



KASIKORNTHAI

KBank's TCFD Report 2025

Task Force on Climate-related Financial Disclosures



ธนาคารกสิกรไทย
开泰银行 KASIKORNBANK



บริการทุกระดับประทับใจ

Key Highlights 2025

KBank aims to be a leader in sustainable development in order to deliver sustainable value to all stakeholders through an issue-based approach and opportunity-led prioritization. The Bank identifies and prioritizes issues based on stakeholder impact, align with core business strategy.

100%

ESG Risk Assessment

of project finance and commercial loan applications from medium enterprises and above are processed through the ESG credit assessment

Committing to becoming Net Zero in our own operations by 2030 (Scope 1 and 2)

Reduction of GHG emissions

21.48%

(from Baseline Year 2020)

Net Zero in our Financed Portfolio (Scope 3)

in line with Thailand’s Aspirations

7

Glidepaths and/or sector strategies⁽¹⁾

Sustainable Financing and Investment

(Cumulative 2022 - 2025)

Baht 198,645 million

Note: ⁽¹⁾ Power, Oil & Gas, Coal, Cement, Aluminum, Automotive and Commercial Real Estate

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Top 10% in the S&P Global Sustainability Yearbook 2026 in the Banking Industry. Maintained the inclusion in the Dow Jones Best-in-Class Index both World and Emerging Markets for 10 consecutive years.



CDP A List (Leadership Level) Climate Change Achieved for four consecutive years (2022 - 2025) A List Water Security A- Forests Achieved for the first time in 2025



CDP A List (Leadership Level) Supplier Engagement Assessment on Climate Issues Achieved for four consecutive years (2022 - 2025)



FTSE4GOOD Emerging Index

Selected as a constituent member for ten consecutive years (2016 - 2025)



SET ESG Ratings AAA Level for three consecutive years (2023 - 2025)

Thailand Sustainability Investment (THSI) (2015, 2017 - 2022)



SET Sustainability Awards of Honor for two consecutive years (2024 - 2025) Best Sustainability Awards (2022 - 2024) Highly Commended in Sustainability Awards (2018 - 2019, 2021)



Sustainability Disclosure Award 2025 Honorary Sustainability Disclosure Award 2025 for public disclosure of sustainability development information.



ESG 100 Certificate 2025 Outstanding ESG performance awarded by the ThaiPAT Institute. Selected for ten consecutive years (2016 - 2025)



The first Thai commercial bank to achieve carbon neutrality Selected for eight consecutive years (2018 - 2025)



Corporate Treasurer Awards 2025 Best ESG Initiatives Outstanding performance in ESG practices, as well as development of innovative financial solutions



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Introduction

The year 2025 continued to join ranks of world's warmest years since records began in 1850. Worldwide, we continue to witness intensifying climate physical impacts and their increasingly severe consequences. Thailand itself suffered considerable damage from several natural disasters in 2025, especially severe flooding in both the northern and southern regions, causing economic losses exceeding Baht 70 billion. As the Earth's climate systems are continuously being driven out of balance, all livelihoods will be impacted with disproportionately large impacts to communities least responsible for climate change, while significant divergence in global sustainability policies and geopolitical conflicts accelerate the climate collapse.

Securing a safe and sustainable future for all remains possible, but the window of opportunity is rapidly closing as the world step deeper into the climate crisis. It is of utmost importance that globally we collaborate extensively across all sectors to safeguard livelihoods against climate physical impacts and simultaneously prevent further climate disruptions through mitigation.

KBank recognizes how climate and environmental challenges could impact the Bank's value chain. Consequently, the Bank has formulated integrated business and sustainability strategies to address these pressures and create long-term value for stakeholders based on the principles of a Bank of Sustainability, committing to driving sustainable prosperity by elevating and unleashing the full potential of every life and business we touch, empowering success that transforms lives and uplifts the future of ASEAN+3.

