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

For leases of properties, the most relevant factors are historical lease durations, the costs and conditions of leased assets.

Most extension options on offices have not been included in the lease liability, because the Group considers i) the underlying asset condition and/or ii) insignificant cost to replace the leased assets.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstance affecting this assessment occur, and that it is within the control of the Group.

Determination of discount rate applied to leases

The Group determines the incremental borrowing rate as follows:

- Where possible, use recent third-party financing received by the individual lessee as a starting point, adjusting to reflect changes in its financing conditions.
- Make adjustments specific to the lease, e.g. term etc.

7 Interbank and money market items, net (assets)

	Consolidated		Separate	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Domestic				
The Bank of Thailand and FIDF	12,957,619	7,858,385	12,957,619	7,858,385
Commercial Banks	24,108,305	14,298,607	22,739,485	12,841,002
Special purpose financial institutions	11,951,254	6,000,891	11,951,254	6,000,891
Other financial institutions	2,140,000	2,100,000	9,040,000	2,100,000
Total	51,157,178	30,257,883	56,688,358	28,800,278
<u>Add</u> Accrued interest receivables and undue interest receivable	19,978	6,156	19,947	6,100
<u>Less</u> Expected credit losses	(2,849)	(2,676)	(5,681)	(2,676)
Total domestic items	51,174,307	30,261,363	56,702,624	28,803,702
Foreign				
US Dollar	3,867,471	2,080,199	3,839,725	2,041,340
Euro	71,616	9,351	70,577	7,541
Other currencies	142,320	433,988	142,314	19,561
Total	4,081,407	2,523,538	4,052,616	2,068,442
<u>Add</u> Accrued interest receivables and undue interest receivable	(7,938)	(5,639)	(7,938)	(5,639)
<u>Less</u> Expected credit losses	(9,542)	(8,719)	(9,542)	(8,719)
Total foreign items	4,063,927	2,509,180	4,035,136	2,054,084
Total	55,238,234	32,770,543	60,737,760	30,857,786

8 Derivatives

8.1 Derivatives for trading

Derivatives for trading as at 31 December 2021 and 2020 are as follows;



Type of risk	Consolidated					
	31 December 2021			31 December 2020		
	Fair value		Notional amount	Fair value		Notional amount
	Assets	Liabilities		Assets	Liabilities	
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Exchange rate	6,532,680	6,789,828	528,318,831	7,229,581	6,634,325	454,967,398
Interest rate	872,560	813,925	185,662,052	1,858,516	2,000,103	212,668,094
Equity price	76,269	1,432,573	9,931,632	1,187,892	90,141	9,246,034
Debt securities	-	-	503,166	-	-	450,556
Others	-	-	-	92	116	28,484
Total	7,481,509	9,036,326	724,415,681	10,276,081	8,724,685	677,360,566

Type of risk	Separate					
	31 December 2021			31 December 2020		
	Fair value		Notional amount	Fair value		Notional amount
	Assets	Liabilities		Assets	Liabilities	
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Exchange rate	6,541,482	6,789,828	528,711,147	7,229,846	6,671,617	455,959,598
Interest rate	872,560	813,925	185,662,052	1,858,516	2,000,103	212,668,094
Equity price	19,178	559,444	3,318,750	1,162,662	2,353	2,592,422
Debt securities	-	-	503,166	-	-	450,556
Others	-	-	-	92	116	28,484
Total	7,433,220	8,163,197	718,195,115	10,251,116	8,674,189	671,699,154

As at 31 December 2021 and 2020, the proportion, determined based on the notional amount, of derivatives for trading transactions divided by type of counterparty are as follows;

	Consolidated	
	31 December 2021	31 December 2020
	%	%
Financial institutions	72.72	75.50
Third parties	27.28	24.50
Total	100.00	100.00

	Separate	
	31 December 2021	31 December 2020
	%	%
Financial institutions	73.34	76.09
Third parties	26.54	23.76
Subsidiaries	0.12	0.15
Total	100.00	100.00

9 Financial assets measured at fair value through profit or loss

	Consolidated	
	Fair value	Fair value
	31 December 2021	31 December 2020
	Thousand Baht	Thousand Baht
Government and state enterprise securities	831,575	1,137,504
Private sector's debt securities	2,759,974	4,328,564
Foreign debt securities	143,501	-
Domestic marketable equity securities	18,623,852	5,823,336
Foreign marketable equity securities	5,922	194
Total	22,364,824	11,289,598

	Separate	
	Fair value	Fair value
	31 December 2021	31 December 2020
	Thousand Baht	Thousand Baht
Government and state enterprise securities	831,575	1,137,504
Private sector's debt securities	2,694,121	4,172,635
Domestic marketable equity securities	3,843,590	1,442,499
Total	7,369,286	6,752,638

10 Investments, net

10.1 Classification of investments

	Consolidated	
	Amortised cost	Amortised cost
	31 December 2021	31 December 2020
	Thousand Baht	Thousand Baht
Investments in debt instruments measured at amortised cost		
Government and state enterprise securities	224,566	1,162,647
Total	224,566	1,162,647
<u>Less</u> Allowance for expected credit losses	-	-
Total	224,566	1,162,647



	Consolidated	
	Fair value	Fair value
	31 December 2021	31 December 2020
	Thousand Baht	Thousand Baht
Investments in debt instruments measured at fair value through other comprehensive income		
Government and state enterprise securities	14,399,949	18,358,842
Private sector's debt securities	471,460	627,103
Total	14,871,409	18,985,945
Allowance for expected credit losses	(1,187)	(600)

	Consolidated			
	31 December 2021		31 December 2020	
	Fair value	Dividend Income	Fair value	Dividend Income
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Investments in equity instruments designated at fair value through other comprehensive income				
Domestic marketable equity securities	346,555	10,393	507,567	-
Foreign marketable equity securities	431,456	33,150	1,721,828	-
Domestic non-marketable equity security	700,318	-	690,943	-
Foreign non-marketable equity security	265,909	-	244,012	-
Total	1,744,238	43,543	3,164,350	-
Total investment, net	16,840,213	43,543	23,312,942	-

	Separate	
	Amortised cost	Amortised cost
	31 December 2021	31 December 2020
	Thousand Baht	Thousand Baht
Investments in debt instruments measured at amortised cost		
Government and state enterprise securities	-	1,000,896
Total	-	1,000,896
Less Allowance for expected credit losses	-	-
Total	-	1,000,896

	Separate	
	Fair value	Fair value
	31 December 2021	31 December 2020
	Thousand Baht	Thousand Baht
Investments in debt instruments measured at fair value through other comprehensive income		
Government and state enterprise securities	14,399,949	18,358,842
Private sector's debt securities	471,460	627,103
Total	14,871,409	18,985,945
Allowance for expected credit losses	(1,187)	(600)

	Separate			
	31 December 2021		31 December 2020	
	Fair value Thousand Baht	Dividend Income Thousand Baht	Fair value Thousand Baht	Dividend Income Thousand Baht
Investments in equity instruments designated at fair value through other comprehensive income				
Domestic marketable equity securities	14,101	-	16,838	-
Domestic non-marketable equity security	231,075	-	219,454	-
Total	245,176	-	236,292	-
Total investment, net	15,116,585	-	20,223,133	-

During the years ended 31 December 2021 and 2020, the Group has derecognised investments in equity instruments designated at fair value through other comprehensive income as following detail:

	Consolidated			
	31 December 2021			
	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
Investments that are derecognised				
Domestic marketable equity securities	353,522	4,264	86,181	Sell according to the Investment policy of the Investment committee
Foreign marketable equity securities	2,842,666	21,967	959,667	Sell according to the Investment policy of the Investment committee
Domestic non-marketable equity security	182	-	1,436	Sell according to the Investment policy of the Investment committee
Total	3,196,370	26,231	1,047,284	

	Consolidated			
	31 December 2020			
	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
Investments that are derecognised				
Domestic marketable equity securities	50,952	15	20,181	Sell according to the Investment policy of the Investment committee
Foreign marketable equity securities	994,315	1,101	144,015	Sell according to the Investment policy of the Investment committee
Total	1,045,267	1,116	164,196	



Separate			
31 December 2021			
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
Investments that are derecognised			
Domestic marketable equity securities	5	-	4
Total	5	-	4

Separate			
31 December 2020			
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
Investments that are derecognised			
Domestic marketable equity securities	-	-	Sell according to the investment policy of the investment committee
Total	-	-	

10.2 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:

Consolidated				
31 December 2021			31 December 2020	
Investment amount at fair value Baht	Holding %	Investment amount at fair value Baht	Holding %	
Business type				
Digital Asset Business	265,909,104	10.26	244,012,476	12.74
Holding Business	457,642,033	18.48	-	-
Leasing	58,997,494	10.00	57,265,777	10.00

Separate				
31 December 2021			31 December 2020	
Investment amount at fair value Baht	Holding %	Investment amount at fair value Baht	Holding %	
Business type				
Leasing	58,997,494	10.00	57,265,777	10.00

10.3 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 2021 and 2020 are as follow:

	Consolidated		Separate	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Gain (loss) from changes in value of				
investments in debt instruments measured at FVOCI	(312,145)	164,923	(312,145)	164,923
Loss (gain) realised from sale of				
investments in debt instruments measured at FVOCI	9,640	(49,555)	9,640	(49,555)
	(302,505)	115,368	(302,505)	115,368

11 Investments in subsidiaries, net

As at 31 December 2021 and 2020, the Bank has investments in subsidiaries as follows;

			Separate				
			31 December 2021				
			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	1,051,320
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	570,723	-	570,723	99.97	-
Thai Restructuring Fund	Investments*	Unit trust	165,528	-	165,528	98.91	-
Bangkok Capital Fund	Investments*	Unit trust	1,443,576	(579,912)	863,664	95.72	-
Gamma Capital Fund	Investments*	Unit trust	674,985	-	674,985	94.03	-
KKP Tower Co., Ltd.	Real estate	Ordinary shareholder	206,398	-	206,398	91.34	-
			10,783,717	(579,912)	10,203,805		1,051,320

* Investments in commercial loans auctioned from Financial Restructuring Authority (FRA).



			Separate				
			31 December 2020				
			Cost method				
			Cost	Impairment	Net balance		Dividend
	Securities	Thousand	Thousand	Thousand	Holding	Thousand	
Business type	investment type	Baht	Baht	Baht	%	Baht	
KKP Capital Public Company Limited	Holding Company	Ordinary shareholder	7,170,617	-	7,170,617	99.98	1,051,319
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	579,820	-	579,820	99.97	-
Thai Restructuring Fund	Investments*	Unit trust	165,528	-	165,528	98.91	-
Bangkok Capital Fund	Investments*	Unit trust	1,546,079	(658,147)	887,932	95.72	-
Gamma Capital Fund	Investments*	Unit trust	1,065,847	-	1,065,847	94.03	-
KKP Tower Co., Ltd.	Real estate	Ordinary shareholder	206,398	-	206,398	91.34	-
			11,286,175	(658,147)	10,628,028		1,051,319

* 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 2021, the Bank has received capital distribution for liquidation from Asia Recovery 3 Fund, Bangkok Capital Fund, and Gamma Capital Fund in the amount of Baht 502 million (31 December 2020: Baht 401 million).

12 Investment property, net

Consolidated		
	31 December 2021	31 December 2020
	Thousand Baht	Thousand Baht
Cost	26,790	26,784
Less Accumulated depreciation	(5,288)	(5,023)
Net book amount	21,502	21,761
Opening net book amount	21,761	21,870
Additions	6	155
Depreciation	(265)	(264)
Closing net book amount	21,502	21,761
Fair value	55,850	54,770

The Group's investment properties were revalued at 31 December 2021 by internal 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 2021	31 December 2020
	Thousand Baht	Thousand Baht
Rental income	-	-
Direct operating expense arise from investment property that generated rental income	575	393

13 Loans to customers and accrued interest receivables, net

13.1 Classified by product

	Consolidated		Separate	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
<u>Loans</u>				
Overdrafts	1,307,023	1,184,783	1,307,023	1,184,783
Loans	149,028,529	133,671,532	150,969,915	136,581,766
Bills	49,647	49,634	49,647	999,634
Hire-purchase receivables	156,061,626	129,507,904	156,061,626	129,507,904
Finance lease receivables	462,925	359,109	462,925	359,109
Total loans net of deferred revenue	306,909,750	264,772,962	308,851,136	268,633,196
<u>Add</u> Accrued interest receivables and undue interest receivable	8,743,156	7,177,817	8,616,921	7,116,826
Total loans and accrued interest receivables net of deferred revenue	315,652,906	271,950,779	317,468,057	275,750,022
<u>Less</u> Allowance for expected credit losses	(16,505,340)	(13,104,765)	(16,501,465)	(13,106,910)
Net loans to customers and accrued interest receivables	299,147,566	258,846,014	300,966,592	262,643,112

13.2 Classified by currency and residence of customers

	Consolidated		Separate	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Domestic				
Baht	295,620,398	256,852,772	297,561,784	260,713,006
US Dollar	5,012,985	3,003,710	5,012,985	3,003,710
Foreign				
Baht	2,003,463	1,996,264	2,003,463	1,996,264
US Dollar	4,272,904	2,920,216	4,272,904	2,920,216
Total loans	306,909,750	264,772,962	308,851,136	268,633,196



13.3 Classification by loans classification

Loans classification	Consolidated	
	31 December 2021	31 December 2020
	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)	287,141,020	247,488,972
Financial assets with a significant increase in credit risk (Under-performing financial assets)	17,018,788	15,426,193
Credit-impaired financial assets (Non-performing financial assets)	10,637,842	8,255,609
Purchased or originated credit-impaired financial assets	855,256	780,005
Total loans and accrued interest receivables	315,652,906	271,950,779

Loans classification	Separate	
	31 December 2021	31 December 2020
	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)	289,509,004	251,771,915
Financial assets with a significant increase in credit risk (Under-performing financial assets)	17,018,788	15,426,193
Credit-impaired financial assets (Non-performing financial assets)	10,637,842	8,255,609
Purchased or originated credit-impaired financial assets	302,423	296,305
Total loans and accrued interest receivables	317,468,057	275,750,022

13.4 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 2021	31 December 2020	31 December 2021	31 December 2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Non-performing loans (excluding accrued interest receivables)	10,191,158	8,456,206	9,761,009	8,027,215
Percentage of non-performing loans to total loans (including loans to financial institutions)	2.84	2.87	2.65	2.69

13.5 Movement in the gross carrying amount of loans that contributed to changes in the ECL

Consolidated					
31 December 2021					
	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 2021	247,488,972	15,426,193	8,255,609	780,005	271,950,779
Change due to reclassification	(18,614,623)	5,448,479	13,166,144	-	-
Change due to collection and modification	(38,946,218)	(2,779,575)	(4,958,468)	75,251	(46,609,010)
Newly acquired or purchased financial assets	114,244,613	12,577	5,793	-	114,262,983
Derecognised financial assets	(16,976,269)	(1,039,715)	(2,597,563)	-	(20,613,547)
Write-off	(55,455)	(49,171)	(3,233,673)	-	(3,338,299)
Others	-	-	-	-	-
As of 31 December 2021	287,141,020	17,018,788	10,637,842	855,256	315,652,906

Consolidated					
31 December 2020					
	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 2020	215,155,202	14,015,234	8,923,871	839,251	238,933,558
Change due to reclassification	(8,391,249)	3,380,931	5,010,318	-	-
Change due to collection and modification	(43,558,969)	(1,823,673)	(3,361,188)	(59,246)	(48,803,076)
Newly acquired or purchased financial assets	94,808,492	111,807	9,390	-	94,929,689
Derecognised financial assets	(10,054,619)	(240,949)	(1,035,784)	-	(11,331,352)
Write-off	(196,315)	(17,157)	(1,290,998)	-	(1,504,470)
Others	(273,570)	-	-	-	(273,570)
As of 31 December 2020	247,488,972	15,426,193	8,255,609	780,005	271,950,779



Separate

31 December 2021

	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 2021	251,771,915	15,426,193	8,255,609	296,305	275,750,022
Change due to reclassification	(18,614,623)	5,448,479	13,166,144	-	-
Change due to collection and modification	(40,861,177)	(2,779,575)	(4,958,468)	6,118	(48,593,102)
Newly acquired or purchased financial assets	114,244,613	12,577	5,793	-	114,262,983
Derecognised financial assets	(16,976,269)	(1,039,715)	(2,597,563)	-	(20,613,547)
Write-off	(55,455)	(49,171)	(3,233,673)	-	(3,338,299)
Others	-	-	-	-	-
As of 31 December 2021	289,509,004	17,018,788	10,637,842	302,423	317,468,057

Separate

31 December 2020

	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 2020	218,687,753	14,015,234	8,923,871	272,286	241,899,144
Change due to reclassification	(8,391,249)	3,380,931	5,010,318	-	-
Change due to collection and modification	(42,808,577)	(1,823,673)	(3,361,188)	24,019	(47,969,419)
Newly acquired or purchased financial assets	94,808,492	111,807	9,390	-	94,929,689
Derecognised financial assets	(10,054,619)	(240,949)	(1,035,784)	-	(11,331,352)
Write-off	(196,315)	(17,157)	(1,290,998)	-	(1,504,470)
Others	(273,570)	-	-	-	(273,570)
As of 31 December 2020	251,771,915	15,426,193	8,255,609	296,305	275,750,022

14 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 2021				
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	2,652,377	94,094,581	96,852,263	193,599,221
<u>Less</u> Unearned income				(37,074,670)
Present value of minimum lease payment per agreement				156,524,551
<u>Less</u> Allowance for expected credit losses				(8,780,358)
Hire-purchase and finance lease receivables, net				147,744,193

Consolidated and Separate				
31 December 2020				
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	2,350,297	93,304,444	63,114,576	158,769,317
<u>Less</u> Unearned income				(28,902,304)
Present value of minimum lease payment per agreement				129,867,013
<u>Less</u> Allowance for expected credit losses				(6,502,385)
Hire-purchase and finance lease receivables, net				123,364,628



15 Allowance for expected credit losses

Consolidated						
31 December 2021						
	Financial assets with an insignificant increase in credit risk	Financial assets with a significant increase in credit risk	Credit- impaired financial assets	Purchased or originated credit-impaired financial assets	Surplus reserve	Total
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Interbank and money market items						
As at 1 January 2021	11,395	-	-	-	-	11,395
Change due to new estimation of credit loss	(7,949)	-	-	-	-	(7,949)
Newly acquired or purchased financial assets	41,911	-	-	-	-	41,911
Derecognised financial assets	(32,966)	-	-	-	-	(32,966)
Others	-	-	-	-	-	-
As at 31 December 2021	12,391	-	-	-	-	12,391
Loans						
As at 1 January 2021	5,468,900	3,023,260	3,080,190	22,815	1,509,600	13,104,765
Change due to reclassification	922,574	(3,367,390)	2,444,816	-	-	-
Change due to new estimation of credit loss	(1,873,410)	3,446,918	3,003,612	5,317	-	4,582,437
Newly acquired or purchased financial assets	4,162,526	9,403	4,531	-	-	4,176,460
Derecognised financial assets	(523,264)	(238,544)	(2,363,428)	(1,989)	-	(3,127,225)
Write-off	(3,861)	(16,533)	(1,833,303)	-	-	(1,853,697)
Amortisation of surplus reserve	-	-	-	-	(377,400)	(377,400)
Others	-	-	-	-	-	-
As at 31 December 2021	8,153,465	2,857,114	4,336,418	26,143	1,132,200	16,505,340

Separate						
31 December 2021						
	Financial assets with an insignificant increase in credit risk	Financial assets with a significant increase in credit risk	Credit- impaired financial assets	Purchased or originated credit-impaired financial assets	Surplus reserve	Total
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Interbank and money market items						
As at 1 January 2021	11,395	-	-	-	-	11,395
Change due to new estimation of credit loss	(5,117)	-	-	-	-	(5,117)
Newly acquired or purchased financial assets	41,911	-	-	-	-	41,911
Derecognised financial assets	(32,966)	-	-	-	-	(32,966)
Others	-	-	-	-	-	-
As at 31 December 2021	15,223	-	-	-	-	15,223
Loans						
As at 1 January 2021	5,471,840	3,023,260	3,080,190	22,020	1,509,600	13,106,910
Change due to reclassification	922,574	(3,367,390)	2,444,816	-	-	-
Change due to new estimation of credit loss	(1,873,934)	3,446,918	3,003,612	(180)	-	4,576,416
Newly acquired or purchased financial assets	4,162,526	9,403	4,531	-	-	4,176,460
Derecognised financial assets	(523,264)	(238,544)	(2,363,428)	(1,989)	-	(3,127,225)
Write-off	(3,860)	(16,533)	(1,833,303)	-	-	(1,853,696)
Amortisation of surplus reserve	-	-	-	-	(377,400)	(377,400)
Others	-	-	-	-	-	-
As at 31 December 2021	8,155,882	2,857,114	4,336,418	19,851	1,132,200	16,501,465



Consolidated and Separate

31 December 2021

	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 2021	1,156	4,435	18,922	-	-	24,513
Change due to reclassification	2,641	(4,675)	2,034	-	-	-
Change due to new estimation of credit loss	(4,370)	13,166	9,015	-	-	17,811
Newly acquired or purchased financial assets	4,503	1,200	65,637	-	-	71,340
Derecognised financial assets	(2,376)	(8,736)	(51,477)	-	-	(62,589)
As at 31 December 2021	1,554	5,390	44,131	-	-	51,075

Consolidated

31 December 2020

	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 2020	5,150	-	-	-	-	5,150
Change due to new estimation of credit loss	(859)	-	-	-	-	(859)
Newly acquired or purchased financial assets	22,830	-	-	-	-	22,830
Derecognised financial assets	(17,248)	-	-	-	-	(17,248)
Others	1,522	-	-	-	-	1,522
As at 31 December 2020	11,395	-	-	-	-	11,395

Loans

As at 1 January 2020	2,607,958	1,901,560	3,183,003	-	2,552,000	10,244,521
Change due to reclassification	607,730	(1,618,375)	1,010,645	-	-	-
Change due to new estimation of credit loss	147,633	2,896,518	1,379,859	22,815	-	4,446,825
Newly acquired or purchased financial assets	2,386,079	41,773	27,709	-	-	2,455,561
Derecognised financial assets	(277,306)	(185,883)	(1,168,684)	-	-	(1,631,873)
Write-off	(1,672)	(12,333)	(1,352,342)	-	-	(1,366,347)
Amortisation of surplus reserve	-	-	-	-	(377,400)	(377,400)
Others	(1,522)	-	-	-	(665,000)	(666,522)
As at 31 December 2020	5,468,900	3,023,260	3,080,190	22,815	1,509,600	13,104,765

Separate						
31 December 2020						
	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 2020	5,930	-	-	-	-	5,930
Change due to new estimation of credit loss	(1,639)	-	-	-	-	(1,639)
Newly acquired or purchased financial assets	22,830	-	-	-	-	22,830
Derecognised financial assets	(17,248)	-	-	-	-	(17,248)
Others *	1,522	-	-	-	-	1,522
As at 31 December 2020	11,395	-	-	-	-	11,395
Loans						
As at 1 January 2020	2,610,037	1,901,560	3,183,003	-	2,552,000	10,246,600
Change due to reclassification	607,730	(1,618,375)	1,010,645	-	-	-
Change due to new estimation of credit loss	148,494	2,896,518	1,379,859	22,020	-	4,446,891
Newly acquired or purchased financial assets	2,386,079	41,773	27,709	-	-	2,455,561
Derecognised financial assets	(277,306)	(185,883)	(1,168,684)	-	-	(1,631,873)
Write-off	(1,672)	(12,333)	(1,352,342)	-	-	(1,366,347)
Amortisation of surplus reserve	-	-	-	-	(377,400)	(377,400)
Others *	(1,522)	-	-	-	(665,000)	(666,522)
At end of year	5,471,840	3,023,260	3,080,190	22,020	1,509,600	13,106,910

* The Bank has partially released as additional provision for the impairment from revaluation of foreclosed assets.

Consolidated and Separate						
31 December 2020						
	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 2020	1,173	5,129	13,977	-	-	20,279
Change due to reclassification	2,679	(3,738)	1,059	-	-	-
Change due to new estimation of credit loss	(3,317)	6,952	(1,938)	-	-	1,697
Newly acquired or purchased financial assets	2,978	761	39,146	-	-	42,885
Derecognised financial assets	(2,357)	(4,669)	(33,322)	-	-	(40,348)
As at 31 December 2020	1,156	4,435	18,922	-	-	24,513



16 Properties foreclosed, net

	Consolidated		Separate	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Properties foreclosed	7,020,735	5,916,362	7,749,718	6,573,151
<u>Less</u> Provision for diminution in value	(3,038,794)	(2,979,202)	(3,027,559)	(2,933,814)
Net properties foreclosed	3,981,941	2,937,160	4,722,159	3,639,337

The Group acquired properties foreclosed by transferring assets, auction and repossession for the debt settlement.

	Consolidated		
	31 December 2021		
	Immovable assets Thousand Baht	Movable assets Thousand Baht	Total Thousand Baht
At beginning of year	5,395,781	520,581	5,916,362
Additions	2,243,541	5,592,753	7,836,294
Disposals	(1,097,177)	(5,634,744)	(6,731,921)
At end of year	6,542,145	478,590	7,020,735
<u>Less</u> Provision for diminution in value	(3,021,593)	(17,201)	(3,038,794)
Net properties foreclosed	3,520,552	461,389	3,981,941

	Consolidated		
	31 December 2020		
	Immovable assets Thousand Baht	Movable assets Thousand Baht	Total Thousand Baht
At beginning of year	5,043,691	672,478	5,716,169
Additions	909,696	3,707,763	4,617,459
Disposals	(557,606)	(3,859,660)	(4,417,266)
At end of year	5,395,781	520,581	5,916,362
<u>Less</u> Provision for diminution in value	(2,951,282)	(27,920)	(2,979,202)
Net properties foreclosed	2,444,499	492,661	2,937,160

	Separate		
	31 December 2021		
	Immovable assets Thousand Baht	Movable assets Thousand Baht	Total Thousand Baht
At beginning of year	6,052,570	520,581	6,573,151
Additions	1,987,701	5,592,753	7,580,454
Disposals	(769,143)	(5,634,744)	(6,403,887)
At end of year	7,271,128	478,590	7,749,718
<u>Less</u> Provision for diminution in value	(3,010,358)	(17,201)	(3,027,559)
Net properties foreclosed	4,260,770	461,389	4,722,159

	Separate		
	31 December 2020		
	Immovable assets Thousand Baht	Movable assets Thousand Baht	Total Thousand Baht
At beginning of year	6,176,743	672,478	6,849,221
Additions	315,103	3,707,763	4,022,866
Disposals	(439,276)	(3,859,660)	(4,298,936)
At end of year	6,052,570	520,581	6,573,151
<u>Less</u> Provision for diminution in value	(2,905,894)	(27,920)	(2,933,814)
Net properties foreclosed	3,146,676	492,661	3,639,337

Immovable properties foreclosed classified by external and internal appraisers as at 31 December 2021 and 2020 are as follows;

	Consolidated		Separate	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Immovable properties foreclosed				
Appraised by external appraisers	6,476,304	5,360,536	7,205,287	6,017,325
Appraised by internal appraisers	65,841	35,245	65,841	35,245
Total	6,542,145	5,395,781	7,271,128	6,052,570

As of 31 December 2021, the Bank had repossessed cars which were still under the redemption option by guarantor in amount of Baht 172 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 1,379 million.



17 Land, premises and equipment, net

Consolidated									
31 December 2021									
	Cost				Accumulated depreciation				Land, Premises and Equipment, net
	Beginning Balance	Additions	Disposals/ Transfers	Ending Balance	Beginning Balance	Additions	Disposals/ Transfers	Ending Balance	
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Land	557,370	-	-	557,370	-	-	-	-	557,370
Premises and building and building improvement	2,957,424	123,735	(475,344)	2,605,815	(1,420,005)	(87,135)	381,239	(1,125,901)	1,479,914
Equipment	1,519,242	146,158	(193,789)	1,471,611	(1,168,923)	(167,234)	176,925	(1,159,232)	312,379
Furniture and fixtures	819,109	73,520	(80,896)	811,733	(627,017)	(74,918)	77,537	(624,398)	187,335
Vehicles	284,351	42,490	(28,668)	298,173	(184,514)	(41,919)	28,091	(198,342)	99,831
Work in progress	547,427	326,771	(10,140)	864,058	-	-	-	-	864,058
Total	6,684,923	712,674	(788,837)	6,608,760	(3,400,459)	(371,206)	663,792	(3,107,873)	3,500,887

Consolidated									
31 December 2020									
	Cost				Accumulated depreciation				Land, Premises and Equipment, net
	Beginning Balance	Additions	Disposals/ Transfers	Ending Balance	Beginning Balance	Additions	Disposals/ Transfers	Ending Balance	
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Land	557,370	-	-	557,370	-	-	-	-	557,370
Premises and building and building improvement	3,059,060	222,585	(324,221)	2,957,424	(1,583,788)	(154,585)	318,368	(1,420,005)	1,537,419
Equipment	1,447,523	121,806	(50,087)	1,519,242	(1,054,699)	(161,821)	47,597	(1,168,923)	350,319
Furniture and fixtures	901,259	42,251	(124,401)	819,109	(636,148)	(101,946)	111,077	(627,017)	192,092
Vehicles	315,766	38,965	(70,380)	284,351	(206,533)	(48,361)	70,380	(184,514)	99,837
Work in progress	238,433	612,094	(303,100)	547,427	-	-	-	-	547,427
Total	6,519,411	1,037,701	(872,189)	6,684,923	(3,481,168)	(466,713)	547,422	(3,400,459)	3,284,464

Separate

31 December 2021

	Cost			Accumulated depreciation				Land, Premises and Equipment, net
	Beginning Balance	Additions	Disposals/ Transfers	Ending Balance	Beginning Balance	Additions	Disposals/ Transfers	Ending Balance
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Land	94,968	-	-	94,968	-	-	-	-
Premises and building and building improvement	107,293	-	(59,711)	47,582	(57,109)	(2,225)	13,911	(45,423)
Equipment	1,153,501	81,846	(119,410)	1,115,937	(921,158)	(105,191)	118,550	(907,799)
Furniture and fixtures	718,432	72,966	(80,872)	710,526	(539,860)	(70,147)	77,519	(532,488)
Vehicles	259,656	42,490	(28,668)	273,478	(162,961)	(40,319)	28,090	(175,190)
Work in progress	53,815	84,674	(10,140)	128,349	-	-	-	-
Total	2,387,665	281,976	(298,801)	2,370,840	(1,681,088)	(217,882)	238,070	(1,660,900)

Separate

31 December 2020

	Cost			Accumulated depreciation				Land, Premises and Equipment, net
	Beginning Balance	Additions	Disposals/ Transfers	Ending Balance	Beginning Balance	Additions	Disposals/ Transfers	Ending Balance
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Land	94,968	-	-	94,968	-	-	-	-
Premises and building and building improvement	125,971	-	(18,678)	107,293	(65,435)	(4,497)	12,823	(57,109)
Equipment	1,141,712	54,812	(43,023)	1,153,501	(848,523)	(115,174)	42,539	(921,158)
Furniture and fixtures	802,274	40,467	(124,309)	718,432	(556,066)	(94,780)	110,986	(539,860)
Vehicles	288,030	38,966	(67,340)	259,656	(183,989)	(46,312)	67,340	(162,961)
Work in progress	24,808	65,787	(36,780)	53,815	-	-	-	-
Total	2,477,763	200,032	(290,130)	2,387,665	(1,654,013)	(260,763)	233,688	(1,681,088)



18 Right-of-use assets, net and Lease liabilities, net

The statement of financial position included following transactions relating to leases.