KBank has strengthened our commitment of becoming Thailand's leading sustainable bank by establishing clear targets across multiple planes of sustainability to drive measurable and impactful changes across value chains, encompassing own operations, sustainable finance, beyond banking solutions, and the greater ecosystem for low carbon transition:

- 1) Maintaining commitment to Net Zero in our own operations by 2030;
- 2) Enhancing support to our clients in low carbon transition by expanding the target of sustainable financing and investment allocation to at least Baht 400 - 500 billion by 2030, which contributes to our commitment to achieving Net Zero in our financed portfolio in line with Thailand's aspirations — enhanced to Net Zero 2050 as per NDC3.0 — and accelerating this journey where possible;
- 3) Aspiring to become the most comprehensive climate solution provider by delivering knowledge and tools through Beyond Banking solutions to guide customer decarbonization journeys and enhance sustainable competitiveness in a low-carbon economy; and
- 4) Committing to drive inclusive transition across the entire ecosystem, fostering new frontier of low carbon collaborations among government bodies, private sector entities, trade associations, and other groups both domestically and internationally — actively co-creating opportunities for resilience and prosperity of Thailand and beyond.

As society and all parties work together across interconnected domains of sustainability, the Bank firmly believes that the collective momentum and collaborative mechanisms will bring us closer to the shared goal of securing a safe and sustainable future for all.

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Task Force on Climate-related Financial Disclosures (TCFD)

KBank recognizes its duty and responsibility for preparing stakeholders to address climate-related risks, enabling them to plan preventive and risk-mitigation measures, as well as to turn potential crises or adverse impacts into opportunities for positive transformation across the value chain. To this end, the Bank has established the Transition Plan to Net Zero in line with its commitments and strategic objectives, as outlined below.

1.

We aim to support our customers in transitioning to a Net Zero economy, in line with sustainability principles embedded in our business operations and customer services, covering both domestic and regional customers.
2.

We are committed to supporting national-level efforts to achieve GHG emission reduction targets in line with the Paris Agreement, a global treaty under which the international community is driving the transition to Net Zero emissions by 2050.*
3.

We are committed to becoming Thailand's leading sustainable bank, allocating at least Baht 400 - 500 billion in sustainable financing and investment by 2030 and pioneering green banking products and services.
4.

We are committed to becoming Net Zero in our own operations (Scope 1 and 2)** by 2030 and achieving Net Zero in our financed portfolio in line with Thailand's aspirations, accelerating this journey where possible. The commitment is supported by continuous monitoring and assessment of business opportunities to ensure timely execution.

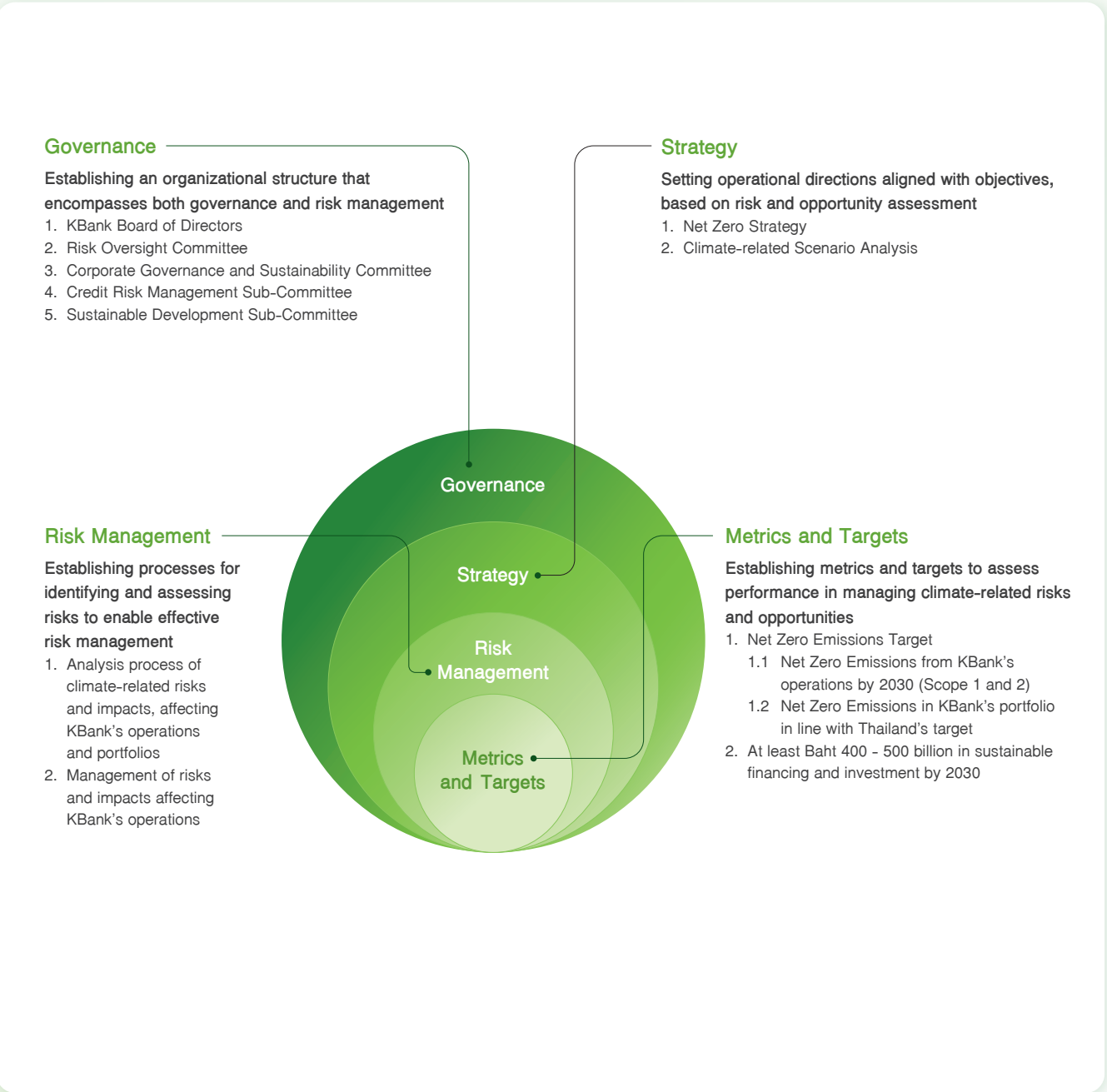


* The goal of Net Zero emissions by 2050 is the global effort that is in line with the Paris Agreement. As for KBank, our Net Zero goal has been established in accordance with Thailand's target, and we will accelerate the achievement where possible.

** Scope 1: Direct emissions from the activities of an organization including stationary combustion, fleet vehicles (organization-owned), wastewater treatment , as well as fugitive and process emissions.

Scope 2: Energy-indirect emissions including an organization's purchased energy such as electricity.

KBank has prepared this report to comply with the Task Force on Climate-related Financial Disclosures (TCFD)*, consisting of four aspects, as follows:



* More details are available in Task Force on Climate-related Financial Disclosures (June 2017) and Implementing the Recommendations of the Task Force on Climate-related Financial Disclosures (October 2021)

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Governance

Governance

Describe the organization's governance around climate-related risks and opportunities.