	Consolidated	
	31 December 2021	31 December 2020
	Thousand Baht	Thousand Baht
Right-of-use assets, net		
Building and building improvements, net	320,809	229,374
Vehicles	210	461
Total right-of-use assets, net	321,019	229,835
Lease liabilities, net		
Current portion of lease liabilities	84,534	83,229
Non-current portion of lease liabilities	155,468	100,468
Total lease liabilities, net	240,002	183,697

	Separate	
	31 December 2021	31 December 2020
	Thousand Baht	Thousand Baht
Right-of-use assets, net		
Building and building improvements, net	932,842	877,100
Vehicles	-	-
Total right-of-use assets, net	932,842	877,100
Lease liabilities, net		
Current portion of lease liabilities	145,121	140,017
Non-current portion of lease liabilities	703,458	680,189
Total lease liabilities, net	848,579	820,206

During the year ended 31 December 2021, additions to the right-of-use assets of the Group and the Bank were Baht 209 million and Baht 241 million, respectively. (During the year ended 31 December 2020, additions to the right-of-use assets of the Group and the Bank were Baht 35 million and Baht 692 million, respectively.)

The statement of profit or loss and other comprehensive income for the year ended included following transactions related to leases.

		Consolidated	
		31 December 2021	31 December 2020
		Thousand Baht	Thousand Baht
Depreciation charge of right-of-use assets			
Building and building improvements		116,920	135,357
Vehicles		251	189
Total right-of-use assets		117,171	135,546
Finance cost relating to leases		4,358	3,124
Expenses relating to short-term leases (included in premises and equipment expenses)		1,903	734
Expenses relating to leases of low value assets that are not shown above as short-term leases (included in premises and equipment expenses)		2,467	5,058

		Separate	
		31 December 2021	31 December 2020
		Thousand Baht	Thousand Baht
Depreciation charge of right-of-use assets			
Building and building improvements		184,531	181,470
Vehicles		-	-
Total right-of-use assets		184,531	181,470
Finance cost relating to leases		19,640	13,596
Expenses relating to short-term leases (included in premises and equipment expenses)		9,021	11,173
Expenses relating to leases of low value assets that are not shown above as short-term leases (included in premises and equipment expenses)		1,503	3,795

The total cash outflow for leases of the Group and the Bank for the year ended 31 December 2021 were Baht 120 million and Baht 201 million, respectively. (The total cash outflow for leases of the Group and the Bank in 2020 were Baht 139 million and 195 million, respectively.)

19 Other intangible assets, net and goodwill

19.1 Other intangible assets, net

	Consolidated								
	31 December 2021								
	Cost				Accumulated amortisation				Other
	Beginning	Disposals/	Ending	Beginning	Disposals/	Ending	Intangible		
	Balance	Additions	Transfers	Balance	Balance	Additions	Transfers	balance	Assets, net
	Thousand	Thousand	Thousand	Thousand	Thousand	Thousand	Thousand	Thousand	Thousand
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Software	2,429,654	207,711	(80,213)	2,557,152	(1,343,157)	(210,173)	36,449	(1,516,881)	1,040,271
License fee	7,188	-	-	7,188	(6,737)	(100)	-	(6,837)	351
Work in progress	41,540	501,132	(371,720)	170,952	-	-	-	-	170,952
Total	2,478,382	708,843	(451,933)	2,735,292	(1,349,894)	(210,273)	36,449	(1,523,718)	1,211,574



Consolidated

31 December 2020

	Cost				Accumulated amortisation				Other
	Beginning		Disposals/	Ending	Beginning		Disposals/	Ending	Intangible
	Balance	Additions	Transfers	Balance	Balance	Additions	Transfers	balance	Assets, net
	Thousand	Thousand	Thousand	Thousand	Thousand	Thousand	Thousand	Thousand	Thousand
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Software	2,235,440	207,501	(13,287)	2,429,654	(1,151,431)	(195,466)	3,740	(1,343,157)	1,086,497
License fee	6,688	500	-	7,188	(6,667)	(70)	-	(6,737)	451
Work in progress	67,011	195,951	(221,422)	41,540	-	-	-	-	41,540
Total	2,309,139	403,952	(234,709)	2,478,382	(1,158,098)	(195,536)	3,740	(1,349,894)	1,128,488

Separate

31 December 2021

	Cost				Accumulated amortisation				Other
	Beginning		Disposals/	Ending	Beginning		Disposals/	Ending	Intangible
	Balance	Additions	Transfers	Balance	Balance	Additions	Transfers	balance	Assets, net
	Thousand	Thousand	Thousand	Thousand	Thousand	Thousand	Thousand	Thousand	Thousand
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Software	2,086,860	172,706	(80,213)	2,179,353	(1,071,306)	(175,677)	36,449	(1,210,534)	968,819
Work in progress	30,030	472,230	(345,940)	156,320	-	-	-	-	156,320
Total	2,116,890	644,936	(426,153)	2,335,673	(1,071,306)	(175,677)	36,449	(1,210,534)	1,125,139

Separate

31 December 2020

	Cost				Accumulated amortisation				Other
	Beginning		Disposals/	Ending	Beginning		Disposals/	Ending	Intangible
	Balance	Additions	Transfers	Balance	Balance	Additions	Transfers	balance	Assets, net
	Thousand	Thousand	Thousand	Thousand	Thousand	Thousand	Thousand	Thousand	Thousand
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Software	1,922,861	176,971	(12,972)	2,086,860	(909,028)	(165,703)	3,425	(1,071,306)	1,015,554
Work in progress	57,722	164,966	(192,658)	30,030	-	-	-	-	30,030
Total	1,980,583	341,937	(205,630)	2,116,890	(909,028)	(165,703)	3,425	(1,071,306)	1,045,584

19.2 Goodwill

Consolidated

31 December 2021

	Cost			
	Beginning balance	Additions	Disposals/ transfers	Ending balance
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Goodwill	3,066,035	-	-	3,066,035
Total	3,066,035	-	-	3,066,035

Consolidated				
31 December 2020				
Cost				
	Beginning balance	Additions	Disposals/ transfers	Ending balance
	Thousand Baht	Thousand Baht	Thousand Baht	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 2020: 4%) and the discount rate of 12% per annum (31 December 2020: 12%).

As at 31 December 2021, the recoverable amount using this Dividend Discount Model is greater than the book value amount of Baht 5,101 million (31 December 2020: Baht 445 million).

The recoverable amount of such investment is radically changed from continuing growth in the Capital Market Segment and positive trend in business model of the Capital Market Segment in the future.

20 Deferred income tax, net

Deferred tax assets and deferred tax liabilities as at 31 December 2021 and 2020 are as follows;

	Consolidated		Separate	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Deferred tax assets	1,743,966	1,338,682	1,591,719	1,091,945
Deferred tax liabilities	(10,111)	(13,556)	-	-
Deferred income tax, net	1,733,855	1,325,126	1,591,719	1,091,945



Movements in deferred tax assets and deferred tax liabilities during the year were as follows;

	Consolidated			
	Balance as at 1 January 2021 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 2021 Thousand Baht
Deferred tax assets				
Allowance for doubtful accounts	306,926	(70,133)	-	236,793
Allowance for impairment of investments	133,096	(15,530)	(117)	117,449
Allowance for expected credit losses	26,188	(3,102)	-	23,086
Allowance for impairment of properties foreclosed	587,599	18,545	-	606,144
Provisions	184,606	16,109	(14,499)	186,216
Income received in advance	185,497	(3,786)	-	181,711
Loss from mutual fund liquidation	-	251,161	-	251,161
Non-accrued interest income	63,203	(12,754)	-	50,449
Depreciation of assets	32,741	(21,784)	-	10,957
Loss on remeasuring securities measured at FVOCI	89,996	2,187	(25,743)	66,440
Unrealised loss on remeasuring FVPL securities	231,457	(214,278)	-	17,179
Unrealised loss on remeasuring securities borrowing and lending	2,702	1,572	-	4,274
Unused tax losses	82,373	(58,797)	28,333	51,909
Unrealised loss on remeasuring derivatives	-	367,158	-	367,158
Others	11,260	5,356	-	16,616
Total	1,937,644	261,924	(12,026)	2,187,542
Deferred tax liabilities				
Premise appraisal surplus	13,556	(3,446)	-	10,110
Prepaid hire-purchase commission	173,623	(77,216)	-	96,407
Gain on remeasuring securities measured at FVOCI	100,941	-	(58,236)	42,705
Unrealised gain on remeasuring FVPL securities	4,973	286,243	-	291,216
Unrealised gain on remeasuring derivatives	296,849	(296,849)	-	-
Others	22,576	(9,327)	-	13,249
Total	612,518	(100,595)	(58,236)	453,687
Deferred income tax, net	1,325,126	362,519	46,210	1,733,855

	Consolidated			
	Balance as at 1 January 2020 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 2020 Thousand Baht
Deferred tax assets				
Allowance for doubtful accounts	(843,328)	1,150,254	-	306,926
Allowance for impairment of investments	394,268	(261,052)	(120)	133,096
Allowance for expected credit losses	1,630,585	(1,604,397)	-	26,188
Allowance for impairment of properties foreclosed	426,832	160,767	-	587,599
Provisions	165,981	18,625	-	184,606
Income received in advance	209,421	(23,924)	-	185,497
Non-accrued interest income	76,789	(13,586)	-	63,203
Depreciation of assets	45,527	(12,786)	-	32,741
Loss on remeasuring securities measured at FVOCI	127,210	(16,954)	(20,260)	89,996
Unrealised loss on remeasuring FVPL securities	3,542	227,915	-	231,457
Unrealised loss on remeasuring securities borrowing and lending	1,755	947	-	2,702
Unused tax losses	49,079	61,627	(28,333)	82,373
Others	5,633	5,627	-	11,260
Total	2,293,294	(306,937)	(48,713)	1,937,644
Deferred tax liabilities				
Premise appraisal surplus	17,011	(3,455)	-	13,556
Prepaid hire-purchase commission	289,211	(115,588)	-	173,623
Gain on remeasuring securities measured at FVOCI	77,006	-	23,935	100,941
Unrealised gain on remeasuring FVPL securities	12,112	(7,139)	-	4,973
Unrealised gain on remeasuring derivatives	67,326	229,523	-	296,849
Others	40,895	(18,319)	-	22,576
Total	503,561	85,022	23,935	612,518
Deferred income tax, net	1,789,733	(391,959)	(72,648)	1,325,126



Separate

	Balance as at 1 January 2021 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 2021 Thousand Baht
Deferred tax assets				
Allowance for doubtful accounts	306,926	(70,133)	-	236,793
Allowance for impairment of investments	131,629	(15,530)	(117)	115,982
Allowance for expected credit losses	26,188	(3,102)	-	23,086
Allowance for impairment of properties foreclosed	586,763	18,749	-	605,512
Provisions	126,131	18,565	(11,017)	133,679
Depreciation of assets	1,863	7,960	-	9,823
Income received in advance	183,174	(3,647)	-	179,527
Loss from mutual fund liquidation	-	251,161	-	251,161
Non-accrued interest income	63,203	(12,754)	-	50,449
Unrealised loss on remeasuring FVPL securities	231,457	(231,457)	-	-
Unrealised loss on remeasuring derivatives	-	200,247	-	200,247
Others	9,833	5,548	-	15,381
Total	1,667,167	165,607	(11,134)	1,821,640
Deferred tax liabilities				
Prepaid hire-purchase commission	173,622	(77,216)	-	96,406
Gain on remeasuring securities measured at FVOCI	99,437	-	(60,304)	39,133
Unrealised gain on remeasuring FVPL securities	-	81,674	-	81,674
Unrealised gain on remeasuring derivatives	280,181	(280,181)	-	-
Others	21,982	(9,274)	-	12,708
Total	575,222	(284,997)	(60,304)	229,921
Deferred income tax, net	1,091,945	450,604	49,170	1,591,719

Separate				
	Balance as at 1 January 2020 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 2020 Thousand Baht
Deferred tax assets				
Allowance for doubtful accounts	(843,328)	1,150,254	-	306,926
Allowance for impairment of investments	392,801	(261,052)	(120)	131,629
Allowance for expected credit losses	1,630,585	(1,604,397)	-	26,188
Allowance for impairment of properties foreclosed	425,792	160,971	-	586,763
Provisions	110,578	15,553	-	126,131
Depreciation of assets	-	1,863	-	1,863
Income received in advance	206,959	(23,785)	-	183,174
Non-accrued interest income	76,789	(13,586)	-	63,203
Unrealised loss on remeasuring FVPL securities	3,542	227,915	-	231,457
Others	4,014	5,819	-	9,833
Total	2,007,732	(340,445)	(120)	1,667,167
Deferred tax liabilities				
Prepaid hire-purchase commission	289,210	(115,588)	-	173,622
Gain on remeasuring securities measured at FVOCI	75,217	-	24,220	99,437
Unrealised gain on remeasuring derivatives	21,659	258,522	-	280,181
Others	40,246	(18,264)	-	21,982
Total	426,332	124,670	24,220	575,222
Deferred income tax, net	1,581,400	(465,115)	(24,340)	1,091,945

Accordingly, the Group used a tax rate of 20% for calculation of deferred income tax for the year ended 31 December 2021 and 2020.



21 Other assets, net

	Consolidated		Separate	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Interest and dividend income receivables	28,529	44,701	18,911	37,092
Other income receivables	680,015	325,513	210,035	124,294
Prepaid expenses and deferred expenses	105,183	101,713	70,474	69,801
Prepaid output tax for hire-purchase receivables*	64,990	56,194	64,990	56,194
Other receivables, net*	5,322,991	2,875,913	5,150,256	2,751,167
Receivables from trading securities	353,303	462,209	358,526	462,209
Refundable deposit	92,064	88,104	136,801	134,713
Withholding income tax	30,211	24,288	-	-
Input VAT - pending tax invoice	633,862	521,909	578,835	461,991
Others*	674,857	746,379	165,625	164,074
Total other assets	7,986,005	5,246,923	6,754,453	4,261,535

* As at 31 December 2021 these transactions are shown net of total doubtful accounts of Baht 51.07 million in the consolidated and the separate financial statements (31 December 2020: Baht 24.51 million).

22 Deposits

22.1 Classified by type of deposit

	Consolidated		Separate	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Current accounts	860,726	693,044	1,206,418	1,128,036
Savings accounts	169,457,001	131,339,535	169,633,333	131,445,231
Term deposits	117,896,190	119,237,952	117,896,190	119,237,952
NCD	168,029	255,343	168,029	255,343
Total	288,381,946	251,525,874	288,903,970	252,066,562

22.2 Classified by currency and residence of depositors

	Consolidated					
	31 December 2021			31 December 2020		
	Domestic Thousand Baht	Foreign Thousand Baht	Total Thousand Baht	Domestic Thousand Baht	Foreign Thousand Baht	Total Thousand Baht
Thai Baht	286,209,918	1,483,430	287,693,348	250,153,207	1,199,693	251,352,900
USD	683,573	-	683,573	172,974	-	172,974
Other	5,025	-	5,025	-	-	-
Total	286,898,516	1,483,430	288,381,946	250,326,181	1,199,693	251,525,874

	Separate					
	31 December 2021			31 December 2020		
	ในประเทศ พันบาท	ต่างประเทศ พันบาท	รวม พันบาท	ในประเทศ พันบาท	ต่างประเทศ พันบาท	รวม พันบาท
Thai Baht	286,731,942	1,483,430	288,215,372	250,693,895	1,199,693	251,893,588
USD	683,573	-	683,573	172,974	-	172,974
Other	5,025	-	5,025	-	-	-
Total	287,420,540	1,483,430	288,903,970	250,866,869	1,199,693	252,066,562

23 Interbank and money market items, net (liabilities)

	Consolidated	
	31 December 2021	31 December 2020
	Thousand Baht	Thousand Baht
Domestic		
Bank of Thailand and Financial Institution Development Fund	1,893,243	398,489
Commercial banks	7,134,859	3,868,535
Specific Financial Institution	3,504,855	2,406,014
Other financial institutions	2,460,377	2,088,977
	14,993,334	8,762,015
Foreign		
USD	1,670,995	1,501,855
Total	16,664,329	10,263,870

	Separate	
	31 December 2021	31 December 2020
	Thousand Baht	Thousand Baht
Domestic		
Bank of Thailand and Financial Institution Development Fund	1,893,243	398,489
Commercial banks	6,865,194	3,501,855
Specific Financial Institution	3,504,855	2,406,014
Other financial institutions	2,733,481	2,422,052
	14,996,773	8,728,410
Foreign		
USD	1,670,995	1,501,855
Total	16,667,768	10,230,265



24 Financial liabilities designated at fair value through profit or loss

	Consolidated		Separate	
	31 December	31 December	31 December	31 December
	2021	2020	2021	2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Structured debentures	1,699,750	896,906	-	-
Total	1,699,750	896,906	-	-

Proportion of transactions being classified by type of counterparties

	Consolidated		Separate	
	31 December	31 December	31 December	31 December
	2021	2020	2021	2020
	%	%	%	%
Third parties	100	100	-	-
Total	100	100	-	-

25 Debt issued and borrowings

			Consolidated	
	Currency	Interest rate %	31 December 2021	31 December 2020
			Thousand Baht	Thousand Baht
Senior securities	THB	0.60 - 1.03	16,470,000	17,498,617
Subordinated bond	THB	3.50 - 4.00	8,392,000	8,390,000
Structured debentures not designated at fair value	THB	0.02 - 0.50 and linked to equity, fund or, set index price	16,935,688	2,454,883
Bill of exchange	THB	0.57 - 0.59	2,007,219	-
Total			43,804,907	28,343,500

			Separate	
	Currency	Interest rate %	31 December 2021	31 December 2020
			Thousand Baht	Thousand Baht
Senior securities	THB	0.60 - 1.03	16,470,000	17,498,617
Subordinated bond	THB	3.50 - 4.00	8,392,000	8,390,000
Structured debentures not designated at fair value	THB	0.02 - 0.18 and linked to equity, fund or, set index price	15,581,614	1,869,264
Bill of exchange		0.57 - 0.59	2,007,219	-
Borrowing	THB	0.20	1,300,000	-
Total			43,750,833	27,757,881

26 Provisions

	Consolidated		Separate	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Expected credit loss of financial guarantee contracts and loan commitments	114,459	129,466	114,947	130,662
Post-employment benefits obligation	930,675	889,267	618,977	586,590
Others	53,610	47,522	53,610	47,522
Total	1,098,744	1,066,255	787,534	764,774

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 2021 and for the years ended 31 December 2020 are as follows;

	Consolidated		Separate	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Beginning defined benefit obligation	889,267	801,022	586,590	513,709
<u>Recognised within Statement of Profit or Loss:</u>				
Current service cost	106,558	99,669	79,453	73,267
Interest cost	14,992	13,231	10,134	8,729
<u>Recognised within Other comprehensive income:</u>				
Remeasurements:				
Loss (gain) from change in financial assumptions	(65,533)	-	(34,017)	-
Experience (gain) loss	(6,962)	-	(21,065)	-
<u>Other:</u>				
Defined benefit obligation transferred from subsidiary company	-	-	(204)	(3)
Benefits paid	(7,647)	(24,655)	(1,914)	(9,112)
Ending defined benefit obligation	930,675	889,267	618,977	586,590

The principal actuarial assumptions used to calculate the obligation under the defined benefit plans as at 31 December 2021 and 2020 are as follows;

	31 December 2021	31 December 2020
Financial assumptions		
Discount rate	0.53% - 3.57%	1.31% - 2.46%
Expected rate of salary increase	3.0% - 8.0%	3.0% - 8.0%
Turnover rate	0.0% - 25.0%	0.0% - 25.0%
Retirement age	55 years and 60 years	55 years and 60 years



Sensitivity analysis on key assumption changes are as follows;

	Consolidated		Separate	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Discount rate -1.0%	1,026,520	985,299	685,003	652,371
Discount rate (base)	930,675	889,267	618,977	586,590
Discount rate +1.0%	847,286	807,021	561,670	530,294
Expected rate of salary increase -1.0%	848,186	800,728	562,282	526,075
Expected rate of salary increase (base)	930,675	889,267	618,977	586,590
Expected rate of salary increase +1.0%	1,024,497	990,801	683,516	656,071
Turnover rate -20.0%	993,362	964,529	666,012	643,361
Turnover rate (base)	930,675	889,267	618,977	586,590
Turnover rate +20.0%	878,402	828,252	580,106	541,115

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 period.

Maturity profile of defined benefit obligation

	Consolidated		Separate	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Maturity duration of the post-employment benefits (Years)	10 - 16	12 - 16	15	16
Maturity analysis of benefits expected to be paid				
Benefits expected to be paid within 12 months	10,679	20,241	5,675	5,440
Benefits expected to be paid between 1 and 2 years	65,843	42,659	46,797	27,592
Benefits expected to be paid between 2 and 5 years	246,628	230,875	150,415	151,134
Benefits expected to be paid in more than 5 years	2,800,383	2,458,420	1,953,691	1,743,946

Allowance for expected credit loss of financial guarantee contracts and loan commitments

Consolidated				
31 December 2021				
	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 2021	126,327	3,139	-	129,466
Change due to reclassification	(266)	266	-	-
Change due to new estimation of credit loss	(70,436)	(2,178)	-	(72,614)
Newly acquired or purchased financial assets	113,835	4	-	113,839
Derecognised financial assets	(56,043)	(189)	-	(56,232)
As of 31 December 2021	113,417	1,042	-	114,459

Consolidated				
31 December 2020				
	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 2020	338,604	97,430	-	436,034
Change due to reclassification	305	(305)	-	-
Change due to new estimation of credit loss	(169,994)	(59,873)	-	(229,867)
Newly acquired or purchased financial assets	632,730	26,728	-	659,458
Derecognised financial assets	(675,318)	(60,841)	-	(736,159)
As of 31 December 2020	126,327	3,139	-	129,466

Separate				
31 December 2021				
	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 2021	127,523	3,139	-	130,662
Change due to reclassification	(266)	266	-	-
Change due to new estimation of credit loss	(71,144)	(2,178)	-	(73,322)
Newly acquired or purchased financial assets	113,835	4	-	113,839
Derecognised financial assets	(56,043)	(189)	-	(56,232)
As of 31 December 2021	113,905	1,042	-	114,947



	Separate			
	31 December 2020			
	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 2020	339,608	97,430	-	437,038
Change due to reclassification	305	(305)	-	-
Change due to new estimation of credit loss	(169,802)	(59,873)	-	(229,675)
Newly acquired or purchased financial assets	632,730	26,728	-	659,458
Derecognised financial assets	(675,318)	(60,841)	-	(736,159)
As of 31 December 2020	127,523	3,139	-	130,662

27 Other accounts payable

	Consolidated		Separate	
	31 December 2021 Thousand Baht	31 December 2020 Thousand Baht	31 December 2021 Thousand Baht	31 December 2020 Thousand Baht
Margin payables	1,064,478	1,447,660	1,064,478	1,447,660
Insurance premium payables	239,710	182,191	239,710	182,191
Dealer payables	1,158,597	757,397	1,158,597	757,397
Other refund payables to customers	10,788	10,388	10,788	10,388
Securities payables	206,595	439,204	206,595	439,204
Others	3,569,976	1,086,215	3,392,397	966,184
Total	6,250,144	3,923,055	6,072,565	3,803,024

28 Other liabilities

	Consolidated		Separate	
	31 December 2021 Thousand Baht	31 December 2020 Thousand Baht	31 December 2021 Thousand Baht	31 December 2020 Thousand Baht
Accrued bonus	1,990,644	1,491,024	965,000	754,000
Accrued expenses	1,164,225	1,038,732	1,029,430	826,959
Front-end fees	35,853	44,891	35,853	44,891
Other income received in advance	1,211,220	1,370,060	1,283,254	1,450,007
Deposits	156,098	178,043	155,504	177,248
Value added tax payable	29,701	54,577	9,132	35,690
Others	333,811	279,147	297,912	249,327
Total other liabilities	4,921,552	4,456,474	3,776,085	3,538,122

29 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.

30 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 2021 and 2020, total capital funds can be categorised as follows:

	Consolidated		Separate	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
	Thousand Baht	Thousand Baht	Thousand Baht	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	852,337	852,337	852,337	852,337
Retained earnings after appropriation	30,331,403	28,383,969	26,209,901	24,448,307
Other reserve and other provisions	(286,734)	(138,998)	156,294	397,629
Capital deduction items on CET1	(6,044,701)	(5,601,557)	(5,811,646)	(5,281,488)
Total tier 1 capital	42,676,049	41,319,495	39,230,630	38,240,529
Tier 2 capital				
Subordinated debt	8,392,000	8,390,000	8,392,000	8,390,000
Allowance for classified assets of "normal" category	3,311,702	3,004,810	3,352,145	3,060,030
Total tier 2 capital	11,703,702	11,394,810	11,744,145	11,450,030
Total capital fund	54,379,751	52,714,305	50,974,775	49,690,559

As at 31 December 2021 and 2020, capital adequacy ratios maintained by the Bank in accordance with the Notification of the BOT are as follows:

	Capital funds			
	Consolidated		Separate	
	31 December	31 December	31 December	31 December
	2021	2020	2021	2020
	(%)	(%)	(%)	(%)
Common equity tier 1 capital to				
risk-weighted assets	13.62	14.33	12.63	13.38
Tier 1 capital to risk-weighted assets	13.62	14.33	12.63	13.38
Capital funds to risk-weighted assets	17.35	18.28	16.41	17.39

	Consolidated		Separate	
	31 December	31 December	31 December	31 December
	2021	2020	2021	2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Capital funds less capital add-ons				
Capital funds to risk-weighted assets	54,379,751	52,714,305	50,974,775	49,690,559
Rate of capital funds to risk-weighted assets	17.35	18.28	16.41	17.39

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.kkpfpg.com/en/updates/pillar-disclosure>

Date of disclosure : Within April 2022

Information as at : 31 December 2021

Moreover, the Group has disclosed information related to Liquidity Coverage Ratio as at 31 December 2021 under the Notification of Bank of Thailand, no. Sor Nor Sor 2/2561, as the above location and date of disclosure.

31 Dividend paid

On 30 March 2020, the Board of directors Meeting of the Bank No. 4/2563 approved the resolution regarding the payment of dividend from six-month period operating performance at the rate of Baht 2.75 per ordinary share. The dividend was paid on 28 April 2020 amounting to Baht 2,328,521,825.

On 22 April 2021, the Annual General Meeting of the Bank's shareholders for the year 2020 approved the resolution regarding the payment of dividend for the year 2020 at the rate of Baht 2.25 per ordinary share. The dividend was paid on 20 May 2021 amounting to Baht 1,905,157,483.

On 26 August 2021, the Annual General Meeting of the Bank No. 8/2564 approved the resolution regarding the payment of dividend from six-month period operating performance at the rate of Baht 0.75 per ordinary share. The dividend was paid on 23 September 2021 amounting to Baht 635,053,319.

32 Other components of equity

Other components of equity for the for the year ended 31 December 2021 and 2020 are as follows;

Consolidated				
Attributable to owners of the components of the Components of equity parent				
	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 balances as at 1 January 2020	170,756	(346,724)	40,746	(158,337)
Total comprehensive income (expenses)	115,368	249,613	(72,637)	-
Transfer to retained earnings	-	(164,160)	28,327	-
Closing balances as at 31 December 2020	286,124	(261,271)	(3,564)	(158,337)
Opening balance as at 1 January 2021	286,124	(261,271)	(3,564)	(158,337)
Total comprehensive income (expenses)	(302,505)	1,168,637	(173,033)	-
Transfer to retained earnings	-	(1,046,752)	205,154	-
Closing balances as at 31 December 2021	(16,381)	(139,386)	28,557	(158,337)

Separate			
Other components of equity			
	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 balances as at 1 January 2020	170,756	205,328	(75,217)
Total comprehensive income (expenses)	115,368	6,335	(24,340)
Closing balances as at 31 December 2020	286,124	211,663	(99,557)
Opening balance as at 1 January 2021	286,124	211,663	(99,557)
Total comprehensive income (expenses)	(302,505)	1,574	60,186
Transfer to retained earnings	-	(4)	1
Closing balances as at 31 December 2021	(16,381)	213,233	(39,370)



33 Assets with obligations and restrictions

As 31 December 2021, the Group and the Bank have investments in government securities which are pledged as collaterals for repurchase agreement with fair value of Baht 3,344.62 million (31 December 2020: Baht 2,996.28 million).

34 Advance received from electronic transactions

The BOT Notification No. SOR NOR CHOR 7/2561, dated 16 April 2018, regarding the “Regulations on Service Business Relating to Electronic Money (e-Money) Services” requires the Bank to disclose advances received from e-Money Services. As of 31 December 2021, the Bank had no advances received from e-Money Services (31 December 2020: Nil).

35 Commitments and contingent liabilities

	Consolidated		Separate	
	31 December 2021 Thousand Baht	31 December 2020 Thousand Baht	31 December 2021 Thousand Baht	31 December 2020 Thousand Baht
Aval to bills of exchange	82,109	933,533	82,109	933,533
Other contingencies				
- Unused overdraft credit facilities	7,691,697	9,992,136	8,191,697	11,492,136
- Other guarantee	11,697,796	11,048,064	11,697,796	11,048,064
Total	19,471,602	21,973,733	19,971,602	23,473,733

As at 31 December 2021, 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 422.17 million (31 December 2020: Baht 343.17 million).

36 Earnings per share

Earnings per share in the consolidated and the separate financial statements for the years ended 31 December 2021 and 2020 are calculated as follows;

	Consolidated					
	For the year ended 31 December					
	Profit for the years		Weighted average number of ordinary shares		Earnings per share	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Shares	2020 Thousand Shares	2021 Baht	2020 Baht
Basic earnings per share						
Net profit available to ordinary shareholders	6,318,052	5,123,266	846,751	846,751	7.46	6.05

Separate					
For the year ended 31 December					
Profit for the years		Weighted average number of ordinary shares		Earnings per share	
2021	2020	2021	2020	2021	2020
Thousand Baht	Thousand Baht	Thousand Shares	Thousand Shares	Baht	Baht
Basic earnings per share					
Net profit available to ordinary shareholders	4,999,586	5,270,527	846,751	846,751	5.90 6.22

There are no dilutive ordinary shares in issue for the years ended 31 December 2021 and 2020.

37 Information on quality of assets

37.1 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 2021 and 2020 as follows;

Consolidated and Separate					
31 December 2021					
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	13.86	-
		2	5.46	13.86	0.04

Consolidated and Separate				
31 December 2020				
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	-
Listed company being subject to delisting	Common stocks	2	5.42	-
		3	5.46	0.04



37.2 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 consolidated and the separate financial statements as follows;

Consolidated				
31 December 2021				
	Numbers	Total debts Thousand Baht	Collateral Thousand Baht	Allowance for expected credit losses Thousand Baht
Companies which are under default problem	718	6,375,667	10,065,960	1,920,565
	718	6,375,667	10,065,960	1,920,565

Consolidated				
31 December 2020				
	Numbers	Total debts Thousand Baht	Collateral Thousand Baht	Allowance for expected credit losses Thousand Baht
Companies which are under default problem	303	5,867,411	10,043,321	1,686,271
	303	5,867,411	10,043,321	1,686,271

Separate				
31 December 2021				
	Numbers	Total debts Thousand Baht	Collateral Thousand Baht	Allowance for expected credit losses Thousand Baht
Companies which are under default problem	695	5,842,483	8,253,604	1,915,030
	695	5,842,483	8,253,604	1,915,030

Separate				
31 December 2020				
	Numbers	Total debts Thousand Baht	Collateral Thousand Baht	Allowance for expected credit losses Thousand Baht
Companies which are under default problem	280	5,400,698	8,217,134	1,685,792
	280	5,400,698	8,217,134	1,685,792

38 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.

38.1 Income

	Consolidated		Separate	
	2021 Million Baht	2020 Million Baht	2021 Million Baht	2020 Million Baht
Interest and dividend income				
Subsidiaries				
KKP Capital PCL.	-	-	1,101	1,112
Kiatnakin Phatra Securities PCL.	-	-	27	-
KKP Tower Co., Ltd.	-	-	104	204
	-	-	1,232	1,316
Fees and services income				
Subsidiaries				
KKP Capital PCL.	-	-	6	8
Kiatnakin Phatra Securities PCL.	-	-	119	98
Kiatnakin Phatra Asset Management Co., Ltd.	-	-	49	35
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	12	11	-	-
	12	11	193	160
Other operating income				
Subsidiaries				
KKP Capital PCL.	-	-	144	21
Kiatnakin Phatra Securities PCL.	-	-	(46)	36
Bangkok Capital Fund	-	-	7	1
	-	-	105	58

38.2 Expenses

	Consolidated		Separate	
	2021 Million Baht	2020 Million Baht	2021 Million Baht	2020 Million Baht
Interest and discounts on borrowings				
Subsidiaries				
KKP Capital PCL.	-	-	1	-
Kiatnakin Phatra Securities PCL.	-	-	92	83
KKP Tower Co., Ltd.	-	-	16	11
Directors and management at the position of department head and above including their related persons who have control or significant influences	23	35	23	35
	23	35	132	129
Other service expenses				
Subsidiaries				
KKP Capital PCL.	-	-	(1)	212
Kiatnakin Phatra Securities PCL.	-	-	324	94
KKP Tower Co., Ltd.	-	-	208	201
Other related parties	76	93	76	93
	76	93	607	600



38.3 Outstanding balances

	Consolidated		Separate	
	31 December 2021 Million Baht	31 December 2020 Million Baht	31 December 2021 Million Baht	31 December 2020 Million Baht
Loans to financial institutions / Loans				
Subsidiaries				
KKP Capital PCL.	-	-	-	1,950
Kiatnakin Phatra Securities PCL.	-	-	6,900	-
KKP Tower Co., Ltd.	-	-	2,372	2,339
<u>Less</u> Allowance of expected credit losses	-	-	(5)	(3)
Directors and management at the position of department head and above including their related persons who have control or significant influences	11	8	11	8
	11	8	9,278	4,294
Accrued interest receivables and undue interest receivable				
Subsidiaries				
KKP Capital PCL.	-	-	(2)	(4)
KKP Tower Co., Ltd.	-	-	(1)	(2)
	-	-	(3)	(6)
Other accounts receivables				
Subsidiaries				
KKP Capital PCL.	-	-	4	4
Kiatnakin Phatra Securities PCL.	-	-	116	62
Kiatnakin Phatra Asset Management Co., Ltd.	-	-	6	6
	-	-	126	72
Derivative assets				
Subsidiaries				
KKP Capital PCL.	-	-	9	-
Kiatnakin Phatra Securities Co., Ltd.	-	-	-	2
	-	-	9	2
Other assets				
Subsidiaries				
KKP Tower Co., Ltd.	-	-	662	700
	-	-	662	700

	Consolidated		Separate	
	31 December 2021 Million Baht	31 December 2020 Million Baht	31 December 2021 Million Baht	31 December 2020 Million Baht
Deposits				
Subsidiaries				
KKP Capital PCL.	-	-	14	44
Kiatnakin Phatra Securities PCL.	-	-	256	320
Kiatnakin Phatra Asset Management Co., Ltd.	-	-	17	18
KKP Dime Co., Ltd.	-	-	25	-
Bangkok Capital Fund	-	-	117	60
Gamma Capital Fund	-	-	215	331
KKP Tower Co., Ltd.	-	-	151	106
Directors and management at the position of department head and above including their related persons who have control or significant influences	2,099	1,165	2,099	1,165
	2,099	1,165	2,894	2,044
Debt issued and borrowings				
Subsidiaries				
KKP Capital PCL	-	-	1,300	-
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	5	400	5	400
	5	400	1,305	400
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	1	3	1	3
	1	3	1	3
Derivatives liabilities				
Subsidiaries				
KKP Capital PCL	-	-	-	37
	-	-	-	37
Other liabilities				
Subsidiaries				
KKP Capital PCL	-	-	-	135
Kiatnakin Phatra Securities PCL.	-	-	250	102
KKP Tower Co., Ltd.	-	-	614	645
Other related parties	3	3	3	3
	3	3	867	885



During the year ended 31 December 2021, 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 2021, fair value of the investment was Baht 239 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 the year ended 31 December 2021, the Bank has purchase assets from a subsidiary in amount of Baht 52 million. (31 December 2020: Baht 14 million).

38.4 Directors and key management compensations

For the year ended 31 December 2021 and 2020, compensations paid to directors and key management personnel are as follows:

	Consolidated		Separate	
	2021 Million Baht	2020 Million Baht	2021 Million Baht	2020 Million Baht
Short-term employee benefits	513,279	508,810	254,201	305,731
Post-employment benefits	11,036	10,437	6,751	5,629
Total	524,315	519,247	260,952	311,360

39 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).

40 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 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.

40.1 Operation result

Operation result classified by Commercial Banking Business, Capital Market Business and The Debt Restructuring Segment for the years ended 31 December 2021 and 2020 are as follows;

	Consolidated			
	31 December 2021			
	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	15,371	(56)	386	15,701
Fees and services income, net	2,232	3,842	-	6,074
Other operating income, net	1,238	1,202	31	2,471
Total income from operating	18,841	4,988	417	24,246
Income between segments	1,493	415	-	1,908
Depreciation and amortisation	448	129	5	582
Other expenses	8,344	2,591	(269)	10,666
Total other operating expenses	8,792	2,720	(264)	11,248
Expected credit loss (reversal)	5,238	-	(37)	5,201
Profit from operating before income tax expenses	4,811	2,268	718	7,797
Income tax expenses	983	455	4	1,442
Net Income	3,828	1,813	714	6,355



Consolidated				
31 December 2020				
	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	14,009	122	548	14,679
Fees and services income, net	1,849	2,487	-	4,336
Other operating income, net	769	1,436	13	2,218
Total income from operating	16,627	4,045	561	21,233
Income between segments	1,329	389	-	1,718
Depreciation and amortisation	522	112	12	646
Other expenses	7,237	2,262	507	10,006
Total other operating expenses	7,759	2,374	519	10,652
Expected credit loss (reversal)	4,468	-	(374)	4,094
Profit from operating before income tax expenses	4,400	1,671	416	6,487
Income tax expenses	992	340	12	1,344
Net Income	3,408	1,331	404	5,143

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 2021 and 2020 are as follows:

Consolidated				
31 December 2021				
	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	3,089	3,663	31	6,783
Over time	313	982	-	1,295

Consolidated				
31 December 2021				
	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	2,118	2,484	13	4,615
Over time	298	671	-	969

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 2021	401,654	32,664	1,805	436,123
As at 31 December 2020	342,198	18,695	2,518	363,411

40.2 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 years ended 31 December 2021 and 2020 are as follows;

	Consolidated	
	2021 Million Baht	2020 Million Baht
Income		
Consolidated income from all segments	26,154	22,951
Elimination of inter-segment income	(1,908)	(1,718)
Total income	24,246	21,233
Profit		
Consolidated profit from all segments	7,797	6,487
Elimination of inter-segment profit	-	-
Profit from operating before income tax expenses	7,797	6,487

Reconciliation between consolidated assets from all segments and total assets as at 31 December 2021 and 31 December 2020 are as follows;

	Consolidated	
	31 December 2021 Million Baht	31 December 2020 Million Baht
Assets		
Consolidated assets from all segments	436,123	363,411
Elimination of inter-segment assets	-	-
Total assets	436,123	363,411

During the years ended 31 December 2021 and 2020, 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.



41 Important positions and performance classified by type of domestic or foreign transactions

41.1 Position classified by type of transaction

	Consolidated					
	31 December 2021			31 December 2020		
	Domestic	Foreign	Total	Domestic	Foreign	Total
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Total assets	421,801,742	14,321,459	436,123,201	351,946,938	11,464,078	363,411,016
Interbank and money						
market items, net (Assets)	51,174,307	4,063,927	55,238,234	30,261,363	2,509,180	32,770,543
Financial assets measured at						
fair value through profit or loss	22,215,401	149,423	22,364,824	11,289,404	194	11,289,598
Investments	16,142,848	697,365	16,840,213	21,347,102	1,965,840	23,312,942
Loan to customer and accrued						
interest receivables, net	292,888,249	6,259,317	299,147,566	253,747,482	5,098,532	258,846,014
Deposits	288,381,946	-	288,381,946	251,525,874	-	251,525,874
Interbank and money						
market items (Liabilities)	14,993,334	1,670,995	16,664,329	8,762,015	1,501,855	10,263,870
Debt issued and borrowings	43,804,907	-	43,804,907	28,343,500	-	28,343,500

	Separate					
	31 December 2021			31 December 2020		
	Domestic	Foreign	Total	Domestic	Foreign	Total
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Total assets	406,763,983	12,141,384	418,905,367	345,940,542	8,527,756	354,468,298
Interbank and money						
market items, net (Assets)	56,702,624	4,035,136	60,737,760	28,803,702	2,054,084	30,857,786
Financial assets measured at						
fair value through profit or loss	7,369,286	-	7,369,286	6,752,638	-	6,752,638
Investments	15,116,585	-	15,116,585	20,223,133	-	20,223,133
Loan to customer and accrued						
interest receivables, net	294,707,275	6,259,317	300,966,592	257,544,580	5,098,532	262,643,112
Deposits	288,903,970	-	288,903,970	252,066,562	-	252,066,562
Interbank and money						
market items (Liabilities)	14,996,773	1,670,995	16,667,768	8,728,410	1,501,855	10,230,265
Debt issued and borrowings	43,750,833	-	43,750,833	27,757,881	-	27,757,881

41.2 Performance classified by type of transaction

	Consolidated					
	2021			2020		
	Domestic	Foreign	Total	Domestic	Foreign	Total
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Interest income	19,200,556	288,513	19,489,069	19,261,628	322,513	19,584,141
Interest expenses	3,787,786	647	3,788,433	4,904,154	800	4,904,954
Net interest income	15,412,770	287,866	15,700,636	14,357,474	321,713	14,679,187
Net fee and service income	4,870,221	1,203,836	6,074,057	3,586,753	749,503	4,336,256
Other operating income	2,571,313	(99,989)	2,471,324	3,300,974	(1,083,003)	2,217,971
Other operating expenses	11,245,384	2,875	11,248,259	10,645,760	6,176	10,651,936
Profit (loss) from continuing operation before expected credit losses and income tax expenses	11,608,920	1,388,838	12,997,758	10,599,441	(17,963)	10,581,478

	Separate					
	2021			2020		
	Domestic	Foreign	Total	Domestic	Foreign	Total
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Interest income	19,014,794	285,442	19,300,236	19,041,638	322,420	19,364,058
Interest expenses	3,864,881	643	3,865,524	4,946,334	800	4,947,134
Net interest income	15,149,913	284,799	15,434,712	14,095,304	321,620	14,416,924
Net fee and service income	2,315,824	-	2,315,824	1,932,536	-	1,932,536
Other operating income	2,508,431	265,858	2,774,289	4,039,403	(1,119,223)	2,920,180
Other operating expenses	9,347,272	-	9,347,272	8,863,105	2,454	8,865,559
Profit (loss) from continuing operation before expected credit losses and income tax expenses	10,626,896	550,657	11,177,553	11,204,138	(800,057)	10,404,081



42 Interest income

Interest income for the years ended 31 December 2021 and 2020 are as follows;

	Consolidated		Separate	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Interbank and money market items	289,379	324,280	305,247	307,466
Investment in debt securities	374,356	477,783	345,252	433,499
Loans	7,303,489	8,186,718	7,456,496	8,339,943
Hire-purchase and financial leases	11,164,018	10,112,380	11,164,018	10,112,380
POCI loans	349,454	467,928	25,251	161,574
Others	8,373	15,052	3,972	9,196
Total interest income	19,489,069	19,584,141	19,300,236	19,364,058

43 Interest expenses

Interest expenses for the years ended 31 December 2021 and 2020 are as follows;

	Consolidated		Separate	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Deposits	2,476,702	3,184,969	2,476,940	3,185,279
Interbank and money market items	103,078	133,415	99,499	136,858
Contributions to Financial Institution				
Development Fund and Deposit Protection Agency	664,037	626,362	664,037	626,362
Debt issued				
- Senior securities	163,655	512,474	163,655	512,474
- Subordinated bond	331,056	385,326	331,056	385,326
- Others	13,333	14,167	7,747	-
Fees and charges on borrowings	10,984	9,288	100,096	85,287
Others	25,588	38,953	22,494	15,548
Total interest expenses	3,788,433	4,904,954	3,865,524	4,947,134

44 Fees and services income, net

Fees and services income, net for the years ended 31 December 2021 and 2020 are as follows:

	Consolidated		Separate	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Fees and services income				
- Brokerage fees	1,940,655	1,657,439	-	-
- Bancassurance fees	1,081,431	942,574	1,081,431	942,574
- Acceptance, avals and guarantees	143,971	147,741	143,971	147,741
- Others	3,807,548	2,359,559	1,301,117	1,029,805
Total fees and services income	6,973,605	5,107,313	2,526,519	2,120,120
Fees and services expenses				
- Security management fees	594,899	501,239	-	-
- Others	304,649	269,818	210,695	187,584
Total fees and services expenses	899,548	771,057	210,695	187,584
Fees and services income, net	6,074,057	4,336,256	2,315,824	1,932,536

45 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 2021 and 2020 are as follows:

	Consolidated		Separate	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Gain (loss) on trading and foreign exchange transactions				
- Foreign exchange	429,496	(293,921)	269,962	(293,490)
- Debt securities	(58,331)	53,865	(4,081)	35,518
- Equity securities	2,437,924	(3,606,767)	322,663	(1,133,641)
- Derivatives	(2,825,881)	4,131,167	(1,143,882)	1,720,867
Total	(16,792)	284,344	(555,338)	329,254
Gain (loss) on financial liabilities designated at fair value through profit or loss				
- Changes in fair value	(18,573)	(163,528)	-	-
- Gain (loss) on redemption and interest expense paid	(122,393)	958,117	-	-
Total	(140,966)	794,589	-	-
Grand total	(157,758)	1,078,933	(555,338)	329,254



46 Gain (loss) on investments, net

Gain (loss) on investments, net for the years ended 31 December 2021 and 2020 are as follows;

	Consolidated		Separate	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Gain (loss) on sale of				
- Investment measured at fair value through other comprehensive income	(9,640)	49,555	(9,640)	49,555
- Investments in subsidiaries	-	-	7,912	1,164
Total	(9,640)	49,555	(1,728)	50,719
Reversal (loss) on impairment of				
- Investments in subsidiaries	-	-	78,235	725,836
Total	-	-	78,235	725,836
Total gain (loss) on investments, net	(9,640)	49,555	76,507	776,555

The Group recognised loss on impairment due to the carrying value less than the fair value.

47 Other operating income

Other operating income for the years ended 31 December 2021 and 2020 are as follows;

	Consolidated		Separate	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Penalty income	134,980	153,854	134,980	153,854
Profit from sales of fixed assets	16,189	23,075	11,505	22,877
Other income	1,158,152	523,394	1,114,226	493,162
Total other operating income	1,309,321	700,323	1,260,711	669,893

48 Other expenses

Other expenses for the years ended 31 December 2021 and 2020 are as follows;

	Consolidated		Separate	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Repossessed cars expenses	134,526	343,662	134,526	343,662
Properties foreclosed expenses	51,517	52,112	51,517	52,112
Transportation expenses	137,474	125,593	130,134	116,197
Advertising and promotion expenses	99,022	143,207	81,456	123,007
Management fee of Mutual funds	6,787	6,232	-	-
Other intangible assets expenses	249,790	206,279	219,446	179,918
Other expenses	1,076,192	702,172	920,231	528,667
Total other expenses	1,755,308	1,579,257	1,537,310	1,343,563

49 Expected credit losses

Expected credit losses for the years ended 31 December 2021 and 2020 are as follows:

	Consolidated		Separate	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Interbank and money market items	996	6,245	3,828	5,465
Loans	5,185,340	4,375,073	5,183,452	4,375,723
Modification loss (gain) on loan restructuring	28,913	19,738	28,913	19,738
Investment in debt instrument measured at fair value through other comprehensive income	587	139	587	139
Loan commitments and financial guarantees	(15,007)	(306,568)	(15,715)	(306,376)
Total	5,200,829	4,094,627	5,201,065	4,094,689

During the year ended 31 December 2021, the recoverable amount of receivables which were already written-off for the year are Baht 1,147 million.(31 December 2020 : Baht 1,355 million).



50 Income tax expenses

Income tax expenses for the years ended 31 December 2021 and 2020 are as follows;

	Consolidated		Separate	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Current income tax for the period	1,815,690	946,365	1,438,428	570,382
Adjustment in respect of current income tax of previous period	(11,555)	5,398	(10,922)	3,368
Deferred tax	(362,519)	391,959	(450,604)	465,115
Total income tax expenses	1,441,616	1,343,722	976,902	1,038,865

Reconciliation of effective tax rate for years ended 31 December 2021 and 2020.

	Consolidated	
	2021 Thousand Baht	2020 Thousand Baht
Profit before income tax expenses	7,796,929	6,486,851
Tax calculated at a tax rate of 20%	1,559,386	1,297,370
Adjustment in respect of current income tax of previous period	(11,555)	5,398
Income not subjected to tax	(146,246)	(125,265)
Expenses not deductible for tax purpose	37,668	166,219
Deferred tax adjustments in respect of prior year	2,363	-
Income tax expenses as statements of profit or loss and other comprehensive income	1,441,616	1,343,722

	Separate	
	2021 Thousand Baht	2020 Thousand Baht
Profit before income tax expenses	5,976,488	6,309,392
Tax calculated at a tax rate of 20%	1,195,298	1,261,878
Adjustment in respect of current income tax of previous period	(10,922)	3,368
Income not subjected to tax	(222,538)	(240,304)
Expenses not deductible for tax purpose	15,064	13,923
Income tax expenses as statements of profit or loss and other comprehensive income	976,902	1,038,865

The weighted average income tax rate for the year ended 31 December 2021 was 18.49% and 16.35% in the consolidated and the separate financial statements, respectively (2020: 20.71% and 16.47%, respectively).

The weighted average income tax rate for the consolidated and separate financial statements changed from dividend received transactions.

51 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 2021 and 2020 are as follows;

	Consolidated					
	2021			2020		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Gain (loss) on debt instruments classified at fair value through other comprehensive income	(302,505)	60,501	(242,004)	115,368	(23,074)	92,294
Gain (loss) on equity instruments designated at fair value through other comprehensive income	1,168,874	(233,585)	935,289	249,753	(49,574)	200,179
Remeasurments of post-employment benefit obligations	72,495	(14,499)	57,996	-	-	-
Other comprehensive income (loss)	938,864	(187,583)	751,281	365,121	(72,648)	292,473

	Separate					
	2021			2020		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Gain (loss) on debt instruments classified at fair value through other comprehensive income	(302,505)	60,501	(242,004)	115,368	(23,074)	92,294
Gain (loss) on equity instruments designated at fair value through other comprehensive income	1,574	(315)	1,259	6,335	(1,266)	5,069
Remeasurments of post-employment benefit obligations	55,082	(11,016)	44,066	-	-	-
Other comprehensive income (loss)	(245,849)	49,170	(196,679)	121,703	(24,340)	97,363

52 Financial instruments

Measurement basis of financial assets and liabilities

The accounting policies in Note 3 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 2021

	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	-	-	-	-	1,242,065	1,242,065
Interbank and money market items, net	-	-	-	-	55,238,234	55,238,234
Financial assets measured at fair value						
through profit or loss	22,364,824	-	-	-	-	22,364,824
Derivatives assets	7,481,509	-	-	-	-	7,481,509
Investments, net	-	-	14,871,410	1,744,238	224,565	16,840,213
Loans to customers and accrued						
interest receivables, net	-	-	-	-	299,147,566	299,147,566
Accounts receivable from clearing house						
and broker-dealers	-	-	-	-	979,499	979,499
Securities and derivative business						
receivables	-	-	-	-	10,996,362	10,996,362
Total financial assets	29,846,333	-	14,871,410	1,744,238	367,828,291	414,290,272
Financial liabilities						
Deposits	-	-	-	-	288,381,946	288,381,946
Interbank and money market items, net	-	-	-	-	16,664,329	16,664,329
Liabilities payable on demand	-	-	-	-	668,531	668,531
Financial liabilities measured at						
fair value through profit or loss	-	1,699,750	-	-	-	1,699,750
Derivatives liabilities	9,036,326	-	-	-	-	9,036,326
Debt issued and borrowings	-	-	-	-	43,804,907	43,804,907
Lease liabilities	-	-	-	-	240,002	240,002
Accounts payable to clearing house						
and broker-dealers	-	-	-	-	1,661,003	1,661,003
Securities and derivative business						
payables	-	-	-	-	8,898,093	8,898,093
Total financial liabilities	9,036,326	1,699,750	-	-	360,318,811	371,054,887

Consolidated						
31 December 2020						
	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	-	-	-	-	1,490,626	1,490,626
Interbank and money market items, net	-	-	-	-	32,770,543	32,770,543
Financial assets measured at fair value						
through profit or loss	11,289,598	-	-	-	-	11,289,598
Derivatives assets	10,276,081	-	-	-	-	10,276,081
Investments, net	-	-	18,985,945	3,164,350	1,162,647	23,312,942
Loans to customers and accrued interest receivables, net	-	-	-	-	258,846,014	258,846,014
Accounts receivable from clearing house and broker-dealers	-	-	-	-	1,334,267	1,334,267
Securities and derivative business receivables	-	-	-	-	6,837,597	6,837,597
Total financial assets	21,565,679	-	18,985,945	3,164,350	302,441,694	346,157,668
Financial liabilities						
Deposits	-	-	-	-	251,525,874	251,525,874
Interbank and money market items, net	-	-	-	-	10,263,870	10,263,870
Liabilities payable on demand	-	-	-	-	392,712	392,712
Financial liabilities measured at fair value through profit or loss	-	896,906	-	-	-	896,906
Derivatives liabilities	8,724,685	-	-	-	-	8,724,685
Debt issued and borrowings	-	-	-	-	28,343,500	28,343,500
Lease liabilities	-	-	-	-	183,697	183,697
Accounts payable to clearing house and broker-dealers	-	-	-	-	588,026	588,026
Securities and derivative business payables	-	-	-	-	5,539,391	5,539,391
Total financial liabilities	8,724,685	896,906	-	-	296,837,070	306,458,661



Separate						
31 December 2021						
	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	-	-	-	-	1,241,867	1,241,867
Interbank and money market items, net	-	-	-	-	60,737,760	60,737,760
Financial assets measured at fair value						
through profit or loss	7,369,286	-	-	-	-	7,369,286
Derivatives assets	7,433,220	-	-	-	-	7,433,220
Investments, net	-	-	14,871,410	245,175	-	15,116,585
Loans to customers and accrued interest receivables, net	-	-	-	-	300,966,592	300,966,592
Total financial assets	14,802,506	-	14,871,410	245,175	362,946,219	392,865,310
Financial liabilities						
Deposits	-	-	-	-	288,903,970	288,903,970
Interbank and money market items, net	-	-	-	-	16,667,768	16,667,768
Liabilities payable on demand	-	-	-	-	668,531	668,531
Derivatives liabilities	8,163,197	-	-	-	-	8,163,197
Debt issued and borrowings	-	-	-	-	43,750,833	43,750,833
Lease liabilities	-	-	-	-	848,579	848,579
Total financial liabilities	8,163,197	-	-	-	350,839,681	359,002,878

Separate						
31 December 2020						
	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	-	-	-	-	1,490,407	1,490,407
Interbank and money market items, net	-	-	-	-	30,857,786	30,857,786
Financial assets measured at fair value						
through profit or loss	6,752,638	-	-	-	-	6,752,638
Derivatives assets	10,251,116	-	-	-	-	10,251,116
Investments, net	-	-	18,985,945	236,292	1,000,896	20,223,133
Loans to customers and accrued interest receivables, net	-	-	-	-	262,643,112	262,643,112
Total financial assets	17,003,754	-	18,985,945	236,292	295,992,201	332,218,192
Financial liabilities						
Deposits	-	-	-	-	252,066,562	252,066,562
Interbank and money market items, net	-	-	-	-	10,230,265	10,230,265
Liabilities payable on demand	-	-	-	-	392,712	392,712
Derivatives liabilities	8,674,189	-	-	-	-	8,674,189
Debt issued and borrowings	-	-	-	-	27,757,881	27,757,881
Lease liabilities	-	-	-	-	820,206	820,206
Total financial liabilities	8,674,189	-	-	-	291,267,626	299,941,815

53 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 2021						
	Effects of offsetting on the financial position		Related amounts not offset			
		Net amounts set off in the financial position	Net amounts presented in the financial position	Cash collateral	Non-cash Collateral *	Net amounts
	Gross amounts Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Financial assets						
Reverse repurchase agreement	29,792,816	-	29,792,816	(16,779)	(29,776,037)	-
Derivatives assets	7,481,509	-	7,481,509	(1,047,699)	-	6,433,810
Total financial assets	37,274,325	-	37,274,325	(1,064,478)	(29,776,037)	6,433,810
Financial liabilities						
Repurchase agreement	3,207,538	-	3,207,538	(110,368)	(3,097,170)	-
Derivatives liabilities	9,036,326	-	9,036,326	(1,985,769)	-	7,050,557
Total financial liabilities	12,243,864	-	12,243,864	(2,096,137)	(3,097,170)	7,050,557

* 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 2020						
	Effects of offsetting on the financial position		Related amounts not offset			
		Net amounts set off in the financial position	Net amounts presented in the financial position	Cash collateral	Non-cash Collateral *	Net amounts
	Gross amounts Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Financial assets						
Reverse repurchase agreement	16,076,338	-	16,076,338	(49,649)	(16,026,689)	-
Derivatives assets	10,276,081	-	10,276,081	(1,398,011)	-	8,878,070
Total financial assets	26,352,419	-	26,352,419	(1,447,660)	(16,026,689)	8,878,070
Financial liabilities						
Repurchase agreement	2,704,772	-	2,704,772	(5,722)	(2,699,050)	-
Derivatives liabilities	8,724,685	-	8,724,685	(1,571,896)	-	7,152,789
Total financial liabilities	11,429,457	-	11,429,457	(1,577,618)	(2,699,050)	7,152,789

* 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 2021						
Effects of offsetting on the financial position			Related amounts not offset			
		Net amounts set off in the financial position	Net amounts presented in the financial position	Cash collateral	Non-cash Collateral *	Net amounts
Gross amounts	Thousand	Thousand	Thousand	Thousand	Thousand	Thousand
	Baht	Baht	Baht	Baht	Baht	Baht
Financial assets						
Reverse repurchase agreement	29,792,816	-	29,792,816	(16,779)	(29,776,037)	-
Derivatives assets	7,433,220	-	7,433,220	(1,047,699)	-	6,385,521
Total financial assets	37,226,036	-	37,226,036	(1,064,478)	(29,776,037)	6,385,521
Financial liabilities						
Repurchase agreement	3,207,538	-	3,207,538	(110,368)	(3,097,170)	-
Derivatives liabilities	8,163,197	-	8,163,197	(1,985,769)	-	6,177,428
Total financial liabilities	11,370,735	-	11,370,735	(2,096,137)	(3,097,170)	6,177,428

* 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 2020						
Effects of offsetting on the financial position			Related amounts not offset			
		Net amounts set off in the financial position	Net amounts presented in the financial position	Cash collateral	Non-cash Collateral *	Net amounts
Gross amounts	Thousand	Thousand	Thousand	Thousand	Thousand	Thousand
	Baht	Baht	Baht	Baht	Baht	Baht
Financial assets						
Reverse repurchase agreement	16,076,338	-	16,076,338	(49,649)	(16,026,689)	-
Derivatives assets	10,251,116	-	10,251,116	(1,398,011)	-	8,853,105
Total financial assets	26,327,454	-	26,327,454	(1,447,660)	(16,026,689)	8,853,105
Financial liabilities						
Repurchase agreement	2,704,772	-	2,704,772	(5,722)	(2,699,050)	-
Derivatives liabilities	8,674,189	-	8,674,189	(1,571,896)	-	7,102,293
Total financial liabilities	11,378,961	-	11,378,961	(1,577,618)	(2,699,050)	7,102,293

* 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'.