Governance Structure

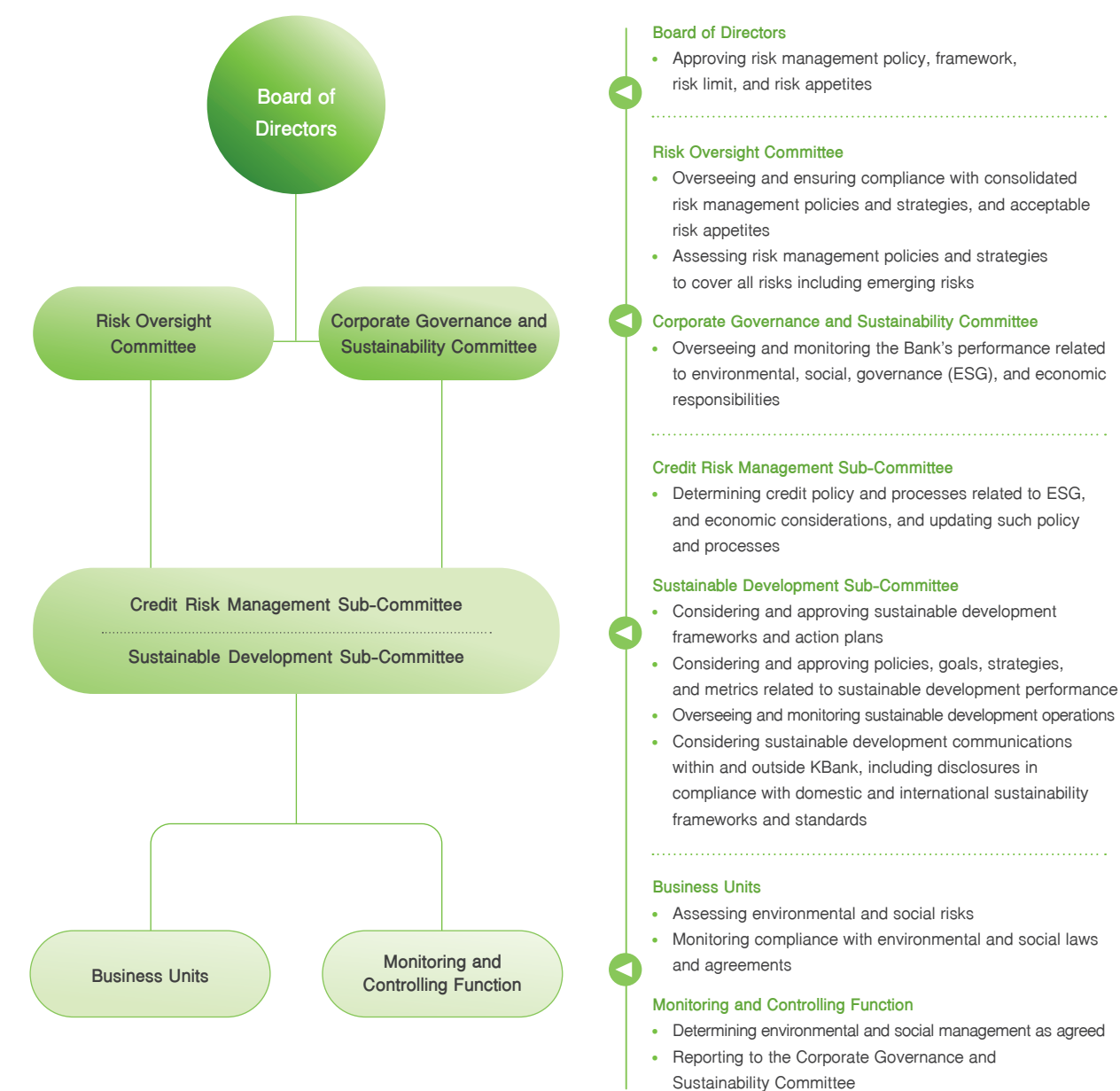
Recommended disclosures

- Describe the organization's governance climate-related risks and opportunities.
- Describe management's role in assessing and managing climate-related risks and opportunities.

KBank's structure, policy, and management related to climate change have been determined as part of the processes of sustainability operations that affirm our responsibility towards the environment, society, governance and economy.

Governance Structure

KBank's structure, policy, and management related to climate change have been determined as part of the processes of sustainability operations that affirm our responsibility towards the environment, society, governance and economy as shown below:





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The Board of Directors approves KBank’s business strategies, targets, and policies, encompassing sustainable development implementations. The Board also approves the Bank’s risk management policy and risk appetite, covering ESG issues as well as climate-related risks. In addition, the Board approves the annual business plan and budget, and oversees and monitors the Bank’s management and operations.