54 Fair value

54.1 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 2021 and 2020.

Consolidated					
31 December 2021					
	Carrying amount Thousand Baht	Fair value			Total Thousand Baht
		Level 1 Thousand Baht	Level 2 Thousand Baht	Level 3 Thousand Baht	
Assets					
Derivatives assets	7,481,509	-	7,481,509	-	7,481,509
Financial assets measured at fair value through profit or loss					
Government and state enterprise securities	831,575	-	831,575	-	831,575
Private sector's debt securities	2,759,974	-	2,694,121	65,853	2,759,974
Foreign debt securities	143,501	143,501	-	-	143,501
Domestic marketable equity securities	18,623,852	18,623,852	-	-	18,623,852
Foreign marketable equity securities	5,922	5,922	-	-	5,922
Investment, net					
Government and state enterprise securities	14,399,949	-	14,399,949	-	14,399,949
Private sector's debt securities	471,460	-	471,460	-	471,460
Domestic marketable equity securities	346,555	346,555	-	-	346,555
Foreign marketable equity security	431,456	431,456	-	-	431,456
Domestic non-marketable equity security	700,318	-	11,091	689,227	700,318
Foreign non-marketable equity security	265,909	-	-	265,909	265,909
Total assets	46,461,980	19,551,286	25,889,705	1,020,989	46,461,980
Liabilities					
Financial liabilities designated at fair value through profit or loss					
Derivatives liabilities	1,699,750	-	1,699,750	-	1,699,750
Derivatives liabilities	9,036,326	-	9,036,326	-	9,036,326
Total liabilities	10,736,076	-	10,736,076	-	10,736,076



Consolidated					
31 December 2020					
		Fair value			
	Carrying amount	Level 1	Level 2	Level 3	Total
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Assets					
Derivatives assets	10,276,081	-	10,276,081	-	10,276,081
Financial assets measured					
at fair value through profit or loss					
Government and state enterprise securities	1,137,504	-	1,137,504	-	1,137,504
Private sector's debt securities	4,328,564	-	4,172,636	155,928	4,328,564
Domestic marketable equity securities	5,823,336	5,823,336	-	-	5,823,336
Foreign marketable equity securities	194	194	-	-	194
Investment, net					
Government and state enterprise securities	18,358,842	-	18,358,842	-	18,358,842
Private sector's debt securities	627,103	-	627,103	-	627,103
Domestic marketable equity securities	507,567	507,567	-	-	507,567
Foreign marketable equity security	1,721,828	1,721,828	-	-	1,721,828
Domestic non-marketable equity security	690,943	-	11,091	679,852	690,943
Foreign non-marketable equity security	244,012	-	-	244,012	244,012
Total assets	43,715,974	8,052,925	34,583,257	1,079,792	43,715,974
Liabilities					
Financial liabilities designated					
at fair value through profit or loss	896,906	-	896,906	-	896,906
Derivatives liabilities	8,724,685	-	8,724,685	-	8,724,685
Total liabilities	9,621,591	-	9,621,591	-	9,621,591

During the period/year, the Group transferred fair value hierarchy level of derivative warrants from level 1 into level 2 to better reflect the value of the instruments at the end of reporting date.

Separate					
31 December 2021					
	Carrying amount Thousand Baht	Fair value			Total Thousand Baht
		Level 1 Thousand Baht	Level 2 Thousand Baht	Level 3 Thousand Baht	
Assets					
Derivatives assets	7,433,220	-	7,433,220	-	7,433,220
Financial assets measured at fair value through profit or loss					
Government and state enterprise securities	831,575	-	831,575	-	831,575
Private sector's debt securities	2,694,121	-	2,694,121	-	2,694,121
Domestic marketable equity securities	3,843,590	3,843,590	-	-	3,843,590
Investment, net					
Government and state enterprise securities	14,399,949	-	14,399,949	-	14,399,949
Private sector's debt securities	471,460	-	471,460	-	471,460
Domestic marketable equity securities	14,101	14,101	-	-	14,101
Domestic non-marketable equity	231,075	-	-	231,075	231,075
Total assets	29,919,091	3,857,691	25,830,325	231,075	29,919,091
Liabilities					
Derivatives liabilities	8,163,197	-	8,163,197	-	8,163,197
Total liabilities	8,163,197	-	8,163,197	-	8,163,197



Separate					
31 December 2020					
	Carrying amount Thousand Baht	Fair value			Total Thousand Baht
		Level 1 Thousand Baht	Level 2 Thousand Baht	Level 3 Thousand Baht	
Assets					
Derivatives assets	10,251,116	-	10,251,116	-	10,251,116
Financial assets measured at fair value through profit or loss					
Government and state enterprise securities	1,137,504	-	1,137,504	-	1,137,504
Private sector's debt securities	4,172,635	-	4,172,635	-	4,172,635
Domestic marketable equity securities	1,442,499	1,442,499	-	-	1,442,499
Investment, net					
Government and state enterprise securities	18,358,842	-	18,358,842	-	18,358,842
Private sector's debt securities	627,103	-	627,103	-	627,103
Domestic marketable equity securities	16,837	16,837	-	-	16,837
Domestic non-marketable equity	219,454	-	-	219,454	219,454
Total assets	36,225,990	1,459,336	34,547,200	219,454	36,225,990
Liabilities					
Derivatives liabilities	8,674,189	-	8,674,189	-	8,674,189
Total liabilities	8,674,189	-	8,674,189	-	8,674,189

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 2021 and 2020.

	Consolidated				
	31 December 2021				
		Fair value			
	Carrying amount	Level 1	Level 2	Level 3	Total
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Assets					
Interbank and money market items, net	55,238,234	55,238,234	-	-	55,238,234
Loans to customers and accrued interest receivables, net	299,147,566	-	272,313,518	-	272,313,518
Investments measured at amortised cost	224,566	-	224,566	-	224,566
Account receivable from clearing house and broker - dealers	979,499	-	979,499	-	979,499
Securities and derivative business receivables	10,996,362	-	10,996,362	-	10,996,362
Total assets	366,586,227	55,238,234	284,513,945	-	339,752,179
Liabilities					
Deposits	288,381,946	-	288,018,682	-	288,018,682
Interbank and money market items, net	16,664,329	16,664,329	-	-	16,664,329
Liabilities payable on demands	668,531	-	668,531	-	668,531
Debt issued and borrowings	43,804,907	-	26,448,680	16,909,466	43,358,146
Accounts payable to clearing house and broker - dealers	1,661,003	-	1,661,003	-	1,661,003
Securities and derivative business payables	8,898,093	-	8,898,093	-	8,898,093
Accrued interest payable	346,922	-	346,922	-	346,922
Total liabilities	360,425,731	16,664,329	326,041,911	16,909,466	359,615,706



Consolidated					
31 December 2020					
	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	32,770,543	32,770,543	-	-	32,770,543
Loans to customers and accrued interest receivables, net	258,846,014	-	257,850,809	-	257,850,809
Investments measured at amortised cost	1,162,647	-	1,193,157	-	1,193,157
Account receivable from clearing house and broker - dealers	1,334,267	-	1,334,267	-	1,334,267
Securities and derivative business receivables	6,837,597	-	6,837,597	-	6,837,597
Total assets	300,951,068	32,770,543	267,215,830	-	299,986,373
Liabilities					
Deposits	251,525,874	-	251,624,441	-	251,624,441
Interbank and money market items, net	10,263,870	10,263,870	-	-	10,263,870
Liabilities payable on demands	392,712	-	392,712	-	392,712
Debt issued and borrowings	28,343,500	-	26,023,426	2,455,830	28,479,256
Accounts payable to clearing house and broker - dealers	588,026	-	588,026	-	588,026
Securities and derivative business payables	5,539,391	-	5,539,391	-	5,539,391
Accrued interest payable	467,833	-	467,833	-	467,833
Total liabilities	297,121,206	10,263,870	284,635,829	2,455,830	297,355,529
Separate					
31 December 2021					
	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	60,737,760	60,737,760	-	-	60,737,760
Loans to customers and accrued interest receivables, net	300,966,592	-	273,124,168	-	273,124,168
Total assets	361,704,352	60,737,760	273,124,168	-	333,861,928
Liabilities					
Deposits	288,903,970	-	288,540,706	-	288,540,706
Interbank and money market items, net	16,667,768	16,667,768	-	-	16,667,768
Liabilities payable on demands	668,531	-	668,531	-	668,531
Debt issued and borrowings	43,750,833	-	26,448,680	15,555,391	42,004,071
Accrued interest payable	346,922	-	346,922	-	346,922
Total liabilities	350,338,024	16,667,768	316,004,839	15,555,391	348,227,998

Separate					
31 December 2020					
	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	30,857,786	30,857,786	-	-	30,857,786
Loans to customers and accrued interest receivables, net	262,643,112	-	259,151,040	-	259,151,040
Investments measured at amortised cost	1,000,896	-	1,031,406	-	1,031,406
Total assets	294,501,794	30,857,786	260,182,446	-	291,040,232
Liabilities					
Deposits	252,066,562	-	252,165,129	-	252,165,129
Interbank and money market items, net	10,230,265	10,230,265	-	-	10,230,265
Liabilities payable on demands	392,712	-	392,712	-	392,712
Debt issued and borrowings	27,757,881	-	26,023,426	1,870,212	27,893,638
Accrued interest payable	467,833	-	467,833	-	467,833
Total liabilities	290,915,253	10,230,265	279,049,100	1,870,212	291,149,577

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.

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.

54.2 Valuation techniques used to derive Level 2 fair values

Level 2 trading and hedging derivatives comprise 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.

54.3 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 2020, 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 2021	31 December 2020	31 December 2021	31 December 2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Opening balance	923,864	412,471	219,454	224,342
Addition	236,465	522,226	7,686	-
Disposal	(236,253)	-	-	-
Gain (loss) recognised in other comprehensive income	31,060	(10,833)	3,935	(4,888)
Closing balance	955,136	923,864	231,075	219,454

There was no changes in fair value basis and estimation during the year.

Convertible Bond

	Consolidated	
	31 December 2021	31 December 2020
	Thousand Baht	Thousand Baht
Opening balance	155,928	-
Purchased	-	150,000
Gain (loss) recognised in profit and loss	(90,075)	5,928
Closing balance	65,853	155,928

544 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:

- 1) Dividend Discount Model and Discounted Cash Flows Model for non-marketable equity securities and the Group expects to receive a return from the investment.
- 2) 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 1.0% - 2.0% and the recoverable amount is Baht 723.55 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 2021		31 December 2020	
	Discount Rate	Dividend	Discount Rate	Dividend
	Million Baht	Discount Rate Million Baht	Million Baht	Discount Rate Million Baht
Rate increased 1%	(76.18)	40.72	(76.29)	38.02
Rate decreased 1%	90.93	(34.28)	91.05	(32.00)

Convertible Bond

Convertible bond value is equivalent to the higher value of bond component (bond floor) or conversion value. The valuation concept of bond floor and conversion value could be summarised as follows:

- Bond Floor is calculated by discounting all cash flows received which consist of coupon and principal at the end of maturity. Discount rate, which could not be observed from the market, would be calculated by using the combination of credit spread which reflected the current situation of the company and government bond yield. For each valuation date, government bond yield component would be varied based on market while credit spread would reflect the current situation of the company. Bond floor value is Baht 65.85 million.
- Conversion Value: is calculated by multiplying convertible shares with price per share which determined by 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. However, due to the current highly uncertain business environment, the Management believes that a more conservative valuation method would be more appropriate for the current situation, therefore, the bond value will be used as the primary valuation method.

The sensitivity analysis of fair value based on the increase and decrease by 1 percent in cash flow growth rate beyond 10 years and discount rate to profit and loss which recognised in statement of profit or loss and other comprehensive incomes is as follows;

	Consolidated		
	31 December 2021		31 December 2020
	Discount Rate	Discount Rate	Cash Flow Rate
	Million Baht	Million Baht	Million Baht
Rate increased 1%	(0.29)	(3.72)	9.81
Rate decreased 1%	0.30	21.42	(3.72)



The following table presents the summary of quantitative information that significant unobservable in Level 3.

		Consolidated		
		Fair value	Fair value	
	Measurement	31 December 2021	31 December 2020	Unobservable information
Financial assets measurement at fair value through profit or loss				
- Debt securities	The higher value of bond component (bond floor) or conversion value	65,853	155,928	Discount rate and cash flow growth rate
Investment in security				
- Non-marketable equity securities	Dividend Discount Model	265,909	244,012	Dividend discount rate and dividend growth rate
	Reference price			No significant unobservable
	from net asset value	689,227	679,852	information
		1,020,989	1,079,792	
		Separate		
		Fair value	Fair value	
	Measurement	31 December 2021	31 December 2020	Unobservable information
Investment in security				
- Non-marketable equity securities	Reference price			No significant unobservable
	from net asset value	231,075	219,454	information
		231,075	219,454	

55 Subsequent events

On 24 February 2022, the Board of directors Meeting of the Bank No.2/2022 approved the resolution regarding the payment of dividend for the year of 2021 at the rate of Baht 2.95 per share, a part of which had been paid as interim dividend at the rate of Baht 0.75 per share and the remaining amount will be paid on 19 May 2022 at the rate of Baht 2.20 per share.

On 22 February 2022, 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 2021 at the rate of Baht 5.50 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 27 April 2022 at the rate of Baht 3.00 per share.

On 21 February 2022, 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 2021 at the rate of Baht 15.50 per share, a part of which had been paid as interim dividend at the rate of Baht 6.00 per share and the remaining amount will be paid on 25 April 2022 at the rate of Baht 9.50 per share.

Attachment

**Profiles of Directors, Executives, Controlling Persons,
Chief Financial Officer, Accounting Head,
and Corporate Secretary**



* KKP shareholding is included share numbers of spouse and minor children

Name - Surname/ Present Position/ Date of Appointment	Age:	Education/Training Programs	Family Relationship with the Executive	KKP shareholding*	Experiences in the Past 5 Years	
					Period	Position Organization/ Company Name
		<ul style="list-style-type: none"> Chairman Forum 1/2013 Meeting the AEC Challenge: Role of the Chairman Thai Institute of Directors Association (IOD) CG Forum 3/2013 Conflict of Interest: Fighting Abusive RPT The Securities and Exchange Commission (SEC) Chairman Forum 2/2013 Role of the Chairman's business code of conduct Thai Institute of Directors Association (IOD) Financial Institution Governance Program (FGP 2/2011) Thai Institute of Directors Association (IOD) Financial Sector Restructuring in Thailand: From present to the future (Special Seminar 1/2010) Thai Institute of Directors Association (IOD) The 5th SEACEN / ABAC / ABA / PECC Public Private Dialogue for the Asia Pacific Region (2009) The South East Asia Central Bank Research and Training Center, Malaysia Corporate Governance Report of Thai Listed Companies (2007) Thai Listed Companies Association Leadership, Strategic Growth and Change (2006) Sasin Graduate Institute of Business Administration of Chulalongkorn University Organizing and Managing Strategic Alliances for Success and Profit (2006) Sasin Graduate Institute of Business Administration of Chulalongkorn University Director Certification Program (DCP 76/2006) Thai Institute of Directors Association (IOD) Director Accreditation Program (DAP 56/2006) Thai Institute of Directors Association (IOD) Orchestrating Winning Performance (2005) IMD International, Switzerland Board & CEO Assessment (2003) Thai Institute of Directors Association (IOD) The Role of the Chairman Program (RCP 1/2000) Thai Institute of Directors Association (IOD) 				

* KKP shareholding is included share numbers of spouse and minor children



Name - Surname/ Present Position/ Date of Appointment	Age:	Education/Training Programs	Family Relationship with the Executive	KKP shareholding*	Experiences in the Past 5 Years		
					Period	Position	Organization/ Company Name
2. Mrs. Dayana Bunnag • Independent Director ^{/1} • Chairperson of the Audit Committee	69	• Master of Business Administration University of Texas, Austin, U.S.A. • Bachelor of Economics (2 nd Class Honors) Chulalongkorn University Training Programs: • Ethical Leadership Program (ELP 22/2021) (online) Thai Institute of Directors Association (IOD) • Seminar "Cyber Resilience Leadership Herd Immunity 2021" (online) Bank of Thailand (BOT), The Securities and Exchange Commission (SEC) and Office of Insurance Commission (OIC) • Capital Market Threat Landscape (2021) (online) The Securities and Exchange Commission (SEC) • Data Awareness & Culture for Data Champions (2021) (online) Coraline Company Limited • Risk Management Program for Corporate Leaders (RCL 17/2019) • IT Governance and Cyber Resilience Program (ITG 10/2019) Thai Institute of Directors Association (IOD) • Bangkok Sustainable Banking Forum 2019: An Industry Wake-up Call Bank of Thailand (BOT) • Audit Committee Forum "Upcoming Financial Reporting Standards (IFRS 9, 15 and 16): Major Changes of Financial Reporting" (2018) KPMG in Thailand • Bangkok FinTech Fair 2018: SME and Consumer Financial Solutions Bank of Thailand (BOT) • Seminar: Cyber Resilience Leadership (2017) Bank of Thailand (BOT) • Independent Director Forum 2017 "Updated COSO Enterprise Risk Management: Integrating with Strategy and Performance" Thai Institute of Directors Association (IOD) • Advance Audit Committee Program (AACP 25/2017) Thai Institute of Directors Association (IOD)	None	None	Kiatnakin Phatra Financial Group		
					Other Listed Companies		
					Non-Listed Companies		

^{/1} Appointed effective on April 23, 2015

* KKP shareholding is included share numbers of spouse and minor children

Name - Surname/ Present Position/ Date of Appointment	Age:	Education/Training Programs	Family Relationship with the Executive	KKP shareholding*	Experiences in the Past 5 Years		
					Period	Position	Organization/ Company Name
3. Mr. Chet Pattrakornkul Independent Director ¹⁾ Chairman of the Compliance and Governance Committee Member of the Audit Committee Member of the Nomination and Remuneration Committee ¹⁾ Appointed effective on April 7, 2005	73	<ul style="list-style-type: none"> Director Certification Program Update (DCPU 5/2015) Thai Institute of Directors Association (IOD) Corporate Governance for Capital Market Intermediaries (CGI 4/2015) Thai Institute of Directors Association (IOD) Role of the Nomination and Governance Committee (RNG 4/2013) Thai Institute of Directors Association (IOD) Capital Market Academy Leadership Program (CMA11/2011) Capital Market Academy Role of the Compensation Committee (RCC 11/2010) Thai Institute of Directors Association (IOD) Director Certification Program (DCP 2/2000) Thai Institute of Directors Association (IOD) 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	50,000 (0.01)	2015 - 2016	Director Member of the Audit Committee	Metropolitan Electronic Authority
					Jul - Nov 2014	Director Member of the Audit Committee	
		Training Programs: <ul style="list-style-type: none"> Bangkok Sustainable Banking Forum 2019: An Industry Wake-up Call Bank of Thailand (BOT) Cyber Resilience Leadership Workshop "Mission in Action" (2019) Bank of Thailand (BOT) IT Governance and Cyber Resilience Program (ITG 9/2018) Thai Institute of Directors Association (IOD) Seminar: Director Briefing (1/2018) "Start Less, Finish More: Building Strategic Agility with Objectives and Key Results" Thai Institute of Directors Association (IOD) Bangkok FinTech Fair 2018: SME and Consumer Financial Solutions Bank of Thailand (BOT) 			Kiatnakin Phatra Financial Group		Kiatnakin Phatra Bank Public Company Limited
					2011 - present	Chairman of the Compliance and Governance Committee	
					2007 - present	Member of the Audit Committee	
					2006 - present	Member of the Nomination and Remuneration Committee	
					2006 - present	Independent Director	
					2005 - 2006	Director	
					Other Listed Companies		
					None		
					Non-Listed Companies		
					2005 - present	Advisor	Thai Hire - Purchase Association

* KKP shareholding is included share numbers of spouse and minor children



Name - Surname/ Present Position/ Date of Appointment	Age:	Education/Training Programs	Family Relationship with the Executive	KKP shareholding*	Experiences in the Past 5 Years	
					Period	Position Organization/ Company Name
		<ul style="list-style-type: none"> Seminar: IOD Director Briefing 1/2018 "Burning Issues Directors Need to Hear in the Year of the Dog" Thai Institute of Directors Association (IOD) Seminar: Cyber Resilience Leadership (2017) Bank of Thailand (BOT) Independent Director Forum 2017 "Update COSO Enterprise Risk Management: Integrating with strategy and performance" Thai Institute of Directors Association (IOD) Boards that Make a Difference (BMD 5/2017) Thai Institute of Directors Association (IOD) Forum for director: Nomination Committee Best Practice Guideline (1/2017) Thai Institute of Director Association (IOD) Audit Committee Forum: The Audit Committee's Role in Compliance and Ethical Culture Oversight (1/2017) Thai Institute of Directors Association (IOD) Forum for director: Corporate Governance Code (2016) Thai Institute of Directors Association (IOD) Corporate Governance for Capital Market Intermediaries (CGI 10/2015) Thai Institute of Directors Association (IOD) CG Forum 1/2015 "CG in Substance Corporate Culture and CG Principles" The Stock Exchange of Thailand (SET) Director Certification Program Update (DCPU 1/2014) Thai Institute of Directors Association (IOD) Financial Institutions Governance Program (FGP 2013) Thai Institute of Directors Association (IOD) CG Forum 4/2013 "The Updated COSO's 2013 Integrated Internal Control: what the Board and Managements should do" Thai Institute of Directors Association (IOD) The 2nd National Director Conference 2013 "Board Leadership Evolution" Thai Institute of Directors Association (IOD) Role of the Nomination and Governance Committee (RNG 1/2011) Thai Institute of Directors Association (IOD) Financial Institutes Reform in Thailand from Present to the Future (2010) Thai Institute of Directors Association (IOD) 				

* KKP shareholding is included share numbers of spouse and minor children

Name - Surname/ Present Position/ Date of Appointment	Age:	Education/Training Programs	Family Relationship with the Executive	KKP shareholding*	Experiences in the Past 5 Years		
					Period	Position	Organization/ Company Name
4. Mr. Veravat Chutichetpong • Independent Director ⁿ • Member of the Audit Committee • Chairman of the Nomination and Remuneration Committee ⁿ Appointed effective on November 30, 2016	61	<ul style="list-style-type: none"> Economy After the Crisis (2010) Thai Institute of Director Association (IOD) The Board's Role on Fraud Prevention and Detection (2010) Thai Institute of Directors Association (IOD) Monitoring the System of Internal Control and Risk Management (MIR 5/2009) Thai Institute of Directors Association (IOD) Monitoring of the Quality of Financial Reporting (MFR 7/2009) Thai Institute of Directors Association (IOD) Monitoring Fraud Risk Management (MFM 1/2009) Thai Institute of Directors Association (IOD) Board and Director Performance Evaluation (R-WS workshop 2/2008) Thai Institute of Directors Association (IOD) 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 (IOD) Audit Committee Program (ACP 17/2007) Thai Institute of Directors Association (IOD) Role of the Compensation Committee (RCC 1/2006) Thai Institute of Directors Association (IOD) DCP Refresher Course (DCP 3/2006) Thai Institute of Directors Association (IOD) Director Certification Program (DCP 9/2001) Thai Institute of Directors Association (IOD) 	None	629,739 (0.07)	Kiatnakin Phatra Financial Group		
					2017 - present	Chairman of the Nomination and Remuneration Committee Member of the Audit Committee	Kiatnakin Phatra Bank Public Company Limited
		Training Programs: <ul style="list-style-type: none"> Seminar: Cyber Resilience Leadership: Herd Immunity 2021 (online) Bank of Thailand (BOT), The Securities and Exchange Commission (SEC) and Office of Insurance Commission (OIC) Seminar: Cyber Resilience Leadership (2017) Bank of Thailand (BOT) 			2016 - present	Independent Director	
					2012 - 2013	Director	
					2010 - 2016	Director	Phatra Capital Public Company Limited
					2011 - 2016	Chairman of the Audit Committee	Phatra Securities Public Company Limited
					2003 - 2016	Director	

* KKP shareholding is included share numbers of spouse and minor children



Name - Surname/ Present Position/ Date of Appointment	Age:	Education/Training Programs	Family Relationship with the Executive	KKP shareholding*	Experiences in the Past 5 Years		
					Period	Position	Organization/ Company Name
5. Assoc. Prof. Dr. Chayodom Sabhasri • Independent Director ^{†1} ^{†1} Appointed effective on April 22, 2021	57	<ul style="list-style-type: none"> Corporate Governance for Capital Market Intermediaries (CGI 15/2016) Thai Institute of Directors Association (IOD) Director Accreditation Program (DAP 40/2005) Thai Institute of Directors Association (IOD) 	None	None	Other Listed Companies		
					2021 - present	Member of the Risk Policy Committee	Central Pattana Public Company Limited
					2016 - present	Independent Director	
					Non-Listed Companies		
					2014 - present	Chairman of the Board of Directors	Aksorn Education Public Company Limited
					2010 - present	Director	Alpha Absolute Company Limited
					Kiatnakin Phatra Financial Group		
					2021 - present	Independent Director	Kiatnakin Phatra Bank Public Company Limited
					Other Listed Companies		
					2021 - present	Independent Director Member of the Audit Committee	PTT Public Company Limited
		Training Programs: <ul style="list-style-type: none"> Ethical Leadership Program (ELP 23/2021) (online) Thai Institute of Directors Association (IOD) Advanced Audit Committee Program (AACP 33/2019) Thai Institute of Directors Association (IOD) Board Nomination and Compensation Program (BNCP 7/2019) Thai Institute of Directors Association (IOD) Director Certification Program (DCP 271/2019) Thai Institute of Directors Association (IOD) The Executive Program in Energy Literacy for a Sustainable Future (14/2019) Thailand Energy Academy (TEA) Director Accreditation Program (DAP 155/2018) Thai Institute of Directors Association (IOD) 			Non-Listed Companies		
					2020 - present	Members of the Public Works and Town & Country Planning Board	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	Governance and Ethics Committee	Burapha University
					2020 - present	Sub-committee to consider the amendment of laws that impede people's occupation and business operations	Strategic Transformation Office
					2020 - present	Member of the Risk Oversight Committee	The Securities and Exchange Commission (SEC)

* KKP shareholding is included share numbers of spouse and minor children

Name - Surname/ Present Position/ Date of Appointment	Age:	Education/Training Programs	Family Relationship with the Executive	KKP shareholding*	Experiences in the Past 5 Years		
					Period	Position	Organization/ Company Name
<ul style="list-style-type: none"> • Diploma, National Defence College the National Defence Course (Class 57/2014) • Thailand National Defence College • Top Executive Program (Class of 17/2014) • Capital Market Academy (CMA) 					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 (PDMO)	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	Member of 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 (SEPO), Ministry of Finance
					2016 - 2020	Chairman of Ph.D. Program in Economics	Chulalongkorn University
					2015 - 2020	Investment Sub-Committee, Government Pension Fund (GPF)	Ministry of Finance
					2018 - 2019	Head of the Working Group for Review of Laws, Regulatory Guillotine Unit Projects	Thailand Development Research Institute (TDRI)
					2012 - 2018	Sub-Performance Agreement Committee (Sub-PAC for SFIs)	State Enterprise Policy Office (SEPO), Ministry of Finance
					2012 - 2018	Performance Agreement Committee for State Owned Enterprises (PAC)	
					2012 - 2016	Chairman of Sub-Performance Agreement (Chairman on Sub-PAC for SFIs)	

* KKP shareholding is included share numbers of spouse and minor children



Name - Surname/ Present Position/ Date of Appointment	Age:	Education/Training Programs	Family Relationship with the Executive	KKP shareholding*	Experiences in the Past 5 Years		
					Period	Position	Organization/ Company Name
6. Mr. Suvit Mapaisansin • Director [†] • Member of the Nomination and Remuneration Committee • Member of the Compliance and Governance Committee	62	• Master of Business Administration (Finance & International Business) Sasin Graduate Institute of Business Administration of Chulalongkorn University • Bachelor of Economics Chulalongkorn University Training Programs: • Seminar Cyber Resilience Leadership Workshop "Mission in Action" (2019) Bank of Thailand (BOT) • Seminar: Director Briefing 1/2018 "Start Less, Finish More: Building Strategic Agility with Objectives and Key Results" Thai Institute of Directors Association (IOD) • Seminar: Cyber Resilience Leadership (2017) Bank of Thailand (BOT) • Corporate Governance for Capital Market Intermediaries (CGI 5/2015) Thai Institute of Directors Association (IOD) • Audit Committee Program (ACP 37/2011) Thai Institute of Directors Association (IOD) • Director Certification Program (DCP 12/2001) Thai Institute of Directors Association (IOD)	None	779,406 (0.09)	Kiatnakin Phatra Financial Group		
					May 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	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	Krunghai 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
					2012 - 2015	Chairman of the Board of Directors	KKTRADE Securities Company Limited

* KKP shareholding is included share numbers of spouse and minor children

Name - Surname/ Present Position/ Date of Appointment	Age:	Education/Training Programs	Family Relationship with the Executive	KKP shareholding*	Experiences in the Past 5 Years		
					Period	Position	Organization/ Company Name
7. Prof.Dr. Anya Khanthavit • Director ¹⁾ • Member of the Risk Oversight Committee ¹⁾ Appointed effective on April 24, 2017	59	<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">• Guest speaker Topic “CSR and ESG Risk according to the UNPD and ISO 26000 framework” Thailand Science Research and Innovation (TSRI)• Meeting with the Audit Committee of Thai Listed Companies 2021 (online)The Securities and Exchange Commission (SEC)• Ethical Leadership Program (ELP/22 2021) (online) Thai Institute of Directors Association (IOD)• Seminar “Cyber Resilience Leadership: Herd Immunity 2021” (online) Bank of Thailand (BOT), The Securities and Exchange Commission (SEC) and Office of Insurance Commission (OIC)• Leading Your Business through Uncertainties (2020) Thai Institute of Directors Association (IOD)• Bangkok Sustainable Banking Forum 2019: An Industry Wake-up Call Bank of Thailand (BOT)• Cyber Resilience Leadership Workshop “Mission in Action” Bank of Thailand (BOT)• Audit Committee Forum: Strategic Audit Committee: Beyond Figure and Compliance (2019) Thai Institute of Directors Association (IOD)• IT Governance and Cyber Resilience Program (ITG 10/2019) Thai Institute of Directors Association (IOD)	None	None	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
					May 2019 - present	Member of the Risk Oversight Committee	
					2012 - May 2019	Member of the Risk Management	
					2012 - 2017	Risk Management Advisor	
					2008 - 2012	Director	Phatra Securities Public Company Limited
					2008 - 2012	Advisor	
					2010 - 2012	Director	Phatra Capital Public Company Limited
Other Listed Companies							
Sep 2019 - present			Chairman of the Risk Oversight Committee		The Electricity Generating Public Company Limited		
2017 - present			Independent Director Member of Audit Committee				
Non-Listed Companies							
May 2021 - present			University Council qualified		Burapha University		
2018 - present			Director		Tobacco Authority of Thailand		
2017 - present			Member of Appeal Committee		Thailand Futures Exchange Public Company Limited (TFEX)		
2015 - present			Member of the Thailand Quality Award Committee		Thailand Quality Award		
2005 - present			Distinguished Professor of Finance and Banking Faculty of Commerce and Accountancy		Thammasat University		
2002 - present			Member of the Performance Assessment Committee for State Enterprises		Ministry of Finance		

* KKP shareholding is included share numbers of spouse and minor children



Name - Surname/ Present Position/ Date of Appointment	Age:	Education/Training Programs	Family Relationship with the Executive	KKP shareholding*	Experiences in the Past 5 Years		
					Period	Position	Organization/ Company Name
		<ul style="list-style-type: none"> Strategic Board Master Class (SBM 5/2018) Thai Institute of Directors Association (IOD) Study trip for the development and planning energy at Germany. Kingdom of Spain and the French Republic (2018) The Electricity Generating Authority of Thailand Value Creation and Enhancement for Listed Companies with the New COSO 2017 Enterprise Risk Management (ERM) 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 (AAP 19/2015) Thai Institute of Directors Association (IOD) Director Certification Program (DCP 99/2008) Thai Institute of Directors Association (IOD) 			2001 - present	Director	The Professor Sangvian Indaravijaya Foundation
					2012 - 2020	Member of the Public Science Subsidiary Board	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	Expert Board Member of the Policy and Public 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 consultants and arbitrators to settle disputes from trading transactions bond	Thai Bond Market Association
					Kiatnakin Phatra Financial Group		
					Aug 2020 - present	Director Member of the Compliance and Governance Committee	Kiatnakin Phatra Bank Public Company Limited
8. Mrs. Patchanee Limapichat • Director ^{/1} • Member of the Compliance and Governance Committee	59	<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	2016 - Jan 2020	Member of the Executive Committee	KKP Capital Public Company Limited
					2010 - present	Director	Kiatnakin Phatra Securities Public Company Limited
					Jan 2020 - Dec 2021	Advisor to Kiatnakin Phatra Financial Group	Kiatnakin Phatra Securities Public Company Limited
					2004 - present	Director	Kiatnakin Phatra Securities Public Company Limited

^{/1} Appointed effective on August 7, 2020

* KKP shareholding is included share numbers of spouse and minor children

Name - Surname/ Present Position/ Date of Appointment	Age:	Education/Training Programs	Family Relationship with the Executive	KKP shareholding*	Experiences in the Past 5 Years		
					Period	Position	Organization/ Company Name
9. Mr. Banyong Pongpanich • Director ¹⁾ • Chairman of the Executive Committee • Advisor of the Risk Oversight Committee	67	<ul style="list-style-type: none"> • Director Accreditation Program (DAP 36/2005) Thai Institute of Directors Association (IOD) 	None	1,800,046 (0.21)	2016 - 2018	President	Kiatnakin Phatra Securities Public Company Limited
					2004 - 2016	Managing Director	
					Other Listed Companies		
					None		
					Non-Listed Companies		
					2021 - present	Director	Alpha Absolute Company Limited
					Kiatnakin Phatra Financial Group		
					2012 - present	Director Chairman of the Executive Committee	Kiatnakin Phatra Bank Public Company Limited
					May 2019 - present	Advisor of the Risk Oversight Committee	
					2012 - May 2019	Member of the Risk Management Committee	
		Training Programs: <ul style="list-style-type: none"> • BOT Symposium 2019: Competitive Thailand Bank of Thailand (BOT) • Corporate Governance for Capital Market Intermediaries (CGI 15/2016) • Thai Institute of Directors Association (IOD) • Anti-Corruption for Executive Program (ACEP 2/2012) • Thai Institute of Directors Association (IOD) • Director Accreditation Program (DAP 36/2005) • Thai Institute of Directors Association (IOD) • The Role of the Chairman Program (RCP 5/2001) • Thai Institute of Directors Association (IOD) 			2012 - 2015	Chief Executive Officer	
					2010 - present	Chairman of the Board of Directors	KKP Capital Public Company Limited
					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

* KKP shareholding is included share numbers of spouse and minor children



Name - Surname/ Present Position/ Date of Appointment	Age:	Education/Training Programs	Family Relationship with the Executive	KKP shareholding*	Experiences in the Past 5 Years		
					Period	Position	Organization/ Company Name
Non-Listed Companies							
					Oct 2019 - present	Vice Chairman	Shoh Unakul Foundation
					2017 - present	Director	Vajiravudh College
					2012 - present	Director Executive Director	Thailand Development Research institute (TDRi)
					2011 - present	Director Executive Director	Buddhadasa Indapanno Archives
					2007 - present	Independent Director Chairman of the Nomination and Remuneration Committee	Don Muang Tollway Public Company Limited
					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
					2009 - 2019	Director	RPIC Pte. Ltd
					2008 - 2019	Director	Ruamphon Phatra International Corp.
					2002 - 2018	Director	Celennium (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

* KKP shareholding is included share numbers of spouse and minor children

Name - Surname/ Present Position/ Date of Appointment	Age:	Education/Training Programs	Family Relationship with the Executive	KKP shareholding*	Experiences in the Past 5 Years		
					Period	Position	Organization/ Company Name
10. Ms. Thitinan Wattanavekin • Director [†] • Member of the Executive Committee [†] Appointed effective on January 1, 2011	64	<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"> • Seminar "Cyber Resilience Leadership: Herd Immunity 2021" (online) • Bank of Thailand (BOT), The Securities and Exchange Commission (SEC) and Office of Insurance Commission (OIC) • Boards That Make a Difference (BMD 10/2020) • Thai Institute of Directors Association (IOD) • Seminar: Cyber Resilience Leadership Workshop "Mission in Action" (2019) • Bank of Thailand (BOT) • Bangkok FinTech Fair 2019: Collaboration for the Future of Finance • Bank of Thailand (BOT) • Bangkok FinTech Fair 2018: SME and Consumer Financial Solutions • Bank of Thailand (BOT) • Seminar: Cyber Resilience Leadership (2017) • Bank of Thailand (BOT) • Anti-Corruption: The Practical Guide (ACPG 33/2016) • Thai Institute of Directors Association (IOD) • Director Certification Program Update (DCPU 5/2015) • Thai Institute of Directors Association (IOD) • Corporate Governance for Capital Market Intermediaries (CGI 8/2015) • Thai Institute of Directors Association (IOD) • Role of the Nomination and Governance Committee Program (RNG 6/2014) • Thai Institute of Directors Association (IOD) • Financial Institutions Governance Program (FGP 5/2012) • Thai Institute of Directors Association (IOD) • Financial Planning for Executive (2012) • Thai Financial Planners Association 	Mr. Supol Wattanavekin's sister	35,532,761 (4.20)	Kiatnakin Phatra Financial Group		Kiatnakin Phatra Bank Public Company Limited
					2011 - present	Director	
					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		
					1999 - 2013	Director	KKTRADE Securities Company Limited
					2006 - 2011	Director	Chai Talay Hotel Company Limited

* KKP shareholding is included share numbers of spouse and minor children



Name - Surname/ Present Position/ Date of Appointment	Age:	Education/Training Programs	Family Relationship with the Executive	KKP shareholding*	Experiences in the Past 5 Years		
					Period	Position	Organization/ Company Name
11. Mr. Aphinant Kiewpatinond • Director ¹ • Chief Executive Office ² • Acting Head of Commercial Lending Group • Member of the Executive Committee • Member of the Risk Oversight Committee ¹ Appointed effective on September 12, 2012 ² Appointed effective on January 1, 2016	52	• Corporate Governance and Social Responsibility (CSR 1/2007) Thai Institute of Directors Association (IOD) • Capital Market Academy Leadership Program (CMA 2/2006) Capital Market Academy • Directors Certification Program (DCP 1/2000) Thai Institute of Directors Association (IOD) • Diploma in the Joint State Private Course (NDC Class 2549) Thailand National Defence College • Master of Science 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 (SET) • Corporate Governance for Capital Market Intermediaries (CGI 15/2016) Thai Institute of Directors Association (IOD) • Directors Accreditation Program (DAP 82/2010) Thai Institute of Directors Association (IOD) • Capital Market Academy Leadership Program (CMA 10/2010) Capital Market Academy	None	1,200,000 (0.14)	Kiatnakin Phatra Financial Group		
					Feb 2021 - present	Acting Head of Commercial Lending Group	Kiatnakin Phatra Bank Public Company Limited
					2016 - present	Chief Executive Officer	
					2012 - present	Director Member of the Executive Committee	
					May 2019 - present	Member of the Risk Oversight Committee	
					2012 - May 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	
					2016 - present	Chief Executive Officer	Kiatnakin Phatra Securities Public Company Limited
					2010 - present	Director	
					2009 - 2012	Chief Executive Officer	

* KKP shareholding is included share numbers of spouse and minor children

Name - Surname/ Present Position/ Date of Appointment	Age:	Education/Training Programs	Family Relationship with the Executive	KKP shareholding*	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 ¹ Appointed effective on May 1, 2019 ² Appointed effective on October 1, 2018	56	• 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 (BOT), The Securities and Exchange Commission (SEC) and Office of Insurance Commission (OIC) • Strategic Board Master Class (SBM 6/2019) • Thai Institute of Directors Association (IOD) • Capital Market Academy Leadership Program (CMA 23/2016) Capital Market Academy	None	40,000 (0.00)	2015 - present	Chairman of the Board of Directors Chairman of the Audit Committee	Kiatnakin Phatra Asset Management Company Limited			
					2012 - present	Director				
					2018 - present	Director	KKP Tower Company Limited			
					2021 - present	Chairman of the Board of Directors	KKP Dime Company Limited			
					Other Listed Companies					
					2011 - 2013	Independent Director Member of the Audit Committee	Siracha Construction Public Company Limited			
					Non-Listed Companies					
					Nov 2019 - present	Director	Chino Italian Company Limited			
					2009 - 2019	Director	RPIC 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				
Kiatnakin Phatra Financial Group										
					May 2019 - present	Director Member of the Risk Oversight Committee	Kiatnakin Phatra Bank Public Company Limited			
					2018 - present	President Member of the Executive Committee				
					Sep 2020 - May 2021	Acting Head of Retail Business Strategy and Innovation Group				
					2021 - present	Director	KKP Dime Company Limited			
					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			

* KKP shareholding is included share numbers of spouse and minor children



Name - Surname/ Present Position/ Date of Appointment	Age:	Education/Training Programs	Family Relationship with the Executive	KKP shareholding*	Experiences in the Past 5 Years		
					Period	Position	Organization/ Company Name
<ul style="list-style-type: none"> Director Certification Program (DCP 175/2013) Thai Institute of Directors Association (IOD) GE Six Sigma Quality Leader Certification - BMC 2011 - LIG II 2007 - MDC 2006 GE Crotonville Courses 					2016 - 2017	Director	Thaicom Public Company Limited
					Jul - Oct 2015	Member of the Executive Committee	
						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
					2014 - present	Member of the Advisory Board	Sasin Graduate Institute of Business Administration of Chulalongkorn University
					2011 - present	Emeritus Board Member	University of Maryland, Clack School of Engineering
					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

* KKP shareholding is included share numbers of spouse and minor children

Name - Surname/ Present Position/ Date of Appointment	Age:	Education/Training Programs	Family Relationship with the Executive	KKP shareholding*	Experiences in the Past 5 Years		
					Period	Position	Organization/ Company Name
13. Mr. Pongtep Polanun <ul style="list-style-type: none">• Advisor to the Board of Directors^{†1} ^{†1} Appointed effective on April 22, 2021	67	<ul style="list-style-type: none">• Master of Business Administration (Management) Sasin Graduate Institute of Business• Master of Economics (Financial Economics) The National Institute of Development Administration• Bachelor of Economics Thammasat University Training Programs: <ul style="list-style-type: none">• Seminar: Director Briefing 1/2018 "Start Less, Finish More: Building Strategic Agility with Objectives and Key Results" Thai Institute of Directors Association (IOD) <ul style="list-style-type: none">• Seminar: Cyber Resilience Leadership (2017) Bank of Thailand (BOT)• Director Accreditation Program (DAP 36/2005) Thai Institute of Directors Association (IOD)	None	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	
					2013 - 2014	Advisor to Managing Director	Muang Thai Insurance Public Company Limited
					2010 - 2011	Advisor to Managing Director	
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 IBI Leasing Company Limited
Kiatnakin Phatra Financial Group							
14. Mrs. Kulnan Tsanthaiwo <ul style="list-style-type: none">• First Executive Vice President• Head of Priority Banking Group^{†1}• Head of Private Client Business• Member of the Executive Committee	57	<ul style="list-style-type: none">• Master of Science in Computer Information System (MSCIS) New Hampshire College, U.S.A.• Master of Business Administration Sasin Graduate Institute of Business Administration of Chulalongkorn University	None	None	Sep 2021 - present	First Executive Vice President Head of Private Client Business	Kiatnakin Phatra Bank Public Company Limited
					Jan 2020 - present	Member of the Executive Committee	

* KKP shareholding is included share numbers of spouse and minor children



Name - Surname/ Present Position/ Date of Appointment	Age:	Education/Training Programs	Family Relationship with the Executive	KKP shareholding*	Experiences in the Past 5 Years		
					Period	Position	Organization/ Company Name
^{/1} Appointed effective on June 1, 2014		<ul style="list-style-type: none">Bachelor of Political Science Chulalongkorn University <p>Training Programs:</p> <ul style="list-style-type: none">IT Governance and Cyber Resilience Program (ITG 10/2019)Thai Institute of Directors Association (IOD)Family Business Governance (FBG 9/2017)Thai Institute of Directors Association (IOD)IOD Special Event 6/2016: Family Business Club Dinner: The Professional Management Succession of Family BusinessThai Institute of Directors Association (IOD)Corporate Governance for Capital Market Intermediaries (CGI 8/2015)Thai Institute of Directors Association (IOD)Corporate Governance for Executives (CGE 3/2015)Thai Institute of Directors Association (IOD)Director Accreditation Program (DAP 37/2005)Thai Institute of Directors Association (IOD)			2018 - Aug 2021	Acting Department Head of Investment Support & Services	Kiatnakin Phatra Bank Public Company Limited
					2017 - Aug 2021	Acting Department Head of Lombard Loan	
					2014 - Aug 2021	First Executive Vice President Head of Priority Banking Group Acting Department Head of Marketing Support	
					Oct 2020 - Apr 2021	Acting Head of Sales and Distribution Group	
					Aug 2020 - present	Director	KKP Capital Public Company Limited
					Aug 2020 - present	Director	Kiatnakin Phatra Securities Public Company Limited
					Jan 2020 - present	Managing Director Head of Private Client Business	
					2012 - 2018	Managing Director Head of Private Client Group	
					2017 - present	Director Member of the Audit Committee	Kiatnakin Phatra Asset Management Company Limited
					2021 - present	Director	KKP Dime 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		
15. Mr. Trairak Tengtriat	53	<ul style="list-style-type: none">Master of Business Administration (Finance) Seattle University, U.S.A.Bachelor of Business Administration (Marketing) Chulalongkorn University	None	None	Kiatnakin Phatra Bank Public Company Limited		
					Sep 2021 - present	Head of Wholesales & Investment Banking Business	Kiatnakin Phatra Bank Public Company Limited
					Jan 2020 - present	Member of the Executive Committee	

^{/1} Group

* KKP shareholding is included share numbers of spouse and minor children

Name - Surname/ Present Position/ Date of Appointment	Age:	Education/Training Programs	Family Relationship with the Executive	KKP shareholding*	Experiences in the Past 5 Years			
					Period	Position	Organization/ Company Name	
<div><div>• Member of the Executive Committee</div><div>Appointed effective on October 1, 2018</div><div>¹</div></div>		Training Programs: <ul style="list-style-type: none">Share-based Payment: Accounting and Case Study (2021) (online)Association of Thai Securities CompaniesImpact of COVID-19 Pandemic on Financial Report and Accounting Standard in 2021 (online)Association of Thai Securities CompaniesInternal Control for IPO Firm (2021) (online)Association of Thai Securities CompaniesPersonal Data Protection Law on Investment Banking Business (2021) (online)Association of Thai Securities CompaniesInternal Control Modernization (2021) (online)Association of Thai Securities CompaniesAnalysis and valuation of the Company's shares in leasing and hire purchase and construction business (2017)Association of Thai Securities CompaniesThe impact of accounting changes and the new auditor's report (2017)Association of Thai Securities CompaniesGuideline using of the quality Due Diligence (2016)Association of Thai Securities CompaniesREIT/IFF: Criteria and Taxes Related (2016)Association of Thai Securities CompaniesExecutive Program in Energy Science (8/2016)PTT Public Company LimitedInternal control system for IPO companies (2015)Association of Thai Securities CompaniesUpdate and Impact: New Accounting Standard (2015)Association of Thai Securities CompaniesCorporate Governance for Capital Market Intermediaries (OGI 7/2015)Thai Institute of Directors Association (IOD)Financial Advisor Course: Securities Listing (2015)Association of Thai Securities CompaniesFinancial Advisor Course: Due Diligence Guideline for Financial Advisors (2015)Association of Thai Securities CompaniesFinancial Advisor Course: Issuance and Offering of Securities-Bond (2015)Association of Thai Securities CompaniesFinancial Advisor Course: Acquisition of Securities for business Take-Overs (2015)Association of Thai Securities Companies			2018 - present	First Executive Vice President Head of Corporate Banking Group	Kiatnakin Phatra Bank Public Company Limited	
						2018 - May 2019	Member of the Risk Management Committee	
						2014 - present	Director	KKP Capital Public Company Limited
						2020 - present	Managing Director Head of Wholesales & Investment Banking Business	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 - Sep 2021	Independent Director Member of the Audit Committee	Sriracha Construction Public Company Limited
	Non-Listed Companies							
						Jun 2021 - present	Nomination and Remuneration Committee	Thai Listed Companies Association
					Apr 2021 - present	Director	Thai Listed Companies Association	
					Feb 2019 - present	Director	Kruem Company Limited	
					2008 - present	Director	Crystal Football Club Company Limited	
					2017 - 2019	Director	RPC Pte.Ltd.	

* KKP shareholding is included share numbers of spouse and minor children



Name - Surname/ Present Position/ Date of Appointment	Age:	Education/Training Programs	Family Relationship with the Executive	KKP shareholding*	Experiences in the Past 5 Years		
					Period	Position	Organization/ Company Name
16. Mr. Pracha Chumnankitsosol • First Executive Vice President • Head of Special Asset Management Group ^{/1} • Member of the Executive Committee	59	<ul style="list-style-type: none"> • TLCA Leadership Development Program (LDP 2/2015) • Thai Listed Companies Association • Advance Audit Committee Program (AAP 15/2014) • Thai Institute of Directors Association (IOD) • Capital Market Academy Leadership Program (CMA 11/2011) • Capital Market Academy • Master of Business Administration (Finance) University of Texas, U.S.A. • Bachelor of Engineering Chulalongkorn University 	None	None	Kiatnakin Phatra Financial Group		
					2012 - present	First Executive Vice President Head of Special Asset Management Group	Kiatnakin Phatra Bank Public Company Limited
					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
					2012 - 2015	Director	Phatra Securities Public Company Limited
					Other Listed Companies		
					None		
17. Dr. Anuchit Anuchitanukul • First Executive Vice President ^{/1} • Advisor to Chief Executive Officer ^{/2} • Member of the Executive Committee	50	<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 	None	None	Kiatnakin Phatra Financial Group		
					Sep 2020 - Present	Advisor to Chief Executive Officer	Kiatnakin Phatra Bank Public Company Limited
					2016 - present	Member of the Executive Committee	
					Non-Listed Companies		
					None		
					Other Listed Companies		
					None		
					Non-Listed Companies		
					None		
					Other Listed Companies		

^{/1} Appointed effective on October 1, 2012

* KKP shareholding is included share numbers of spouse and minor children

Name - Surname/ Present Position/ Date of Appointment	Age:	Education/Training Programs	Family Relationship with the Executive	KKP shareholding*	Experiences in the Past 5 Years		
					Period	Position	Organization/ Company Name
¹ Appointed effective on July 2, 2013 ² Appointed effective on Sep 1, 2020		<ul style="list-style-type: none"> Bachelor of Engineering (1st Class Honors) Chulalongkorn University 			2013 - present	First Executive Vice President	Kiatnakin Phatra Bank Public Company Limited
		Training Programs: <ul style="list-style-type: none"> Thailand Insurance Super Leadership Program (1/2020) Office of Insurance Commission (OIC) Capital Market Academy Leadership Program (CMA 28/2019) Capital Market Academy Strategy and Innovation for Businesses in Asia (SIBA 2012) Massachusetts Institute of Technology (MIT), College of Management Mahidol University (CMMU) OIC Advanced Insurance Institute (OIC All 2012) Office of Insurance Commission (OIC) 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 (IOD) 			Jan 2020 - 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 Company Limited
					Other Listed Companies		
					Apr 2021 - present	Independent director Member of Risk Management Committee	WHA Corporation Public Company Limited
					Apr 2020 - present	Director	I.C.C. International Public Company Limited
					2018 - Apr 2021	Director	Bangchak Corporation Public Company Limited
					Non-Listed Companies		
					Aug 2021 - present	Chairman	SET Venture Holding Company Limited
					July 2021 - present	Director	Fourgle (Thailand) Company Limited
					May 2021 - present	Director	Bee System Company Limited
					Feb 2021 - present	Director	The Stock Exchange Thailand
					Feb 2021 - present	Sub-committee on Database and Information System Development BIG DATA / MASTER DATA	The Office of SMEs Promotion (OSMEP)
					Nov 2020 - present	Chairman of the Audit Committee	Arkitektura Company Limited
					Mar 2020 - present	Director	
					Oct 2020 - present	Strategy and Promotion Sub-commissioner of the Electronic Transactions Commission	Ministry of Digital Economy and Society
					Oct 2020 - present	Standard and Regulation Sub-commissioner of the Electronic Transactions Commission	

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Name - Surname/ Present Position/ Date of Appointment	Age:	Education/Training Programs	Family Relationship with the Executive	KKP shareholding*	Experiences in the Past 5 Years		
					Period	Position	Organization/ Company Name
					Aug 2020 - present	Expert committee in computer science, electronic Transactions Commission	Ministry of Digital Economy and Society
					Jun 2020 - present	Advisor to the Working Group to promote liquidity in doing business with electronic tax documents	The Revenue Department
					May 2020 - present	Advisor	Digital Council of Thailand
					2020 - present	Advisor	The Securities and Exchange Commission
					2019 - present	State Enterprise Development Assessment Sub-committee for Digital transformation and Knowledge and Innovation management	State Enterprise Policy Office (SEPO)
					2019 - Present	Expert Member of the Capital Market Development Fund Committee	The Stock Exchange of Thailand
					2018 - present	Director in the Revenue Department drive the committee into digital revenue	The Revenue Department
					2018 - present	Member of the Big Data Driven Board	Ministry of Finance
					2018 - present	Expert Board Member of the Committee for the Protection of Credit Information	Committee For the Protection of Credit Information
					2017 - present	Qualified Member of the Commission policy on private participation in state affairs	State Enterprise Policy Office (SEPO)
					2014 - present	Director	Aksom Education Public Company Limited
					2018 - 2019	Director Member of the Audit Sub-Committee	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

* KKP shareholding is included share numbers of spouse and minor children

Name - Surname/ Present Position/ Date of Appointment	Age:	Education/Training Programs	Family Relationship with the Executive	KKP shareholding*	Experiences in the Past 5 Years		
					Period	Position	Organization/ Company Name
18. Mr. Supachoke Supabundit • Member of the Executive Committee ^{/1} ^{/1} Appointed effective on March 1, 2020	45	<ul style="list-style-type: none"> • 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. <p>Training Programs:</p> <ul style="list-style-type: none"> • 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 (OIC) • Mergers and Acquisitions; Accounting, Legal and Tax Issues (2020) • Association of Thai Securities Companies • Director Accreditation Program (170/2020) • Thai Institute of Directors Association (IOD) • New Merger Control Regulations (2019) • Association of Thai Securities Companies • Capital Market Academy Leadership Program (CMA 26/2019) • Capital Market Academy 	None	None	Kiatnakin Phatra Financial Group		
					Mar 2020 - present	Member of the Executive Committee	Kiatnakin Phatra Bank Public Company Limited
					Aug 2020 - present	Director	KKP Capital Public Company Limited
					Jan - Dec 2020	President	
					Aug 2020 - present	Director	Kiatnakin Phatra Securities Public Company Limited
					Jan 2020 - present	President	
					2016 - 2019	Managing Director Investment Banking & Capital Markets Group	
					2010 - 2016	Assistant Managing Director Investment Banking & Capital Markets Group	
					Nov 2021 - present	Director	KKP Dime Company Limited
					Other Listed Companies		
					None		
					Non-Listed Companies		
					Aug 2020 - present	Director	Asco Business Promotion Company Limited
					Jul 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		
					Nov 2021 - present	Member of the Executive Committee	Kiatnakin Phatra Bank Public Company Limited
					Oct 2021 - present	President Head of Digital Financial Services Group	KKP Capital Public Company Limited
19. Mr. Kampol Jantavibool • Member of the Executive Committee ^{/1} ^{/1} Appointed effective on November 11, 2021	49	<ul style="list-style-type: none"> • Master of Business Administration Assumption University • Bachelor of Business Administration in Finance and Banking Thammasat University 	None	None	Kiatnakin Phatra Financial Group		

* KKP shareholding is included share numbers of spouse and minor children



Name - Surname/ Present Position/ Date of Appointment	Age:	Education/Training Programs	Family Relationship with the Executive	KKP shareholding*	Experiences in the Past 5 Years		
					Period	Position	Organization/ Company Name
		Training Programs: <ul style="list-style-type: none"> Directors Association Program (2018) Thai Institute of Directors Association (IOD) CGI-Corporate Governance for Capital Market Intermediaries (2017) Thai Institute of Directors Association (IOD) 			2021 - present	Director	KKP Dime Company Limited
					Other Listed Companies		
					2020 - 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 - 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	
					2015 - 2017	Executive Vice President Commercial Banking Product Management Division	
					Non-Listed Companies		
					2018 - 2020	Chief Executive Officers	SCB Securities Company Limited
20. Ms. Kusummann Lowsalaraks	50	<ul style="list-style-type: none"> Master of Business Administration (Management) Kellogg Graduate School of Management Northwestern University, U.S.A. Bachelor of Economics Osaka University, Japan Training Programs: <ul style="list-style-type: none"> Strategic Formulation and Execution of Strategy Thai Institute of Directors Association (IOD) 	None	None	Kiatnakin Phatra Financial Group		
					Jan 2020 - present	First Executive Vice President Head of Auto Finance Group Acting Department Head of Auto Finance Performance Management and Salesforce Effectiveness	Kiatnakin Phatra Bank Public Company Limited
					Jan - Mar 2020	Acting Department Head of Auto Inventory Finance	
					Nov - Dec 2019	First Executive Vice President Executive Office	

¹ Appointed effective on November 16, 2019

² Appointed effective on January 1, 2020

* KKP shareholding is included share numbers of spouse and minor children

Name - Surname/ Present Position/ Date of Appointment	Age:	Education/Training Programs	Family Relationship with the Executive	KKP shareholding*	Experiences in the Past 5 Years			
					Period	Position	Organization/ Company Name	
					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		
					Other None-Listed Companies			
					None			
					Kiatnakin Phatra Financial Group			
21. Mr. Preecha Techarungchaikul • First Executive Vice President • Head of Financial Markets Group ¹ • Head of Finance and Budgeting Group ² • Acting Department Head of Investor Relations and Business Planning • The person who is assigned the highest responsibility in the accounting and financial field	51	• Master of Science (Finance) University of Colorado, U.S.A. • Bachelor of Business Administration (Industrial Management) Thammasat University	None	None	May 2019 - present	Head of Finance and Budgeting Group	Kiatnakin Phatra Bank Public Company Limited	
					Jan 2019 - present	Acting Department Head of Investor Relations and Business Planning		
					2013 - present	First Executive Vice President Head of Financial Markets Group		
					Jan - May 2019	Acting as a Head of Finance and Budgeting Group		
					2013 - May 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	

Total hours of continuing professional development on professional accounting have contents related to accounting in the number of 9 hours for the year of 2020

* KKP shareholding is included share numbers of spouse and minor children



Name - Surname/ Present Position/ Date of Appointment	Age:	Education/Training Programs	Family Relationship with the Executive	KKP shareholding*	Experiences in the Past 5 Years		
					Period	Position	Organization/ Company Name
		<ul style="list-style-type: none">Treasury Dealer Certification Course (Refresher course 2019)Thai Financial Market (TFMC)TLCA CFO Professional Development Program (TLCA CFO CPD) 4/2019Thai 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 have contents related to accounting in the number of 6 hours for the year of 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 FinTech Fair 2018: SME and Consumer Financial SolutionsBank of Thailand (BOT)					
	22. Mr. Panya Vechbanyongratana	47	<ul style="list-style-type: none">Master of Business Administration University of Colorado at Boulder, U.S.A.Bachelor of Science in Computer Information Systems, (Honors) Regis University, Denver, U.S.A.	None	None	Kiatnakin Phatra Financial Group	
	<ul style="list-style-type: none">First Executive Vice PresidentHead of Information Technology Group¹Head of Customer & Digital Group²			May 2021 - present	Head of Customer & Digital Group	Kiatnakin Phatra Bank Public Company Limited	
				2019 - present	First Executive Vice President Head of Information Technology Group		
	Other Listed Companies						
	¹ Appointed effective on July 1, 2019			2018 - Jan 2019	Executive Vice President Chief Marketing Officer Head of Marketing Group	Total Access Communication Public Company Limited	
	² Appointed effective on May 16, 2021			2017 - 2018	Executive Vice President Chief Marketing Officer Head of Commercial Group		
				2016 - 2017	Executive Vice President Chief Sale Officer Head of Sales Group		

* KKP shareholding is included share numbers of spouse and minor children

Name - Surname/ Present Position/ Date of Appointment	Age:	Education/Training Programs	Family Relationship with the Executive	KKP shareholding*	Experiences in the Past 5 Years		
					Period	Position	Organization/ Company Name
23. Dr. Papanit Poommarapan • First Executive Vice President • Head of Risk Management Group ^{†1} • Acting Department Head of Operational Risk Management ^{†1} Appointed effective on October 1, 2012	59	<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 (IOD) 	None	None	2015 - 2016	Senior Vice President Postpaid Branded Retail Sales	Total Access Communication Public Company Limited
					2014 - 2015	Senior Vice President Regional Business Head	
					2013 - 2014	Senior Vice President Head of Network Operations Division	
					Other None-Listed Companies		
					2017 - present	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
24. Mrs. Penroong Suwannakudt • First Executive Vice President • Head of Human Resources Management Group ^{†1} ^{†1} Appointed effective on May 1, 2018	58	<ul style="list-style-type: none"> • Human Resource Management Sasin Graduate Institute of Business Administration of Chulalongkorn University • Bachelor of Social Work Program Thammasat University 	None	None	2008 - 2012	Assistant Managing Director	Phatra Securities Public Company Limited
					Other Listed Companies		
					None		
					Non-Listed Companies		
					None		
					Kiatnakin Phatra Financial Group		
					2018 - present	First Executive Vice President Head of Human Resources Management Group	Kiatnakin Phatra Bank Public Company Limited

* KKP shareholding is included share numbers of spouse and minor children



Name - Surname/ Present Position/ Date of Appointment	Age:	Education/Training Programs	Family Relationship with the Executive	KKP shareholding*	Experiences in the Past 5 Years		
					Period	Position	Organization/ Company Name
		Training Programs: <ul style="list-style-type: none"> • Applying OKRS into Your Company Mission and Value (2018) • Personal 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) Octagon • Director Certification Program (DCP 132/2010) • Thai Institute of Directors Association (IOD) • Role of the Compensation Committee (RCC 11/2010) • Thai Institute of Directors Association (IOD) 			Other Listed Companies		
					2013 - 2018	First Executive Vice President Chief Human Resources Officer	Allianz Ayudhya Public Company Limited
					2008 - 2013	Executive Vice President Human Resource Division	Thoresen Thai Agencies Public Company Limited
					Non-Listed Companies		
					None		
25. Mr. Pattarapong Raktabutr	54	<ul style="list-style-type: none"> • Master of Business Administration University of Louisville, U.S.A. • Bachelor of Political Science (Public Administrations) • Thammasat University Training Programs: <ul style="list-style-type: none"> • Leading Across Boundaries (2009) University of Oxford • Sales School (1995) • Digital Equipment Corporation • Customer Quality Relation & Service (1994) • Telecom Asia Corporation Public Company Limited 	None	None	Kiatnakin Phatra Financial Group		
					Apr 2021 - present	Head of Sales and Distribution Group	Kiatnakin Phatra Bank Public Company Limited
					Jan 2021 - present	Acting Department Head of Planning & Analytics	
					2015 - present	First Executive Vice President Head of Consumer Finance Group	
					Oct 2020 - Mar 2021	Acting Head of Sales and Distribution Group	
					Other Listed Companies		
					2004 - 2015	Executive Vice President (Head of Client Acquisition)	Standard Chartered Bank (Thai) Public Company Limited
					Non-Listed Companies		
					None		

* KKP shareholding is included share numbers of spouse and minor children

KPP shareholding is included share numbers of spouse and minor children

KPP shareholding is included share numbers of spouse and minor children



Name - Surname/ Present Position/ Date of Appointment	Age:	Education/Training Programs	Family Relationship with the Executive	KKP shareholding*	Experiences in the Past 5 Years	
					Period	Position Organization/ Company Name
28. Mr. Anuwat Ruamsuke <ul style="list-style-type: none">First Executive Vice PresidentHead of Capital Market Group¹⁾ ¹⁾ Appointed effective on May 1, 2020	48	<ul style="list-style-type: none">Bachelor of Science in Statistics Chulalongkorn University Training Programs: <ul style="list-style-type: none">CMA GMS Class of 2018 Capital Market AcademyTLCA Leadership Development Program (LDP 6/2018)Thai Listed Companies AssociationThe 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	Kiatnakin Phatra Financial Group	Kiatnakin Phatra Bank Public Company Limited
					May 2020 - present	First Executive Vice President Head of Capital Market Group
					2016 - May 2020	Executive Vice President Department Head of Debt Capital Market
					Jan 2022 - present	Managing Director Head of Investment Banking & Capital Markets Group
					2016 - Dec 2021	Managing Director Head of Capital Markets Department
					2010 - 2017	Deputy Managing Director
					2008 - 2010	Senior Vice President
Other Listed Companies						
None						
Non-Listed Companies						
Apr 2020 - present						
External Funding Management Sub-committee to promote and develop innovation						
National Innovation Agency (Public Organization)						
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						

* KKP shareholding is included share numbers of spouse and minor children

Name - Surname/ Present Position/ Date of Appointment	Age:	Education/Training Programs	Family Relationship with the Executive	KKP shareholding*	Experiences in the Past 5 Years		
					Period	Position	Organization/ Company Name
29. Mr. Aphichart Chongsanguanpradab • First Executive Vice President ¹⁾ • Head of Legal and Compliance Group ²⁾	47	<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"> • Compliance Knowledge for Head of Compliance 2021 (online) • The Thai Bankers' Association • ASCO Compliance Training Program 2021 (online) • Association of Thai Securities Companies • Thailand-EU Seminar on E-Commerce and GDPR (2019) • Royal Thai Embassy Brussels and Ministry of Digital Economy and Society • ASEAN Banking Cybersecurity Conference (2019) • The Thai Bankers' Association • E-KYC for Digital Financial No. 1 (2019) • Thai Institute of Banking and Finance Association (TIBFA) • Electronics Law Program No. 4 (2019) • Thai Institute of Banking and Finance Association (TIBFA) • Personal Data Protection Act B.E. 2562 Process and Practice No. 3 (2019) • Dharmniti • Seminar on Latest Debt Collection Act, Announcement of Office of the Consumer Protection Board 2018 and Hire Purchase and Leasing Guidelines (2019) • Thai Hire-Purchase Association • The Business Law of New Financial Institution Class 1 (2018) • Thai Institute of Banking and Finance Association (TIBFA) • The Law of the Office of the Consumer Protection Board in 2018 and Market Conduct (2018) • Bank of Thailand (BOT) • 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 2 (2018) • Anti-Money Laundering Office (AMLO) 	None	None	Kiatnakin Phatra Financial Group		
					Mar 2020 - present	First Executive Vice President Head of Legal and Compliance Group	Kiatnakin Phatra Bank Public Company Limited
					2021 - Oct 2021	Acting Department head of Law and Regulatory Compliance Acting Department head of Legal and Regulatory Monitoring	
					Jul 2019 - Mar 2020	Executive Vice President Head of Legal and Compliance Group	
					2014 - Jul 2019	Executive Vice President Office of Compliance	
					2011 - 2014	Head of Operations Department	Phatra Securities Public Company Limited
					2004 - 2011	Head of Compliance	
					Other Listed Companies		
					1997 - 1999	Internal Auditor	Bangkok Bank Public Company Limited
					Non-Listed Companies		
					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*	Experiences in the Past 5 Years		
					Period	Position	Organization/ Company Name
		<ul style="list-style-type: none">• 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 (SEC)• Compliance and Compliance Audit Auditing 7.0 CPE Credits (2018)• Institute of Internal Auditors of Thailand (IIA)• Roundtable Discussion 2018: Driving Business Value & Sustainability through Active (2018)• The Securities and Exchange Commission (SEC)• Discussion on the 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 (OIC)• Seminar: Re-Inventing Business Model Through Technological Lens (2018)• SEC and Business Software Alliance (BSA)					
30. 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	48	<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	Kiatnakin Phatra Financial Group		
					2015 - present	Senior Vice President Department Head of Accounting	Kiatnakin Phatra Bank Public Company Limited
					2008 - 2012	Vice President Accounting Department	
					Other Listed Companies		
					None		
^{1/} Appointed effective on January 1, 2015							
Training Programs: <ul style="list-style-type: none">• DBD e-Learning in accounting (2021)• Department of Business Development, Ministry of Commerce							

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Name - Surname/ Present Position/ Date of Appointment	Age:	Education/Training Programs	Family Relationship with the Executive	KKP shareholding*	Experiences in the Past 5 Years		
					Period	Position	Organization/ Company Name
^{/2} Bookkeeper processing such qualifications and requirements of bookkeepers as prescribed by Notification of the Department of Business Development.		<ul style="list-style-type: none"> • TFRS for PAEs 2021 (2021) • The Stock Exchange of Thailand (SET) • TFRS9 IBOR Reformation Phase 2 and Related disclosure (2021) • Federation of Accounting Professions • Continuing professional development in accounting contents (External trainings), total 39 hours for the year of 2021. • 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 • Continuing professional development in accounting contents (External trainings), total 14 hours for the year of 2020. • 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) • Dharmmiti Seminar and Training Co., Ltd. • Continuing professional development in accounting contents (External trainings), total 17 hours for the year of 2019. 			Non-Listed Companies		
					2013 - 2014	Vice President Accounting Department	Powerbuy Company Limited, a group company of Central Retail Corporation Limited
31. Mrs. Kessara Liengchayetz • Executive Vice President ^{/1} • Acting Head of Priority Banking Group and Department Head of Sales	51	<ul style="list-style-type: none"> • Master of Business Administration (MBA) Finance, University of Wisconsin-madison • Bachelor of Business Administration (BBA) Chulalongkorn University 	None	50,000 (0.01)	Kiatnakin Phatra Financial Group		
					Sep 2021- present	Acting Head of Priority Banking Group and Department Head of Sales	Kiatnakin Phatra Bank Public Company Limited
^{/1} Appointed effective on July 18, 2015		Training Programs: <ul style="list-style-type: none"> • Bond Trader (2021) • Thai Bond Market Association 			2015 - present	Executive Vice President Department Head of Sales	

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Name - Surname/ Present Position/ Date of Appointment	Age:	Education/Training Programs	Family Relationship with the Executive	KKP shareholding*	Experiences in the Past 5 Years		
					Period	Position	Organization/ Company Name
32. Mrs. Ketsuda Unthalye • Executive Vice President ¹ • Deputy Head of Operations Group ²	48	<ul style="list-style-type: none"> IC Complex 1 (2021) Association of Thai Securities Companies Derivative license (2021) Association of Thai Securities Companies Refresher Course for Bond Traders (2019) Thai Bond Market Association TLCA Executive Development Program (EDP) (2017) Thai Listed Companies Association Treasury Dealer Certification (2017) Association of Investment Management Companies 	None	None	2005 - 2015	Assistant Managing Director Private Wealth Management Department	Phatra Securities Public Company Limited
					Other Listed Companies		
					None		
					Non-Listed Companies		
					None		
					Kiattakin Phatra Financial Group		
					Mar 2021 - present	Executive Vice President Deputy Head of Operations Group	Kiattakin Phatra Bank Public Company Limited
					Mar 2020 - present	Senior Vice President Deputy Head of Operations Group Acting Department Head of Operations Strategy and Quality Management	
					2018 - 2020	Department Head of Operations Strategy and Quality Management	
					Other Listed Companies		
		Training Programs: <ul style="list-style-type: none"> TLCA Executive Development Program (2019) Thai Listed Companies Association Strategic CFO in Capital Market Program (2017) The Stock Exchange of Thailand (SET) CFO in Practice Certificate Program (2017) Federation of Accounting Professions Under the Royal Patronage of His Majesty the King 	None	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	

* KKP shareholding is included share numbers of spouse and minor children

Name - Surname/ Present Position/ Date of Appointment	Age:	Education/Training Programs	Family Relationship with the Executive	KKP shareholding*	Experiences in the Past 5 Years		
					Period	Position	Organization/ Company Name
33. Mr. Jakrawarn Jakrawarnwibul • Executive Vice President ^{†1} • Department Head of Trading	51	<ul style="list-style-type: none"> • Master of Business Administration (Accounting) • Thammasat University • Bachelor of Business Administration (Finance) • Thammasat University 	None	None	Kiatnakin Phatra Financial Group		
					2015 - present	Executive Vice President Department Head of Trading	Kiatnakin Phatra Bank Public Company Limited
					Other Listed Companies		
					None		
					Non-Listed Companies		
34. Mr. Chainarong Rojanasintu • Executive Vice President ^{†1} • Department Head of Corporate Lending	53	<ul style="list-style-type: none"> • Master of Business Administration • Sasin Graduate Institute of Business Administration of Chulalongkorn University • Bachelor of Business Administration • Chulalongkorn University 	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		
35. Dr. Narong Preedanani • Executive Vice President ^{†1} • Head of Internal/Audit Office	59	<p>Training Programs:</p> <ul style="list-style-type: none"> • Business combinations, accounting and tax issues • Common in practice (2013) • Association of Thai Securities Companies • Internal Control (2012) • Association of Thai Securities Companies <p>Training Programs:</p> <ul style="list-style-type: none"> • AI for Business Leader Course (2021) • Absolute Alliances (Thailand) Co., Ltd. • Building a safe business ecosystem with better digital identity (2021) • PricewaterhouseCoopers ABAS Ltd. and ForgeRock • Fraud 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 Club • Privacy & Security: The Privacy Imperatives of Consumer Data (2021) • Thai Digital Technology User Group Association 	None	None	Kiatnakin Phatra Financial Group		
					2012 - present	Executive Vice President Head of Internal Audit Office	Kiatnakin Phatra Bank Public Company Limited
					May 2021 - Oct 2021	Acting Department Head of Commercial Banking General Audit	
					Other Listed Companies		
					None		
36. Mr. Narong Preedanani • Executive Vice President ^{†1} • Head of Internal/Audit Office	59	<p>Training Programs:</p> <ul style="list-style-type: none"> • Business combinations, accounting and tax issues • Common in practice (2013) • Association of Thai Securities Companies • Internal Control (2012) • Association of Thai Securities Companies <p>Training Programs:</p> <ul style="list-style-type: none"> • AI for Business Leader Course (2021) • Absolute Alliances (Thailand) Co., Ltd. • Building a safe business ecosystem with better digital identity (2021) • PricewaterhouseCoopers ABAS Ltd. and ForgeRock • Fraud 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 Club • Privacy & Security: The Privacy Imperatives of Consumer Data (2021) • Thai Digital Technology User Group Association 	None	None	Kiatnakin Phatra Financial Group		
					2012 - present	Executive Vice President Head of Internal Audit Office	Kiatnakin Phatra Bank Public Company Limited
					May 2021 - Oct 2021	Acting Department Head of Commercial Banking General Audit	
					Other Listed Companies		
					None		

* KKP shareholding is included share numbers of spouse and minor children



Name - Surname/ Present Position/ Date of Appointment	Age:	Education/Training Programs	Family Relationship with the Executive	KKP shareholding*	Experiences in the Past 5 Years			
					Period	Position Organization/ Company Name		
		<ul style="list-style-type: none">Prepare 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 Societyin 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 2017Enterprise Risk Management (ERM)Thammasat University and the SETDirector Certification Program (DCP)Thai Institute of Directors Association (IOD)Director Accreditation Program (DAP)Thai Institute of Directors Association (IOD)						
36. Ms. Tongjai Chartwinyanuyutt	45	<ul style="list-style-type: none">Master of Business AdministrationMissouri State University(Previous: Southwest Missouri State University)Bachelor of Business Administration (Finance)The University of the Thai Chamber of Commerce (UTCC) <p>Training Programs:</p> <ul style="list-style-type: none">How to Develop a Risk Management Plan (HRP) (2020)Thai Institute of Directors Association (IOD)Insights into the Personal Data Protection Act B.E. (2019) and correct guidelinesLeasing AssociationAnalysis and risks for SMEs loans (2018)The Thai Institute of Banking and Finance Association (TBPA)Real Estate Law Integration 2016Thai Real Estate Business School	None	None	Kiatnakin Phatra Financial Group			
					Mar 2021 - present	Executive Vice President	Kiatnakin Phatra Bank Public Company Limited	
					2015 - Feb 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	Citibank, N.A.	
37. Mr. Thaworn Chuengoen	57	<ul style="list-style-type: none">Master of Public AdministrationBurapha University <p>Training Programs:</p> <ul style="list-style-type: none">Unit Linked - by OIC (2018)Kiatnakin Bank Public Company Limited	None	35,000 (0.00)	Kiatnakin Phatra Financial Group			
					Jan 2020 - Present	Senior Vice President	Kiatnakin Phatra Bank Public Company Limited	
						Deputy Head of Sales and Distribution Group	Company Limited	
					2015 - present	Acting Regional Director-Commercial Bank Business Province		

* KKP shareholding is included share numbers of spouse and minor children

Name - Surname/ Present Position/ Date of Appointment	Age:	Education/Training Programs	Family Relationship with the Executive	KKP shareholding*	Experiences in the Past 5 Years		
					Period	Position	Organization/ Company Name
^{/1} Appointed effective on November 15, 2018		<ul style="list-style-type: none">• Renewal of investment advisor license (2017) Kiatnakin Bank Public Company Limited• Cross Selling (2017) Kiatnakin Bank Public Company Limited• Internal regulations and control (2016) Kiatnakin Bank Public Company Limited			2017 - 2019	Acting Regional Director-Commercial Bank Business Province 1	Kiatnakin Phatra Bank Public Company Limited
						Acting Regional Director-Commercial Bank Business Province 2	
					2015 - 2017	Senior Vice President Regional Director-Commercial Bank Province 2	
					2014 - 2015	Head of Eastern Sales Office	
					Other Listed Companies		
					None		
					Non-Listed Companies		
					None		
38. Ms. Naranont Lewchalemwongs	43	<ul style="list-style-type: none">• Master of Information System University of Tasmania• Bachelor of Arts Program in Sociology and Anthropology Thammasat University <p>Training Programs:</p> <ul style="list-style-type: none">• Collection Management Course (2014) United Overseas Bank (Thai) Public Company Limited	None	None	Kiatnakin Phatra Financial Group		
					Nov 2020 - present	Senior Vice President Deputy Head of Retail Credit and Collection Group	Kiatnakin Phatra Bank Public Company Limited
					2018 - 2020	Senior Vice President Department Head of Outsourced Collection Management Acting Department Head of Home Loan & SME Collection	
					2017 - 2018	Senior Vice President Department Head of Home Loan & SME Collection	
					Other Listed Companies		
					2012 - 2017	Recovery Management Head	United Overseas Bank (Thai) Public Company Limited
					Non-Listed Companies		
					None		
39. Ms. Nithivadee Tantipoj	40	<ul style="list-style-type: none">• Master of Business Administration in Management University of California at Los Angeles, U.S.A.• Bachelor of Business Administration (B.B.A.) (International Program) Chulalongkorn University	None	18,000 (0.00)	Kiatnakin Phatra Financial Group		
					Aug 2020 - present	Executive Vice President Department Head of Business Development	Kiatnakin Phatra Bank Public Company Limited

* KKP shareholding is included share numbers of spouse and minor children



Name - Surname/ Present Position/ Date of Appointment	Age:	Education/Training Programs	Family Relationship with the Executive	KKP shareholding*	Experiences in the Past 5 Years		
					Period	Position	Organization/ Company Name
[†] Appointed effective on August 20, 2020		Training Programs: <ul style="list-style-type: none"> Fundamental of Commercial Bank (2016) Kiatnakin Bank Public Company Limited FinTech Certificate Course: Future Commerce (2016) Get Smart Online Roles and responsibilities of financial institutions in preventing money laundering and preventing terrorist financing. (2015) Kiatnakin Bank Public Company Limited 			2014 - Aug 2020	Senior Vice President Department Head of Business Development	Kiatnakin Phatra Bank Public Company Limited
					2015 - 2017	Acting Department Head of Lombard Loan	
					2013 - 2017	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		
					Kiatnakin Phatra Financial Group		
					2019 - present	Executive Vice President Head of Corporate and Marketing Communication Office	Kiatnakin Phatra Bank Public Company Limited
					Other Listed Companies		
					None		
					Training Programs:		
					<ul style="list-style-type: none"> Everyday Coaching/Nestlé Leadership Program (2017) Nestlé Group 		
40. Ms. Pattanai Luangtrakul	50	<ul style="list-style-type: none"> Master of Business Administration Chulalongkorn University Bachelor of Business Administration (Marketing) Assumption University 	None	None			
[†] Appointed effective on August 23, 2019		<ul style="list-style-type: none"> Executive Vice President[†] Head of Corporate and Marketing Communication Office 					

* KKP shareholding is included share numbers of spouse and minor children

Name - Surname/ Present Position/ Date of Appointment	Age:	Education/Training Programs	Family Relationship with the Executive	KKP shareholding*	Experiences in the Past 5 Years		
					Period	Position	Organization/ Company Name
41. Mrs. Pichaya Sotangkur • Executive Vice President ^{†1} • Department Head of Commercial Credit Analysis ^{†1} Appointed effective on May 8, 2014	51	• Issue & Crisis Management (2016) ABM Group (Co-developer) • Overseas Mission Assignment-Digital and Communication (Switzerland HQ) (2013) Nestlé Group • Master of Business Administration University of Colorado at Denver, U.S.A. • Bachelor of Engineering (Mechanical Engineering) Chulalongkorn University Training Programs: • Business Goal Management (2016) Kiatnakin Bank Public Company Limited	None	None	Non-Listed Companies		
					2015 - 2019	Corporate Communication & PR Group Manager	Nestlé (Thai) Ltd.
					2013 - 2015	Senior Marketing Manager- Coffee Mixes	
					Kiatnakin Phatra Financial Group		
					Jan 2020 - present	Executive Vice President - Department Head of Commercial Credit Analysis-Risk Management Group	Kiatnakin Phatra Bank Public Company Limited
					2014 - 2019	Executive Vice President Department Head of Commercial Credit Analysis	
					Other Listed Companies		
					None		
					Non-Listed Companies		
					None		
42. Mr. Patsakorn Boonyaprasit • Executive Vice President ^{†1} • Deputy Head of Information Technology Group ^{†1} Appointed effective on March 1, 2021	44	• Master of Business Administration Kasetsart University • Bachelor of Science Rangsit University Training Programs: • Fundamental of Commercial Bank (2016) Kiatnakin Bank Public Company Limited	None	3,500 (0.00)	Kiatnakin Phatra Financial Group		
					Mar 2021 - present	Executive Vice President Deputy Head of Information Technology Group	Kiatnakin Phatra Bank Public Company Limited
					Jan 2020 - Feb 2021	Senior Vice President Deputy Head of Information Technology Group	
					2018 - 2020	Acting Department Head of Core Banking System	
					2015 - 2017	Senior Vice President Department Head of Services and Support System Development	
						Acting Department Head of Services and Support System Development	

* KKP shareholding is included share numbers of spouse and minor children



Name - Surname/ Present Position/ Date of Appointment	Age:	Education/Training Programs	Family Relationship with the Executive	KKP shareholding*	Experiences in the Past 5 Years		
					Period	Position	Organization/ Company Name
Other Listed Companies							
					2014 - 2015	First Vice President	Kasikorn Bank Public Company Limited
Non-Listed Companies							
None							
Kiatnakin Phatra Financial Group							
43. Mr. Romsai Tandakoseya • Executive Vice President ^{/1} • Department Head of Commercial and Financial Institutions Credit Risk Management	45	• 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	2017 - Present	Executive Vice President Department Head of Commercial and Financial Institutions Credit Risk Management	Kiatnakin Phatra Bank Public Company Limited
					Other Listed Companies		
^{/1} Appointed effective on November 1, 2017					2016 - 2017	Executive Vice President Credit Risk Management	Standard Chartered Bank (Vietnam) Plc.
					2013 - 2016	Senior Vice President Credit Risk Management	Standard Chartered Bank (Thai) Public Company Limited
Non-Listed Companies							
None							
Kiatnakin Phatra Financial Group							
44. Mr. Wanakan Kanjanasoon • Executive Vice President ^{/1} • Department Head of Retail Strategy, Analytics and Partnership Development	44	• Master of Science in Computer Information Systems (MSCIS) Assumption University • Master of Business Administration (Finance) National Institute of Development Administration • Bachelor of Engineering King Mongkut's Institute of Technology Ladkrabang	None	56,500 (0.01)	May 2021 - present	Department Head of Retail Strategy, Analytics and Partnership Development	Kiatnakin Phatra Bank Public Company Limited
					2020 - Apr 2021	Executive Vice President Department Head of Retail Business Strategy	
^{/1} Appointed effective on March 1, 2018		Training Programs: • Successful Formulation & Execution the Strategy (2009) Thai Institute of Directors Association (IOD)			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	
					Jan 2021 - present	Department Head of Consumers & Products	Kiatnakin Phatra Securities Public Company Limited

* KKP shareholding is included share numbers of spouse and minor children

Name - Surname/ Present Position/ Date of Appointment	Age:	Education/Training Programs	Family Relationship with the Executive	KKP shareholding*	Experiences in the Past 5 Years		
					Period	Position	Organization/ Company Name
					Other Listed Companies		
					None		
					Non-Listed Companies		
					None		
					Kiatnakin Phatra Financial Group		
45. Mr. Varanyu Thirapaththan • Senior Vice President ^{†1} • Deputy Head of Auto Finance Group	50	• Bachelor of Arts Chandrasekarn Rajabhat University Training Programs: • Improve Skill for MKT Captive (2018) Kiatnakin Bank Public Company Limited • Regulations and Insurance Product (2018) General Insurance (Thailand) Public Company Limited • Seminar on growth or direction of new and used cars market (2018) Association of Used Car Thailand • Knowledge of CQC and C2C products and leasing workflow (2016) Kiatnakin Bank Public Company Limited	None	3,000 (0.00)	May 2020 - present	Senior Vice President Deputy Head of Auto Finance Group	Kiatnakin Phatra Bank Public Company Limited
					Jul 2020 - Dec 2020	Acting Regional Director-Auto Finance Business Province 3	
					2015 - 2020	Senior Vice President Regional Director-Auto Finance Business BKK.	
					2011 - 2015	Vice President Assistant Head of Regional Office- Regional Office-BKK1	
					Other Listed Companies		
					None		
					Non-Listed Companies		
					None		
					Kiatnakin Phatra Financial Group		
46. Ms. Srilak Anantasuphakul • Executive Vice President ^{†1} • Department Head of Deposit and Bancassurance Product Development	51	• Master of Business Administration (Financial Management) Western Michigan University, U.S.A. • Bachelor of Business Administrator (Marketing) Assumption University Training Programs: • Executive Essentials to Agile & SCRUM (2019) Kiatnakin Phatra Bank Public Company Limited • Strategic Thinking and Formulation (2019) Kiatnakin Phatra Bank Public Company Limited • Bancassurance Masterclass (2018) Equip Global	None	2,000 (0.00)	Aug 2020 - present	Executive Vice President Department Head of Deposit and Bancassurance Product Development	Kiatnakin Phatra Bank Public Company Limited
					2015 - Jul 2020	Senior Vice President Department Head of Deposit and Bancassurance Product Development	
					Other Listed Companies		
					2012 - 2015		
					Head of Bancassurance Products and Business Insurance		
					United Overseas Bank (Thai) Public Company Limited		

* KKP shareholding is included share numbers of spouse and minor children



Name - Surname/ Present Position/ Date of Appointment	Age:	Education/Training Programs	Family Relationship with the Executive	KKP shareholding*	Experiences in the Past 5 Years		
					Period	Position	Organization/ Company Name
		<ul style="list-style-type: none"> Insurance Information and Rating Forum of Asia-IRFA (2017) The Insurance Premium Rating Bureau (IPRB) Ultimate Leadership Series UOB-CBS (Chulalongkorn Business School) 			2010 - 2012	Senior Vice President and Chief Marketing Officer	SCB Life Assurance Public Company Limited
					2008 - 2010	Vice President, Corporate Communication	Bank of Ayudhya Public Company Limited
						Vice President, Business & Channel Development	
					Non-Listed Companies		
47. Ms. Sanikorn Suparp	51	<ul style="list-style-type: none"> Bachelor of Business Administration The University of the Thai Chamber of Commerce <p>Training Programs:</p> <ul style="list-style-type: none"> KKPEdge: Project Presentation (2016) Kiatnakin Bank Public Company Limited KKPEdge: Leader Strengths Finder (2015) Kiatnakin Bank Public Company Limited KKPEdge: Maximizing your Talent (2015) Kiatnakin Bank Public Company Limited KKPEdge: Economics and banks (2015) Kiatnakin Bank Public Company Limited 	None	None			
					None		
					Kiatnakin Phatra Financial Group		
					Sep 2021 - Present	Acting Department Head of Investment Support & Services	Kiatnakin Phatra Bank Public Company Limited
					Jan 2021 - Present	Senior Vice President Department Head of Wealth Management	
					2016 - Dec 2020	Deputy Head of Priority Banking Group	
					2014 - 2016	Senior Vice President	
						Assistant Head of Priority Banking Group	
						Acting Department Head Priority Banking 2	
						Acting Department Head Regional Priority Banking	
					Other Listed Companies		
					None		
					Non-Listed Companies		
					None		
48. Mrs. Suwannee Wattanavekin	59	<ul style="list-style-type: none"> Master of Business Administration New Hampshire College, U.S.A. Bachelor in Management Northeastern University, Boston, U.S.A. 	None	9,082,621 (1.08)	Kiatnakin Phatra Financial Group		
					2009 - Present	Executive Vice President Department Head of Foreclosed Property Management	Kiatnakin Phatra Bank Public Company Limited

* KKP shareholding is included share numbers of spouse and minor children

Name - Surname/ Present Position/ Date of Appointment	Age:	Education/Training Programs	Family Relationship with the Executive	KKP shareholding*	Experiences in the Past 5 Years		
					Period	Position	Organization/ Company Name
¹¹ Appointed effective on April 1, 2009		Training Programs: <ul style="list-style-type: none"> • Top Executive Program in Industrial Development and Investment (2019) • Institute of Business and Industrial Development (IBID) 			2006 - 2009	Senior Vice President Department of Foreclosed Property Management	Kiatnakin Phatra Bank Public Company Limited
					2001 - 2006	Vice President Department of Property Management	
					Other Listed Companies		
					None		
					Non-Listed Companies		
49. Mr. Hirunrooj Loutheeravong <ul style="list-style-type: none"> • Executive Vice President¹¹ • Deputy Head of Consumer Finance Group • Acting Department Head of Personal Acquiring 1 • Acting Department Head of Telemarketing & Cross Sale ¹¹ Appointed effective on September 26, 2015	56	<ul style="list-style-type: none"> • Master of Finance Concentration Mercer University, Georgia, U.S.A. • Bachelor of Laws Thammasat University Training Programs: <ul style="list-style-type: none"> • Debt Collection Act (2015) • Kiatnakin Bank Public Company Limited • Sales Compensation Management (2015) • Kiatnakin Bank Public Company Limited • Fundamental of Commercial Bank (2015) • Bancassurance Leadership WS (2015) • Kiatnakin Bank Public Company Limited 	None	None	Kiatnakin Phatra Financial Group		
					Jan 2021 - Present	Acting Department Head of Personal Acquiring 1 Acting Department Head of Telemarketing & Cross Sale	Kiatnakin Phatra Bank Public Company Limited
					Jan 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	
					2015 - 2015	Executive Vice President Assistant Head of Sales and Distribution Group	
					Other Listed Companies		
					None		
					Non-Listed Companies		
					None		
50. Ms. Pornpit Chuprakhun <ul style="list-style-type: none"> • Corporate Secretary¹¹ • Senior Vice President • Department Head of Corporate Secretariat 	53	<ul style="list-style-type: none"> • 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

* KKP shareholding is included share numbers of spouse and minor children



Name - Surname/ Present Position/ Date of Appointment	Age:	Education/Training Programs	Family Relationship with the Executive	KKP shareholding*	Experiences in the Past 5 Years		
					Period	Position	Organization/ Company Name
^{1/1} Appointed effective on January 13, 2010		Training Programs: <ul style="list-style-type: none"> Guidelines to prepare the Conflict of Interest report and the Policy of the internal information usage (2021) (online) Thai Listed Companies Association (TLCA) The Role of Corporate Secretary to enhance CG in Anti-Corruption (2021) (online) IOD, CAC and TLCA The correct director nomination process in accordance with CG Principles (2021) (online) Thai Listed Companies Association Online Seminar: Topic: Appointment, Change and Retirement by rotation of a Director, Independence Director and audit member (2020) Thai Listed Companies Association Legal Duties of Directors and Civil and Criminal Liability under Thai Laws (2019) Tilleke & 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 (IOD) Company Secretary Program (CSP 17/ 2006) Thai Institute of Directors Association (IOD) Effective Minute Taking (EMT 2/2006) Thai Institute of Directors Association (IOD) Corporate Secretary Development Program (11/2005) Faculty of Commerce and Accountancy, Chulalongkorn University 			2010 - present	Corporate Secretary	
					Other Listed Companies		
					None		
					Non-Listed Companies		
					None		

* KKP shareholding is included share numbers of spouse and minor children

Remark: No. 1 - 29, 31 - 49 executives are defined according to the notice of the Bank of Thailand.
No. 14 - 17, 20 - 30 executives are defined according to the notice of the Securities and Exchange Commission.

Duties and Responsibilities of Corporate Secretary

The Corporate Secretary has duties to facilitate the work of the Board of Directors with respect to regulations, the Board of Directors' meetings and shareholders' meetings. The responsibilities and duties of the Corporate Secretary include the following:

1. Advise directors on basic laws and regulations which they need to know in order to administer the functions of the Board of Directors.
2. Organize and manage the meetings of shareholders, Board of Directors and committees in accordance with laws, the Bank's Articles of Association, good practices and charter of each committee. The Corporate Secretary is also responsible for ensuring and monitoring compliance with resolution of the shareholders' and Board of Directors' meetings as well as laws and relevant regulations.
3. Prepare and maintain key corporate documents and records, current registration of directors, notices and minutes of the shareholders' meetings, annual report and notices and minutes of the Board of Directors' meetings.
4. Ensure that directors and the management prepare reports of interest of themselves and related persons in accordance with the law; keep a record of such report and send a copy of such report to the Chairman of the Board and the Chairperson of Audit Committee as stipulated by the law.
5. Manage the disclosure of information according to the regulations of the relevant agencies overseeing the Bank.
6. Process all matters concerning the share registration, i.e. the payment of dividend and increase of registered capital, etc.
7. Perform any other act as prescribed by the Capital Market Supervisory Board and Board of Directors.

Directorship of Directors and Executives of Kiatnakin Phatra Bank in Subsidiaries, Associated Companies, and Related Companies

Name*		Kiatnakin Phatra Bank Public Company Limited	Subsidiaries & Associated Companies										Position										Related Companies																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																												
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Name*			Position																																								
			Subsidiaries & Associated Companies					Related Companies																																			
Kiatnakin Phatra Bank Public Company Limited			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
32	Ms. Keisuda	Uthaiye	Executive Vice President Deputy Head of Operations Group																																								
33	Mr. Jakrawan	Jakrawanwibul	Executive Vice President Department Head of Trading					/*																																			
34	Mr. Chalnarong	Rojanasintu	Executive Vice President Department Head of Corporate Lending																																								
35	Dr. Narong	Preedanan	Executive Vice President Head of Internal Audit Office																																								
36	Ms. Tongjai	Chartwinyanuyutt	Executive Vice President Department Head of Retail Credit Risk Management																																								
37	Mr. Thaworn	Chuengoen	Senior Vice President Deputy Head of Sales & Distribution Group Acting Regional Director - Commercial Bank Business Province																																								
38	Ms. Naranont	Lewchalermwongs	Senior Vice President Deputy Head of Retail Credit and Collection Group																																								
39	Ms. Nithivadee	Tantipoj	Executive Vice President Department Head of Business Development																																								
40	Ms. Pattanai	Luangtrakul	Executive Vice President Head of Corporate and Marketing Communication Office																																								
41	Mrs. Pichaya	Sotangkur	Executive Vice President Department Head of Commercial Credit Analysis																																								
42	Mr. Patisakorn	Boonyaprasit	Executive Vice President Deputy Head of Information Technology Group																																								
43	Mr. Romsai	Tandakoseya	Executive Vice President Department Head of Commercial and Financial Institutions Credit Risk Management																																								
44	Mr. Wanakan	Kanjanasoon	Executive Vice President Department Head of Retail Strategy Analytics and Partnership Development																																								
45	Mr. Varanyu	Thirapathathanan	Senior Vice President Deputy Head of Auto Finance Group																																								
46	Ms. Sriak	Anantasuphakul	Executive Vice President Department Head of Deposit and Bancassurance Product Development																																								

Name*		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
47	Ms. Sanikom	Suparp	Kiatnakin Phatra Bank Public Company Limited																																							
		Senior Vice President Department Head of Wealth Management Acting Department Head of Investment Support & Services																																								
48	Mrs. Suwannee	Wattanavekin																																								
		Executive Vice President Department Head of Foreclosed Property Management																																								
49	Mr. Hirunrooj	Loulheeravong																																								
		Executive Vice President Deputy Head of Consumer Finance Group Acting Department Head of Telemarketing & Cross Sale Acting Department Head of Personal Acquiring 1																																								

Remark: No. 1 - 29, 31 - 49 are executives according to the definition of the Bank of Thailand.

No. 14 - 17, 20 - 30 are executives according to the definition of the SEC.

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	10. Chino Italian Company Limited	19. Bee System Company Limited	28. Buranburi Security Guard Company Limited	37. Eduvision Company Limited
2. Kiatnakin Phatra Securities Public Company Limited	11. Central Pattana Public Company Limited	20. BOT Lease (Thailand) Company Limited	29. Lerve Company Limited	38. Advanced Information Technology Public Company Limited
3. Kiatnakin Phatra Asset Management Company Limited	12. SET Venture Holding Company Limited	21. PTT Public Company Limited	30. Veranda Resort Public Company Limited	39. ASCO Business Promotion Company Limited
4. KKP Tower Company Limited	13. The Erawan Group Public Company Limited	22. Electricity Generating Public Company Limited	31. WeEat Company Limited	40. I.C.C. International Public Company Limited
5. KKP Dine Company Limited	14. WHA Corporation Public Company Limited	23. Fourgle (Thailand) Company Limited	32. Squirrel (Thailand) Company Limited	41. Lao Telecommunication Public Company
6. Crystal Football Club Company Limited	15. Sub Supabundit Company Limited	24. Paholyothin Sule Company Limited	33. Eastern Spectrum Group Company Limited	
7. Krueam Company Limited	16. Ocean life Insurance Public Company Limited	25. Phuket Suite Pavilion Company Limited	34. Aksom Education Public Company Limited	
8. K S P Square Company Limited	17. Eastern Sugar Company Limited	26. Meyer Industries Limited	35. Alpha Absolute Company Limited	
9. GMM Grammy Public Company Limited	18. Neo - Sac Company Limited	27. Ruam Wanathana Company Limited	36. Arkitektura Company 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, 2021

Information on Internal Audit Head and Compliance Head

1. Internal Audit Head

1) Name and Position

Dr. Narong Preedan

Executive Vice President, Internal Audit Office

2) Education

- CDPSE (Certified Data Privacy Solutions Engineer, ISACA)
- 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

- 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

- 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.
- Chief Audit Executive (CAE) Forum: Internal Audit: Soaring Through Turbulent Times (2564) organized by The Bank and Financial Institution Internal Auditors Club
- Privacy & Security: The Privacy Imperatives of Consumer Data organized by Thai Digital Technology User Group Association
- Prepare Your Firm for the Crypto-Assets Revolution organized by Thomson Reuters
- Integrating Human Rights into Risk Management organized by PricewaterhouseCoopers ABAS Ltd.
- How to Respond to Emerging Fraud Issues in 2021 organized by PricewaterhouseCoopers ABAS Ltd.
- Privacy & Security Summit 2020 organized by the Ministry of Digital Economy and Society and Thai Digital Technology User Group Association
- Risk and Compliance under a Digital Transformation organized by Thomson Reuters
- Value Creation and Enhancement for Listed Companies with the New COSO 2017 Enterprise Risk Management (ERM) organized by the Faculty of Commerce and Accountancy, Thammasat University, and the SET
- 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

- Operational Supervision for Head of Compliance in 2021 organized by the Thai Bankers' Association
- ASCO Compliance Training Program in 2021 organized by 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 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

- Diploma in Taxation Law No. 1 organized by the Faculty of Law, Thammasat University
- Thailand - EU Seminar on E-Commerce and GDPR organized by Royal Thai Embassy Brussels and Ministry of Digital Economy and Society
- ASEAN Banking Cybersecurity Conference 2019 organized by Thailand Banking Sector CERT (TB-CERT), the Thai Bankers' Association
- E - KYC for Digital Financial No. 1 organized by Thai Institute of Banking and Finance Association
- Electronics Law Program No. 4 organized by Thai Institute of Banking and Finance Association
- Personal Data Protection Act B.E. 2562 Process and Practice No. 3 organized by Dharmniti

- Seminar on Latest Debt Collection Act, Announcement of Office of the Consumer Protection Board 2018 and Hire Purchase and Leasing Guidelines organized by Thai Hire-Purchase Association
- The Business Law of New Financial Institution Class 1 organized by the TIBFA
- The Law of the Office of the Consumer Protection Board in 2018, Market Conduct of the Bank of Thailand and the Practices of the 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 Financial Institute organized by Compliance Club of the Thai Bankers' Association
- Compliance Professional Standards in 2018 organized by 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 Customer's 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 by the SEC
- Discussion on the Privacy Protection, Big Data and GDPR in the Digital Economy Development organized by the Bank of Thailand and the College of Local Administration, Khonkaen University
- The Financial Instruments: TFRS 9 organized by the Department of Business Development, Ministry of Commerce
- Insurance Expo 2018: Converging Insurance Business Model with Insurance in Digital Disruption organized by the OIC

- Re-Inventing Business Model Through Technological Lens organized by the SEC and Business Software Alliance (BSA)
- Financial Advisor' Code of Conduct and Working Procedures under Code of Conduct (Amended) organized by Investment Banking Club, the ASCO
- Guideline for the Registration of Secured Transaction Contract of Department of Business Development organized by Department of Business Development, Ministry of Commerce.
- 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 Guideline for Commercial Bank organized by the Compliance Club, the Thai Bankers' Association

6) Roles and Responsibilities

1. Provide Legal and Compliance Group's strategic plan (business, budget, resource plans) consistent with organization direction and strategy.
2. Determine Legal and Compliance Group's goals and objectives which are appropriate with organizational direction as well as their benchmarks with the management.
3. Prepare performance evaluation, monitoring, following up on guidelines and performing assessments as such.
4. Determine and approve compliance policies.



5. Develop conclusive compliance system/ process and update relevant laws as well as distribute notices, guidelines, policies, manual, including KM distribution.
6. Advise and provide training in relation to policies, process or other matters with respect to relevant laws, rules and other guidelines, especially those in connection with new products or financial transactions to directors, management and employees.
7. Assess the process sufficiency and effectiveness and provide solutions to other parties to improve processes which are in connection with compliance matters.
8. Determine guidelines for record retention of agreements between the Bank and clients, e.g. hire purchase agreements, loan agreements, etc.
9. Determine and evaluate guidelines for compliance surveillance program with relevant laws and regulations enforced on financial institutions and report any potential regulatory risks.
10. Determine guidelines for compliance surveillance program with the Bank's policies, notices, processes and work manuals.
11. Determine guidelines with other parties to improve work process which is 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 operation are shown in section 1.2 in 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 November 11, 2021) in order to maintain practical guidelines in the business operation 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 five sections as follows:

Section 1: Rights of Shareholders

Section 2: Equitable Treatment of Shareholders

Section 3: Role of Stakeholders

Section 4: Disclosure and Transparency

Section 5: 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 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

The Board of Directors has realized and emphasized the importance of rights of shareholders. 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/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, 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 the right to express their opinions and raise questions during the shareholders' meeting, the right to perceive regulations and procedures of the shareholders' meeting, the right to propose agenda items 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 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 execute any tort affecting or derogating the rights of shareholders.

Practical Guidelines

In order to protect the shareholder's rights and facilitate the shareholders to exercise their rights, the Board of Directors establishes the practical guidelines as follows:

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' meeting, which is not held on a commercial bank holiday. The shareholders' meeting is set up at the Bank's office or any other place, which offers convenience in transportation for shareholders, or as stipulated by law.

1.2 Notice of shareholders' meeting

- The notice of shareholders' meeting shall clearly indicate the meeting date, time, venue, agendas, the fact and reason. Moreover, the proposed agendas are clearly identified as either for acknowledgement, approval or consideration (case by case). The Board of Director's opinion is fully presented together with the criteria and procedures for attending the meeting and voting in each agenda.
- The Bank fully endeavors to deliver the notice of 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 AGM on its website at least thirty 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 shareholders' meeting in a hard copy format.
- The notice of 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 shareholders' meeting in English version and publishes at the same time as the Thai version to facilitate foreign shareholders.

1.3 Granting 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 proxies and vote on their behalf.
- The Bank encourages shareholders to use the proxy form on which shareholders are able to specify their votes by providing such proxy form together with the notice of shareholders' meeting. Shareholders can also download such proxy form from the Bank's website
- The notice of shareholders' meeting clearly informs shareholders of all necessary documents for granting proxy. The Bank avoids requiring any condition which makes proxy granting be 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 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 shareholders and proxies in attending the shareholders' meeting. On the meeting date, the 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 staffs and technology to review each shareholder's document and facilitate the exercise of shareholders' right in participating 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.
- Voting cards are used in all voting agendas. Vote-counting in each agenda item 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 is the resolution. The voting cards will be kept for later inspection for an appropriate period of time.

- The Bank allows an independent person to jointly examine the voting in the shareholders' meeting with the Bank's staff.
- 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 item which is not notified to shareholders in advance.
- The Bank allows shareholders to vote for director election individually.
- The Bank allows shareholders to consider and approve the directors' remuneration, both in the form of monetary remuneration and other benefits, as well as presents the policy and guidelines for fixing directors' remuneration for shareholders' consideration.
- During the meeting, the Chairman of the meeting will allow shareholders to express their opinions and make inquiries within an appropriate time and request relevant directors or executives to clarify and provide complete information to shareholders.

1.5 Agenda proposal for the shareholders' meeting and director nomination

- The Bank provides 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 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.

1.6 Participation of directors and executives in the shareholders' meeting

- The Board of Directors gives the importance on the shareholders' meeting. Thus, it encourages directors, Chairman and members of the sub-committees, executives, related head departments, and auditor to attend the shareholders' meeting to answer questions to shareholders.

1.7 Resolution and minute of the shareholders' meeting

- Comprehensive minute of the shareholders' meeting is recorded. It includes names and proportion of attendance and non-attendance directors, 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) 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 minute of shareholders' meeting is submitted to regulators within specified period of time and encourages the disclosure of the minute of shareholders' meeting on its website within fourteen days from the meeting date so that shareholders can review.

2. Dividend payment

- The Board of Directors establishes the dividend payment policy by considering on its financial position, business trend, industry outlook and demand for capital usage. Dividend will be paid out from the net profit after deducting all capital reserves under relevant laws. Dividend payment policy includes the annual dividend and interim dividend and

can be changed upon the capital plan or other necessities and appropriation 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 case the dividend is proposed to be omitted, the Bank shall also disclose the reasons and information for consideration.
- The Bank will rapidly notify the resolution of the shareholders' meeting or the Board of Directors' meeting to shareholders 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.

3. Appointment of 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 firm and background as well as their audit and non-audit fees 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 for the Bank's information 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

The Board of Directors respects and values the importance of equitable treatment of shareholders.

Practical Guidelines

To ensure that shareholders are equally treated and protected for their basic rights, the Board of Directors establishes the practical guidelines as the follows:

1. The Bank treats shareholders equitably for participating in the shareholders' meeting, receiving information and voting by one share for one vote. Shareholders who have a special business stakeholding in any agenda item shall not have the right to vote on such agenda item.
2. The Bank facilitates shareholders by allocating appropriate time and opportunity to express their opinions and raise questions during the meeting.

Section 3: Role of Stakeholders

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, creditors, as well as community, society and environment. Every group of stakeholders shall be justly treated and fairly receive treatments 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 the 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 of the business.
2. The Bank has arranged for reporting channels for whistleblower, e.g. the report on the inaccuracy of financial reports, deficient internal controls or



any illegal or unethical activities or any suspected corruption or improper behavior of all employees. Employees and other stakeholders can communicate these actions to the Bank through various channels, e.g. electronic email to independent directors or KKP Contact Center. Moreover, employees can directly contact the Chairman of the Board of Directors, the Chairperson of the Audit Committee, the Chief Executive Officer (CEO), the President or the Head of the Internal Audit Office to file complaints on such wrongdoing.

The Bank has set the whistleblower protection process and will not commit any unfair treatment to all employees, temporary staff or contract staff who report any suspected acts. The Bank realizes the importance of keeping whistleblower's information, reported information and evidence confidential. Such information will be acknowledged only among the responsible parties or only be disclosed by law as stipulated. In addition, the whistleblowers can submit a complaint confidentially. The Bank will handle complaints according to the Bank's whistleblowing process as well as investigation and disciplinary regulation.

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 a good performance, competitive capability and steady and sustainable growth and takes into account the 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 operation. Therefore, the Board of Directors has defined guidelines for employee treatment as follows:

- Trainings are continually provided on a regular basis throughout the organization to encourage the development of knowledge, skills and working capabilities of employees. The Group also supports employees to partake in external trainings and seminars arranged by specialists.
- The Group arranges for a system of remunerations and benefits accordingly and equivalent to 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, 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 on personal information. The Group does not tolerate discrimination on the grounds of race, nationality, religion, gender, age, disability, sexual orientation and any other forms of illegal maltreatments.
- 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 taking into account safety, health and environment suitable for employees to work. The Group provides all employees with medical care and yearly health check-up 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 standard of behaviors with a sense of honest. The Group arranges for the dissemination of the Guidelines for Business Conduct Policy to be used in conjunction with the employees' rules and regulations of which the compliance is to be reviewed periodically.

- The Group communicates with employees on its objectives, goals, culture and strategies so that they have the same target in 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 treatments as follows:

- The Group strives to initiate innovation in product and service development including process improvement to provide 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, bearing in mind the clients' benefits.
- The Group does advertising and public relation activities responsibly without misrepresentation or exploitation of clients' misunderstanding to avoid promoting undesirable behavior.
- The Group implements market conduct without any practice which is unjust and ensures that clients are consistently treated in accordance to the terms agreed 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 profit by selling clients' personal information. Employees do not discuss on their clients with any other employees not relating to the matter. Furthermore, the Group abides by all legal regulations and additional rules

in regard to 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 its result, and welcomes clients' complaints on products and services. Upon receipt, such complaints are investigated and remedial actions are provided promptly.

3.4 Role, practice and responsibilities of the Group towards counterparties

- 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 procurement policy and implement a procurement system in which the selection process for seller, counterparties and consultants must be based on the premise that the Bank/the Group will receive maximum benefit. This is done in a transparent manner, free from any bias and able to be audited. Employees are not allowed to receive any benefit from parties entering the bidding process. If there is evidence of dishonest request or benefit receipt, counterparties will be informed so the problem will be fairly solved in a timely manner.
- The Group has in place an audit system which will not permit the disclosure of any information of 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 or encourage any person or entity related with illegal conduct or 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 the business ethically and in accordance with rules and regulations. The Bank and the Group companies avoid any search for confidential information of business competitors by dishonest or improper means and refrain from tarnishing competitors' reputation without 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 in respect to the purpose and utilization of loan, 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/the Group companies are unable to comply with any conditions of agreement, the Bank/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 a 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 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 the environment

The Board of Directors places importance on the responsibility for the community, society and environment, therefore, the following guidelines are defined.

- The Group acts as a responsible citizen, supporting democracy under the democracy system and remains 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/ the Group.
- The Group strictly conducts the business under relevant laws and regulations.
- The Group will not take part in any activity which causes harm to the community, society or the environment and will not partake of any profit which can arise from burdening society.
- The Group stands firm in its commitment to the synergy of the benefit of organization, employees, clients and shareholders with 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 and capital and securities markets to steadily grow.
- The Group supports the use of knowledge and expertise of the Bank, the Group companies and its employees on different fields, such as management, financial and investment management, systems 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 works.
- The Group sets aside an appropriate budget for community, social and charity works without being limited to projects which can be used for tax reduction purpose only.
- The Group supports projects which help maintain culture and traditions as well as promotes 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 or for 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 spouse, children and adopted children who are under the legal age to use any undisclosed information which 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 seven days prior to the end of 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 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 holding of directors and executives are presented to the Board of Directors' meetings at least quarterly.
- The Group continually provides information on the practices of the usage of internal information among directors, executives and employees at all levels throughout the entire organization, so that they are aware of the duties and responsibilities as set out in the regulations.

4.2 Protection against conflict of interest

- "Conflict of interest" occurs when an individual's private interest interferes in anyway or even appears to interfere with the interest of the Group as a whole.
- Directors, executives and employees of the Group must avoid activities, interests or associations which may interfere with the independent exercise of their judgement or the best interests of the Group, clients, shareholders or the public or activities which are unethical or can damage the Group's good reputation.
- The Group puts in place measures to protect against any conflict of interest which 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. 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 of such matters.
- The Group has established the guidelines relating to connected transactions and



transactions which may lead to a conflict of interest. In order for the Group to enter into any connected transaction and where there is the possibility of a conflict of interest, this transaction must go through a rigorous process of consideration, which must be clear, free from bias and within the boundaries of good ethic 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 issue for the utmost benefit of the Group.
- The Bank's Audit Committee has the authority in considering and disclosing the connected transactions or transactions which 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 and executives

- Directors and executives have to maintain their securities trading accounts with the securities companies in the Group, unless they are exempted under the specified regulations. The 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/the Group companies

- Directors, executives and employees may engage in any outside business of the Bank/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/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, such as reporting all of their outside business dealings, including partnerships or shareholdings in other companies, to the Bank/the Group companies in order to consider for any conflict of interest that may arise.

4.6 Respect intellectual property

- The Group respects the intellectual property of other parties and complies with the intellectual property laws.
- 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.

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 and regulations according to Thai laws on anti-corruption.
- The Group discloses its Anti-corruption Policy to the public and will not cooperate or support any person or entity involving in illegal activity, corruption or threat to society and nation security.
- 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 the whistleblower protection process and realizes the importance of keeping reported information and evidences confidential.

Section 4: 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 the 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/the Group or in any way infringe on the right to secrecy of the clients, shareholders and other stakeholders.
3. In discharging duty in respect to communications 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, website, etc.
5. The Bank discloses the responsibility of the Board of Directors to 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, number of meetings, attendant record, opinion in performing duties, as well as 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 independency 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 reflects their duties and responsibilities, directors' remuneration structure, directors' remuneration received from holding directorship at subsidiaries, audit and non-audit fees, related party transactions, shareholding structure of the Group, guidelines and process on selecting directors and executives and other information of 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 the important information relating to corporate governance to shareholders and the public to promote and demonstrate that the Bank is committed to good corporate governance in the Form 56-1 One Report
13. The Bank discloses in its Form 56-1 One Report/ Sustainability Report the policy and practices relating to 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, including measures for controlling such risks to be in an acceptable level, are also disclosed.
16. All disclosed Information, as well as that made public to shareholders and investors, is disseminated through websites of the Bank/the Group, which are upgraded, regularly updated and made bilingual to benefit shareholders.
17. The CEO, the President and any other personnel that have been assigned as investor relations officer will be responsible for the relationship with investors and providing information to shareholders, securities analysts and others with 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 protocol for information disclosure, which must be followed in both normal and urgent circumstances.
18. The CEO, the President and any other personnel, who have been authorized by the CEO or the President, have the authority to issue press release or publicize important information about the Bank/the Group. However, the CEO or the President may assign executives of each business group to disclose the information relevant to its particular business.
19. The Group ensures that its staffs, who are responsible for arranging and disclosing information of the Bank and the Group, such as high level executive of accountancy and finance, investor relations officer and corporate secretary, possess proper knowledge and are sufficient in number.

Section 5: Board Responsibilities

The Board of Directors has an important role in administering and governing operations of the Bank and the Group Companies. The proper structure and the well-defined duties of the Board of Directors are essential to their performance quality. The elected directors of the Bank must be faithful to their duties, visionary, skillful 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 decisions in order to benefit the Bank, the Group and the shareholders. Furthermore, to obtain the best performance of the Board of Directors, the Bank has set up sub-committees to assist in administering, studying and scrutinizing the work as needed.

Practical Guidelines

The structure of the Board of Directors must be appropriate for conducting businesses and the framework of the authority, duties and responsibilities of the Board of Directors needs to be clearly defined, making benefit to its performance. Therefore, 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 director or non-executive director, unless approved otherwise by the BOT.
- The Board members must be varied in skills, specialized experiences, gender, age, etc., which commensurate with size, complexity, business nature, risks and strategies of the Group. There must be at least one non-executive director who has experience in main business of the Bank and at least one director on the

Board who has knowledge or experience in IT field.

1.2 Director qualification

- Directors need to be knowledgeable, skilled and experienced in conducting a business, understand the business obstacles that can arise, be capable in performing their duties proficiently and in consistent with both short- and long-term business strategies, as well as able to offer a different perspective relating to important risks. These factors will benefit the Bank and the Group and create competitive advantage in the industry.
- Directors must be honest, truthful and have ethics.
- All directors must have these above-mentioned attributes and none of the characters considered to be illegible under the regulations governing listed companies as well as 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 and prepare to attend all meetings of the Bank.

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. For any independent director who has held the position for nine years and wants to be re-appointed as an independent director, such director must have been discharged from the position at least two years before the day the appointment request is submitted to the BOT (effective on May 1, 2022).
- For any independent director who has held the position for less than nine years, if he/she has been discharged from the position, such

independent director may be re-appointed as an independent director. Yet, the term of directorship of such independent director must all 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 case the Nomination and Remuneration Committee nominates the existing director to be re-elected, the previous performance of such director should be also considered.
- For nominating new directors, the Bank prepares the board skill matrix or may use a consultancy firm or a director pool to determine qualifications of new directors by considering competencies, skills and experiences, which are necessary but still lacking for the Board of Directors and 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 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 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 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 position 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, executive director or authorized director, one or more of these positions, at 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 as the company in the same group of 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 director of no more than two listed companies outside the Group.
- The Bank's directors may not be partner or director in any private or public company which operates in the same industry and is considered 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 of director in a listed company in Thailand or overseas, he/she must receive pre-approval from the Executive Committee of the Bank. This is in order to prevent any conflict of interest which may arise.
- All new directors must disclose all activities and interests outside the Bank/the Group and all directors are duty-bound to disclose any changes to the status of their interests outside the Bank/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 and efficiently allocate significant resources within the Group to ensure objectives and goals are achieved. The Board of Directors shall consider and approve the Group's business plans, proposed by the Executive Committee, by taking into account all changes to the Group's ecosystem and factors and define and approve policies which 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.
- 2.2 Oversee to ensure 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 Bank 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 consistent with its risk culture. The Board of Directors may delegate the authority to other committees or designated persons to

carry out and report the result to the Board of Directors as appropriate.

- 2.3 Ensure that the Bank's Guidelines for Business Conduct, including business ethics and ethics for directors, controlling persons and employees, are in place. These principles are to be adopted as practice guidelines for management and employees in the organization.

- 2.4 Define or approve the effective risk governance framework to support business operations in accordance with the specified directions and objectives under the rapidly changing business environment. The Board of Directors shall define the appropriate risk appetite level for the Bank's business operation, monitor the business so it is operated within such specified risk appetite level, ensure that the Bank has a system and risk management process which can address the overall and significant risks (Comprehensive Risk Management Policy and Process) and ensure that the Bank, through the Risk Oversight Committee, establishes policies, procedures and controls relating to risk management. These policies, procedures and controls, 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 which may arise from the launch of new products and certain significant business changes. The Board of Directors shall approve such policies and review them regularly or immediately after any significant changes. Furthermore, the Board of Directors has the duty to 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, as well as ensure the communication of such policies and strategies throughout the organization.

- 2.5 Ensure that the Bank and the Group companies have effective control, oversight and audit mechanism, adequate and proper internal control and internal audit systems, as well as the organizational structure which promotes

independent and effective control, oversight audit functions (three lines of defense) to make certain that transactions are made efficiently and in accordance with the specified policy and system and relevant laws and regulations.

- 2.6 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 is suitable. This should be done with emphasis on creating a good proportion of independent directors among Board members.
- 2.7 Appoint and specify roles and duties of committees as appropriate to support its oversight responsibility, such as the Audit Committee, Nomination and Remuneration Committee, Risk Oversight Committee, Compliance and Governance Committee and Executive Committee, etc. The review of committees' roles and responsibilities should be regularly conducted at least once a year.
- 2.8 Ensure that committees require the management to define and implement a system for the Bank's corporate governance in accordance with applicable laws and business nature. Consider and approve the corporate governance system including monitoring the effectiveness of the Bank's corporate governance system and give advice on further improvement.
- 2.9 Ensure that the management inform and update the Board of Directors on any important matters so that the Board of Directors has sufficient information to be able to perform its roles and carry out its duties and responsibilities efficiently.
- 2.10 Approve the Bank's annual financial reports, which are audited by an external auditor and reviewed by the Executive Committee and Audit Committee, prior to proposing to the shareholders' meeting for approval. In addition, the Board of Directors shall receive recommendations through the Management Letter provided by the external auditor and recommendations provided by the Executive Committee.



- 2.11 Define policy for risk assessment, capital adequacy and liquidity of the Bank and strategy and guideline to maintain the Bank's capital consistent with the approved risk appetite level. Define the stress test policy which is in line with the Bank's transactions and material risks.
- 2.12 Appoint the CEO nominated by the Nomination and Remuneration Committee and determine the performance evaluation criteria for the CEO which aligns with the business 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.
- 2.13 Appoint and establish the scope and authority of executives of the Bank and the highest-level executive of KKP Capital Public Company Limited as recommended by the Nomination and Remuneration Committee.
- 2.14 Ensure that the Bank has in place policies on loans and investment with related parties.
- 2.15 Review and approve, through committees, the management's proposal relating to the authorization on 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.
- 2.16 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.
- 2.17 Oversee that the Bank discloses important corporate governance information at the shareholders' meeting and to the public.
- 2.18 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 and that 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, 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 be due care and honest, 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 with the CEO and ensure that important matters are included;
- (4) Allocate sufficient time for management to propose topics and for directors to debate on important matters thoroughly. Encourage directors to exercise independent and careful judgement; and
- (5) Promote a culture of openness and debate through ensuring 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 to the Board of Directors and oversees that the performance of the CEO is efficient and according to the approved policies.

3. Leadership and Vision

The Board of Directors shall be ethical and performs for the benefit of the Bank and the Group by considering on stakeholders and impact to society and environment. Directors should be independent in making decisions and expressing opinions and understand and aware of their duties and responsibilities as the leaders of 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 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 of all Board meetings held in a year, unless with 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 case any director is not able to attend a meeting, the corporate secretary is to be notified of the reason for not attending prior to the meeting so that 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.
- Directors will receive the notice of the meeting along with documents pertaining to the agendas at least five days prior to the meeting date so that they will have ample time to review them in detail.
- In order to make 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 their 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 and the Chairman of the Board of Directors does not have the casting vote.
- 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 for information and reports directly or ask the corporate secretary to coordinate or contact the persons concerned. Furthermore, directors may seek further professional opinion from independent consultants with the expenses borne by the Bank.
- In the event that any director has a conflict of interest in any matter, directly or indirectly, he/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 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 on matters relating to the management of the Bank/the Group companies without the presence of the management and report the results of the meeting to the Board of Directors.



- Corporate secretary is responsible for recording the minutes of the meeting, which encompasses queries, answers and opinions, in a clear manner. Especially for the case where any director is not in agreement with the decision of the meeting, such director may request the corporate secretary to record his/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 with the report from the auditor in the Form 56-1 One Report, so that stakeholders can assure 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 which may have any 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 matter.
- The Board of Directors encourages for its self-assessment as an individual by 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 to the Board of

Directors for consideration and to the AGM for approval. The directors' remuneration is reviewed by considering on the duties, responsibilities, related risks and 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, to be 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 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 in 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 with the duty of succession planning and recruiting candidates for the position of Executive Vice President and above for proposing 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 and undue negligence.

10. Directorship in other companies of executives

- The Bank is well aware of the value of the experiences the CEO and the 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 a full-time employee 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, executive director or authorized director at no more than three business groups. If the company in which they hold 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 as the company in the same group of 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 partner or director in any private or public company which operates in the same industry and is considered in direct competition with the Bank.
- 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 the President of the Bank takes up the post of director in a listed company in Thailand or overseas, he/she must be pre-approved by the Executive Committee of the Bank in order to avoid any conflict of interest which may arise.

- Upon entering employment with the Bank, all senior executives must disclose all activities and interests outside the Bank/the Group and are duty-bound to inform the Bank of any changes in status of interests outside the Bank/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 remuneration of the CEO and served as feedback to the CEO reflecting the needs to review strategies, policies and management approaches to improve the management effectiveness and efficiency.
- The evaluation result shall be shared with the CEO by the Chairman of the Board of Directors to establish mutual understanding on 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.
- Corporate secretary must have appropriate qualifications and experiences to perform his/her duties. He/she may have a degree in law or accountancy 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 trainings in law, accountancy or duties of the corporate secretary.



Guidelines for Business Conduct Policy

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 Group's policy?
- Will it enhance the 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 Group'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 the 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 the 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 the Group Corporate Communication. 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 the Group Corporate Communication. In addition, if such publication, speech or interview involve or appear to involve regulatory issue, pre-approval from the 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 advertisings 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, client 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 nonpublic 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 nonpublic 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: Anti-terrorism 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's 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 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 guidelines.



Summary of Anti-corruption Policy

Kiatnakin Phatra Bank Public Company Limited

Purpose

The Bank intends and is committed to taking a stand against corruption in any form by adhering to the Guidelines for Business Conduct Policy of Kiatnakin Phatra Financial Group, the Corporate Governance Policy and regulations according to the laws on anti-corruption which is to be strictly followed. The Bank has implemented the Anti-corruption Policy to be used by the Board of Directors, executives and employees as a guideline to perform their duties in a transparent manner, paving the way to building a sustainable organization.

The Bank 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 Bank lose a business opportunity.

Principle

The Bank'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.

The Bank will not cooperate with or support any illegal activities which involve corruption or are a threat to society and national security.

Furthermore, 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 Bank does, or seeks to do, business.

Political Contributions

Assistance in any form, namely cash or other means of political support, directly or indirectly, to any political party, party member, candidates, organizations

or individuals related to political parties must be done with transparency and within the confines of the law.

Charitable Contributions and Sponsorships

Any charitable contributions and sponsorships provided by the Bank must be done with transparency and under the law.

- **Charitable Contributions** The Bank supports and promotes the development of communities, society and the environment such as providing educational scholarships, promoting the development of culture and social immunity, aiding relief and public charities which are clearly aimed at benefiting the society as a whole.

The Bank has set aside a suitable budget for social and charitable works without limiting them to tax-deductible projects. The use of funds in this manner must be clear and be supported with documentation and duly recorded in accordance with the specified procedures that have been laid down by the Bank.

- **Sponsorships** is the giving of money or gifts of the Bank under written agreement with the purpose of facilitating business, brand name or for the reputation of the Bank. It should be appropriate in consideration to those offered by the host. The Bank is forbidden to enter into any agreement or entertaining other kinds of offers that could give the Bank an undue advantage over competitors by any illegal means. It is also forbidden to support any activities arranged by individuals or any organizations with any purpose that is not in conjecture with the guidelines of conducting business of the Bank or that may result in a negative impact on the good name of the Bank. Any provisions of financial support must be done according to the procedures in relation to seeking approval and authorization as regulated by the Bank.

Receiving and Giving of Gifts, Entertainment and Other Benefits

The giving of gifts, arranging official entertainment or incurring any expenses within the law, to help in building relationships between the Bank and its clients/ those involved in doing business with the Bank, must be done with care and caution so that the activity of receiving and giving is done in an adequate way and valued appropriately without leading to corruption.

The Bank forbids its employees to offer, promise, offer assurances, solicit, receive benefits or other items of value, either directly or indirectly, from/to clients, government officials or third parties so as to improperly influence the performance of their duties, or to receive inappropriate benefits which would cause the recipient to be unable to make an unbiased decision.

The benefits given or received does not refer to only gifts, hosting meals or entertaining events but also payments on behalf of, facilitating procurement and providing business opportunities.

Procurement of Goods and Services

The Bank has implemented regulations on the procurement of goods and services for sellers, contracted parties or consultants so that the Bank obtains highest benefits in a system that is transparent, honest and free from bias and auditable. The Bank forbids any employee from receiving benefits from selected bidders. In the event that there is any information involving solicitation, receiving or payment of any benefits that are not proper, a full disclosure must be made to trading partners and cooperation must be sought to find a fair solution in a timely manner. The Bank will inform sellers, contracting parties or the consultants from whom the Bank procures goods and services of its policy on anti-corruption. The contracting parties must comply with the laws of the Kingdom of Thailand and abide by the Anti-corruption Policy as stated by the Bank.

Human Resources Management

The Bank has implemented procedures for human resources management which reflects the Bank's commitment to anti-corruption. This includes the structure of a transparent and efficient organization, a division of responsibilities, procedures for work, a clear chain of

command to provide the appropriate balance of power, the recruitment of employees, advancement, training, employee assessment and remunerations, a process for taking disciplinary action against employees for not following the policy, an internal communications to directors, management and employees of the Bank of the policy and encouraging the management to promote understanding of the policy among employees.

Communications and Channels for Complaints

Communications

The Bank arranges the distribution of information on the Anti-corruption Policy which is an important aspect on the ethics of doing business to all employees to be used as a guideline for performing their duties together with the rules and regulations of the Bank.

The Bank communicates the Anti-corruption Policy through many channels, such as the intranet, orientation training, reviewing for directors, management and employees annually through e-Learning, together with an assessment form for understanding by employees. Furthermore, the Bank also distributes information on the Anti-corruption Policy to companies within the Group as well as companies with authority over other business representatives, to the general public, trading partners and other stakeholders through channels, such as E-mail, the Bank's website, annual reports, reports on corporate social responsibility and other publications of the Bank.

Channels for Complaints

The Bank has arranged channels to be used for complaints or reporting for stakeholders such as shareholders, clients, employees and trading partners so as to build a trust that all stakeholders will be treated honestly, in accordance with the rights and agreements that they have with the Bank. The Bank has guidelines for acting on complaints through arranging procedures for dealing with complaints from employees.

Employees and other stakeholders may contact the Bank through various channels, such as E-mail to independent directors as published on the Bank's website or through the Center for Complaints by phone or by using the online form on the Bank's website, including fax, mail or direct contact. Furthermore, employees may



approach the Chairman of the Board, the CEO or the President directly so as to report complaints about any activities which are illegal, unethical or could involve corruption or misconduct of individuals within the organization. The Bank has mechanisms to protect the person who reports such activity and places importance on maintaining secrecy on the complainants, reports and documents. Furthermore, the complainant may choose not to disclose his/her identity to assure them of confidentiality. The Bank will process the complaint and investigate the matter and take disciplinary action as stated by the Bank.

Internal Control and Risk Assessment.

Internal Controls

The Bank has arranged for internal controls that cover money, accounts and record-keeping of information as well as other procedures that are related to the guidelines for anti-corruption. These are collated so that the Bank has a system for internal control and internal audit which is appropriate and efficient.

Risk Assessment

The Bank has a department responsible for operational risk management, which designs and develops tools for assessing risks which are used by all departments within the Bank and the Group companies. This is so that they may follow-up and control the risks of operations effectively. They also review and submit policies, rules and regulations in relation to operational risk management to manage the risk of corruption for the Bank.

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. The Board of Directors should refrain from having any conflict of interest. The scope of authorities 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 and efficiently allocate significant resources within the Group to ensure objectives and goals are achieved. The Board shall consider and approve the Group's business plans, proposed by the Executive Committee, by taking into account all changes to the Group's ecosystem and factors; define and approve policies which 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. Oversee to ensure 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 Bank 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 consistent with its risk culture. The Board of Directors may delegate the authority to other committees or designated persons to carry out and report the result to the Board of Directors as appropriate.
3. Ensure that the Bank's Guidelines for Business Conduct, including business ethics and ethics for directors, controlling persons and employees,

are in place. These principles are to be adopted as practice guidelines for management and employees in the organization.

4. Define or approve the effective risk governance framework to support business operations in accordance with the specified directions and objectives under the rapidly changing business environment. The Board of Directors shall define the appropriate risk appetite level for the Bank's business operation, monitor the business so it is operated within such specified risk appetite level, ensure that the Bank has a system and risk management process which can address the overall and significant risks (Comprehensive Risk Management Policy and Process) and ensure that the Bank, through the Risk Oversight Committee, establishes policies, procedures and controls relating to risk management. These policies, procedures and controls, 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 which may arise from the launch of new products and certain significant business changes. The Board of Directors shall approve such policies and review them regularly or immediately after any significant changes. Furthermore, the Board of Directors has the duty to 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 as well as ensure the communication of such policies and strategies throughout the organization.
5. Ensure that the Bank and Group companies have effective control, oversight and audit mechanism, adequate and proper internal control and internal audit systems as well as the organizational structure which promotes independent and effective control, oversight and



audit functions (three lines of defense) to make certain that transactions are made efficiently and in accordance with the specified policy and system and relevant laws and regulations.

6. 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 is suitable. This should be done with emphasis on creating a good proportion of independent directors among Board members.
7. Appoint and specify roles and duties of committees as appropriate to support its oversight responsibility, such as the Audit Committee, Nomination and Remuneration Committee, Risk Oversight Committee, Compliance and Governance Committee and Executive Committee. The review of committees' roles and responsibilities should be regularly conducted at least once a year.
8. Ensure that committees require the management to define and implement a system for the Bank's corporate governance in accordance with applicable laws and business nature. Consider and approve the corporate governance system including monitoring the effectiveness of the Bank's corporate governance system and advice on further improvement.
9. Ensure that the management inform and update the Board of Directors on any important matters so that the Board of Directors has sufficient information to be able to perform its roles and carry out its duties and responsibilities efficiently.
10. Approve the Bank's annual financial reports, which are audited by an external auditor and reviewed by the Executive Committee and Audit Committee, prior to proposing to the shareholders' meeting for approval. In addition, the Board of Directors shall receive recommendations through the Management Letter provided by the external auditor and recommendations provided by the Executive Committee.
11. Define policy for risk assessment, capital adequacy and liquidity of the Bank and strategy and guideline to maintain the Bank's capital consistent with the approved risk appetite level. Define the stress test policy which is in line with the Bank's transactions and material risks.
12. Appoint the CEO nominated by the Nomination and Remuneration Committee and determine the performance evaluation criteria for the CEO which aligns with the business 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.
13. Appoint and establish the scope and authority of executives of the Bank and the highest-level executive of KKP CAP as recommended by the Nomination and Remuneration Committee.
14. Ensure that the Bank has in place policies on loans and investment with related parties.
15. Review and approve, through committees, the management's proposal relating to the authorization on 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.
16. 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.
17. Oversee that the Bank discloses important corporate governance information at the shareholders' meeting and to the public.
18. 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 director or non-executive director. 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. The quorum of the Board of Directors' meetings must consist of at least two-thirds of the Board members. The meeting's resolution must be passed by a majority vote of the Board members attending the meeting. The Chairman of the Board of Directors does not have the casting vote.

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 provision of law, the Bank's Articles of Association and 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 business direction and overall strategic goal of the Bank.
2. To approve the Bank's business plan and annual budget as proposed by the Executive Committee.
3. To review and approve the Bank's policies as required by laws or regulatory agencies including the main policies for operating business, for example, the overall risk management policy for the Bank and the Group companies, the credit policy, etc.
4. To approve the Corporate Governance Policy and 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 delegate authority and duty to the committees under the supervision of the Bank's Board of Directors including the executive officers from the 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 which 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, which deteriorate or are decommissioned, out of order, lost, damaged or outdated and 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.



Audit Committee Charter

Kiatnakin Phatra Bank Public Company Limited

Roles, Duties and Responsibilities

The Audit Committee has roles, duties and responsibilities as assigned by the Board of Directors as follows:

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. Review the Group's internal control, including information technology security and control, to ensure that they are suitable and effective.
3. 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 appraise the performance efficiency and effectiveness of the chief of the internal audit unit or any other unit in charge of an internal audit.
4. Consider, select and nominate an independent person to be the Group's auditor; propose remuneration for the auditor as well as attend a non-management meeting with the auditor at least once a year.
5. Consider the Group's policy relating to non-audit services provided by the auditor and review to ensure that the use of such services does not interfere with the auditor's independency.
6. Review the connected transactions or transactions which 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 and are reasonable and for the highest benefit.
7. Prepare and disclose the following information in the Group's annual report and the Audit Committee's report, which 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 compliance with the law on securities and exchange, the SET's regulations and laws relating to the Group's businesses;
 - (d) opinion on the suitability of the auditor;
 - (e) opinion on the transactions which 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 which, according to the Audit Committee's opinion, should be known to shareholders and general investors, subject to the scope of duties and responsibilities assigned by the Bank's Board of Directors.
8. Report to the Bank's Board of Directors in order that remedial action can be taken within the timeframe which the Audit Committee deems appropriate in case the Audit Committee finds or suspects any misconduct as follows:
 - (a) Any transaction which 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 the banking and securities businesses and any other laws.

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.

9. Investigate immediately when receiving information of suspected misconduct from the auditor and report the preliminary investigation result to the SEC and auditor within thirty days from the notification date.
10. Inspect or question any relevant personnel regarding any related issues of the Group. The Audit Committee is authorized to hire or bring in specialists to assist with the auditing process, as deemed appropriate.
11. 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.
12. Review to ensure that the Group companies follow the Group's policies.
13. 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.
14. 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 Office of Internal Audit, respectively, in accordance with the review period as prescribed by the CAC.
15. Perform any other act as assigned by the Bank's Board of Directors and accepted by the Audit Committee.
16. Perform any other act as the law prescribes on the authority of the Audit Committee.
17. Report on the committee's performance to the Bank's Board of Directors at least every quarter.

The Audit Committee shall meet at least once every quarter or as it deems appropriate and also meet with the Audit Committee of the Group companies at least twice a year. The quorum of 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 all committee members sign their names on a copy of the text of such resolution and such resolution shall be in the same force and effective as if it has 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 roles, duties and responsibilities as assigned by the Board of Directors as follows:

1. Establish policy, criteria and process in nominating directors and persons with management authority for the Bank and the Group companies in order to propose to the Bank's Board of Directors; select and propose qualified persons to be the 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 as well as give consent on the directors and persons with management authority of the Group companies prior to being proposed for appointment.
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 directions and strategies of the Group, such as developing a skill matrix which 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 which are commensurate with their duties and responsibilities. Consider the

remuneration and other benefits for the Board members and the CEO of the Bank which reflect the objectives, duties and responsibilities and relevant risks¹ prior to proposing to the Board of Directors. In addition, the committee shall establish a transparent payment policy of the remuneration and other benefits for other persons with management authority as a guideline for consideration by the Human Resource Management Committee/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 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 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 goal 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 and the remuneration policy and various forms of benefits as well as prepare the committee's report in the Bank's annual report.

¹ The remuneration should not relate, too much, to short-term profits or targets and must not create incentives for entering into too risky transactions which can affect the Group's stability.

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 it deems appropriate. The quorum of the Nomination and Remuneration Committee's meetings consists 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 all committee members sign their names on a copy of the text of such resolution and such resolution shall be in the same force and effective as if it has 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.



Compliance and Governance Committee Charter

Kiatnakin Phatra Bank Public Company Limited

Roles, Duties and Responsibilities

The Compliance and Governance Committee has roles, duties and responsibilities as assigned by the Board of Directors as follows:

1. Through the Compliance unit, oversee that the Bank and the Group companies conduct business in compliance with laws, regulations, rules, standards, ethics, corporate governance principles and compliance policy.
2. Ensure that the Bank and the Group companies have an efficient and independent compliance system and corporate governance practice.
3. Oversee that the Bank and the Group companies establish the process to take corrective actions for issues raised by regulatory agencies, the external auditor, the internal auditor and the compliance unit.
4. Approve the Annual Compliance Plan of the compliance unit and monitor the performance of the compliance unit to ensure that it completes tasks and achieves targets according to the plan.
5. Provide an opinion on the Annual Compliance Report and report to the Board of Directors.
6. Develop the Guidelines for Business Conduct to be used as a performance framework for the Board members, executives and employees of the Bank and the Group companies and propose to the Board of Directors for consideration.
7. 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 Policy to the Board of Directors for approval.

8. Approve the appointment, transfer and performance evaluation of the highest executive of the compliance unit.
9. Report on the committee's performance to the Board of Directors at least once a year and immediately in case there is any significant incompliance with rules of the regulators or the Bank and the Group companies.
10. Review the Compliance Policy and any policies and guidelines in relation to good corporate governance as well as the performance of the compliance unit. Endorse and/or approve any amendments which are non-significant matters and report to the Board of Directors once a year.

The Compliance and Governance Committee shall meet at least once every quarter or as it deems appropriate. The quorum of the Compliance and Governance Committee's meetings consists 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 all committee members sign their names on a copy of the text of such resolution and such resolution shall be in the same force and effective as if it has 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.

Executive Committee Charter

Kiatnakin Phatra Bank Public Company Limited

Roles, Duties and Responsibilities

The Executive Committee has roles, duties and responsibilities as assigned by the Board of Directors as follows:

1. Determine 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 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 to the Board of Directors for consideration by emphasizing on adequate and efficient allocation of key resources and ensure that the CEO operates the business in accordance with the approved policy effectively and efficiently.
3. Consider and approve policies, guidelines and working rules of the Bank and the Group companies.
4. Oversee the business operation 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 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 on the Bank's organizational structure at the group level (in case of setting up a new business or dismissal of any business) prior to proposing to the Board of Directors for consideration. Meanwhile, the CEO and President are authorized to approve the revision on the organizational structure at the department level or group level (excluding setting up a new business or dismissal of 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 to the Board of Directors for acknowledgement.
8. Approve the unreviewed/unaudited financial statements in order to disclose to the SET and relevant supervisory agencies and consider the reviewed/audited financial statements before proposing to the Board of Directors for approval.

The Executive Committee shall meet at least once a month or as it deems appropriate. The quorum of the Executive Committee's meetings consists 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 agenda to the Board of Directors for consideration. The Executive Committee may adopt a resolution without holding a meeting if all committee members sign their names on a copy of the text of such resolution and such resolution shall be in the same force and effective as if it has 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 roles, duties and responsibilities as assigned by the Board of Directors as follows:

1. Set up the overall policy on risk management for the Bank and the Group companies and propose 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 risk which could adversely affect the Bank and the Group companies' reputation.
2. Develop strategies which are consistent with the Bank's risk management policy. The strategies should enable the committee to assess, monitor and control risks to be at acceptable levels. Additionally, it is the responsibility of the committee to set up criteria in considering reserve for asset classification.
3. Consider and approve criteria relating to lending, commitments and any transactions with loan-like characteristics which 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 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 in 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 of 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 are 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, as well as 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 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 it deems appropriate. The quorum of the Risk Oversight Committee's meetings consists 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 all committee members sign their names on a copy of the text of such

resolution and such resolution shall be in the same force and effective as if it has 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, economic and organization management.

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|------------------------------|------------------------------|
| 1. Mrs. Dayana Bunnag | Chairperson of the Committee |
| 2. Mr. Chet Pattrakornkul | Member of the Committee |
| 3. Mr. Veravat Chutichetpong | Member of the Committee |

In 2021, the Committee had 16 meetings, with the attendance record of each committee member reported under the Meeting Attendance of Directors section 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 from the auditing and reviewing of financial statements. The Committee acknowledged the progress of temporary relief measures in the COVID-19 situation issued by the Bank of Thailand and the accounting treatment guideline from the Federation of Accounting Professions, and discussed with auditors and management about the appropriateness of expected credit loss allowance and 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 auditor and external auditor, 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 supported the internal auditor's initiatives on improving efficiency by adopting data analytics and agile auditing, in response to emerging risks. Moreover, in 2021, 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 assessment results were reviewed by the Committee and the Board of Directors in order to exchange views and develop a mutual understanding over the state of internal controls so that appropriate actions could be further determined.

- The Committee reviewed and approved the Annual Internal Audit Plan with a recommendation for the internal audit team to prepare and ensure readiness for technological changes, including financial technology (Fintech). In addition, the Committee determined the independence of the internal audit function and reviewed the annual performance of the Internal Audit Head.
- 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 management response to address those risks, in line with the Group's policies, strategies and plans. In addition, the Committee had a meeting with the Risk Oversight Committee to consult and exchange views so as to assess whether the risk management policies and strategies covered all existing and emerging risks and if the implementations of such policies and strategies were effective and efficient.
- The Committee reviewed related-party transactions or transactions that may lead to 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 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.
- As the signing audit partner completed her 7-year term in 2021 and in order to comply with the SEC's rule, the Committees, together with other Audit Committees within the Group, considered and selected the new auditor from the big 4 audit firms and unanimously resolved to select PricewaterhouseCoopers ABAS Ltd. to be the external auditor of the Bank and its subsidiaries for the year 2022, and then proposed the appointment of the external auditor as well as the remuneration to the Board of Directors for endorsement prior to proposing to the general meeting of shareholders for approval. The Committee was of the opinion that PricewaterhouseCoopers ABAS Ltd. has a sound quality control review process and employs new audit technology, including audit software and data analytic tools, in their audit works to increase efficiency and effectiveness. The signing audit partner and senior audit teams have knowledge, capability and experiences in auditing banking and capital markets businesses. Also, the auditors are independent, possess great skills and knowledge about international auditing standards and have sufficient resources.

- The Committee considered the Group's policy on non-audit services to be provided by the Bank's external auditor and reviewed its services, aiming to ensure that non-audit engagement does not impair the independence of the Bank's external auditor.
- The Committee arranged meetings with other Audit Committees within the Group to exchange views and opinions regarding the role of the Audit Committee, 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 2021, 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 an appropriate and efficient risk management and sound internal controls in place to undertake related party transactions and monitor compliance with the rules and policies and for other Bank operations. The financial statements of the Bank are reliable and have been constructed with sufficient control systems and in accordance with Thai Financial Reporting Standards.

The Committee has recommended to the Board of Directors so that communications shall be continuously made to all staff that the Group emphasizes the importance of a corporate culture in which unethical and fraudulent behavior is unacceptable (Zero Tolerance to Fraud Policy).

As of January 18, 2022

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 is accountable for the consolidated financial statement 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 Thai 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 which reflect a true and fair financial position and performance which is useful to all shareholders and investors. Moreover, these financial statements have been audited by an independent certified public accountant whose unqualified opinions are stated 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 in maintaining all of its assets as well as in preventing any damage from other significant irregularities in the operations of the Bank.

In this respect, the Board of Directors has appointed the Audit Committee consisting of independent directors to be responsible for these following duties: assuring 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 conflict of interest for the greatest accuracy and completeness. The opinion of the Audit Committee related to these matters is stated in the Report of the Audit Committee section in the Form 56-1 One Report.

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 statement of the Bank and its subsidiaries and the separate financial statement of the Bank for the year ended December 31, 2021.

(Mr. Supol Wattanavekin)
Chairman

(Mr. Aphinant Klewpatinond)
Chief Executive Officer