The Board of Directors has assigned the Chief Executive Officer to serve as Chief Environmental Officer, with the goal of positioning KBank as an environmental steward to create a Net Zero society. The Board also establishes sustainability performance KPIs, covering environmental management and Net Zero emissions, applicable to the Chief Executive Officer, senior management, and operating-level employees.

The Risk Oversight Committee reviews and scrutinizes risk management policies and strategies, including the risk appetite, to ensure their adequacy and effectiveness in alignment with the Bank’s business plan. The Committee also oversees effectiveness of risk management across all risk types and emerging risks, including ESG risks and climate-related risks.

The Corporate Governance and Sustainability Committee reviews, provides recommendations on, and approves matters related to good corporate governance and sustainable development. The Committee also offers guidance on action plans towards achieving Net Zero emissions and considers projects related to environmental and social issues.

The Credit Risk Management Sub-Committee establishes strategies, policies, and processes for credit risk management, encompassing ESG risks and climate-related risks. This includes setting credit targets and frameworks by business sector to reduce financed emissions.

The Sustainable Development Sub-Committee drives the Bank’s sustainable development policies in line with its strategy of a “Bank of Sustainability” and is chaired by the Chief Executive Officer.

The Climate Pillar Working Group comprises representatives from multiple business divisions involved in climate-related risks. Chaired by a President, the Working Group is responsible for setting strategies, targets, and action plans, as well as monitoring, controlling, and supporting coordinated implementation of initiatives. The Audit Division conducts audits to ensure that operations are effective, transparent, and aligned with the Bank’s objectives.

Governance of Collaboration with Business Partners to Mitigate Climate Change Impacts

KBank recognizes the importance of collaborating with external agencies, including government bodies, private sector entities, trade associations, and other groups both domestically and internationally. These partnerships are instrumental in advancing climate change-related initiatives aligned with the Paris Agreement and Thailand’s national goals.

To ensure effective oversight, KBank has entrusted Corporate Governance and Sustainability Committee (composed of board members) and Sustainable Development Sub-Committee (chaired by Chief Executive Officer and composed of senior executives) with the responsibility to oversee these collaborations with external agencies in accordance with relevant guidelines and objectives.

KBank has implemented a structured management system for these engagements, which includes:

- Initiation of collaboration or membership in climate-focused organizations or associations is first reviewed by responsible departments. If the activity has the potential to significantly impact the Bank, it is reported to the Corporate Governance and Sustainability Committee for approval. Consideration is based on alignment with the Paris Agreement, Thailand’s goals, and the Bank’s internal objectives.
- Ongoing monitoring of all collaborations, support activities, and memberships is conducted by the responsible departments to assess performance and promote continuous improvement. If any activity is found to be misaligned with the stated goals, the departments will attempt corrective action. If realignment is not possible, KBank may choose to discontinue the engagement to maintain the integrity of its climate strategy.
- Periodic reporting of major activities in this area is presented to Corporate Governance and Sustainability Committee and Sustainable Development Sub-Committee for appropriate governance and oversight.



However, KBank does not support partnerships with any lobbying activities. In the context of climate change, KBank does not support lobbying against climate regulations nor climate-denial activities.

The Bank has become a member of an organization or entity established for the benefit of the environment. The Bank’s executives are also encouraged to participate as directors and members of organizations or departments related to the development of the financial institution system and sustainable development. In addition, the Bank has also applied the principles of sustainable development in accordance with the framework. ESG is defined as an organization’s policy guideline along with the development of work systems as well as the sharing of knowledge and experience to drive the sustainable growth of the organization throughout the value chain as follows:



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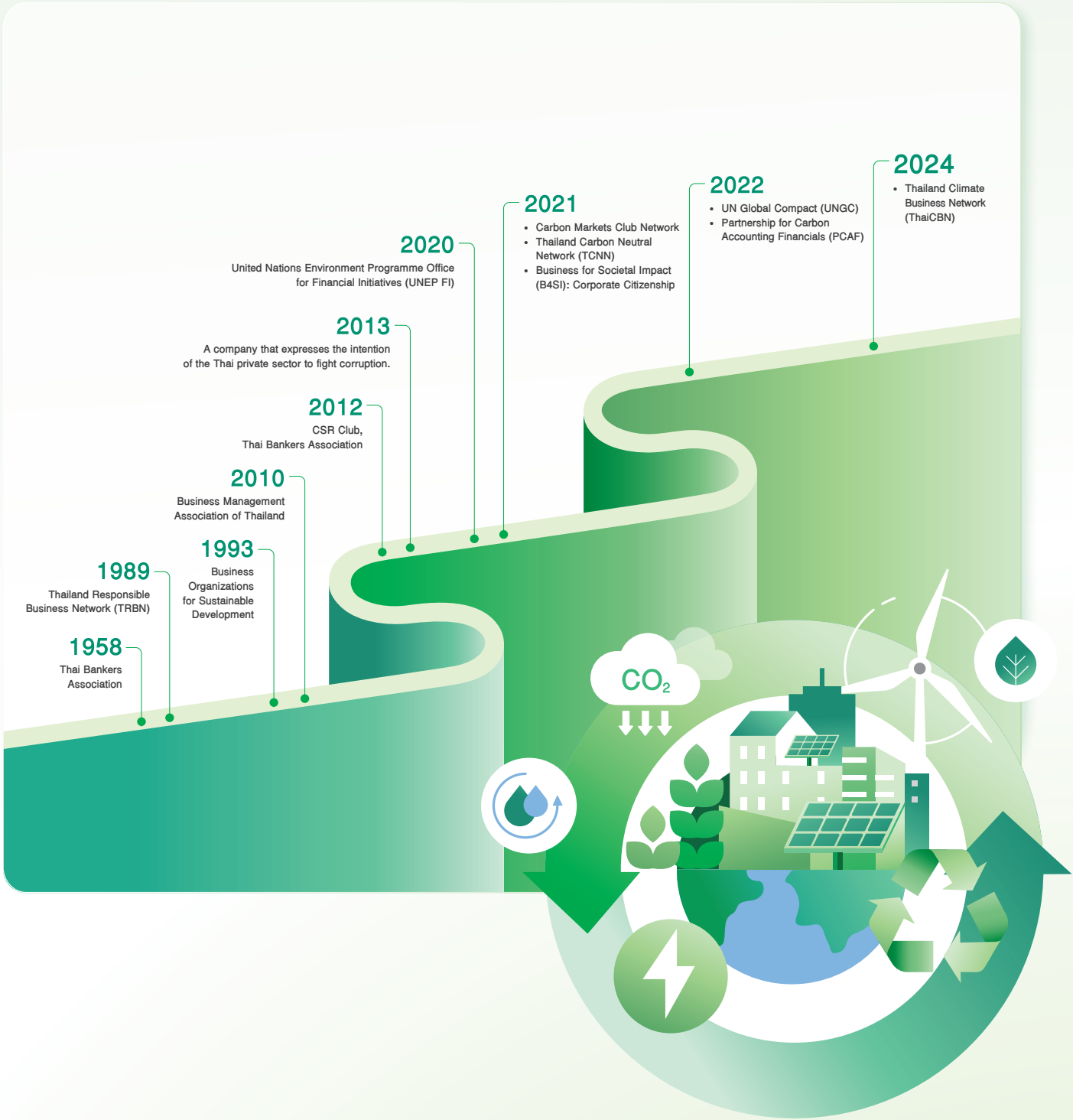
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Currently, KBank is a member of several prominent sustainability and climate-related networks:

1. Being a member of the United Nations Global Compact (UNGC) since 2022 to uplift our business operations in conformity with globally accepted principles, covering the four key areas of human rights, labor, the environment and anti-corruption.
2. Becoming a signatory to the Partnership for Carbon Accounting Financials (PCAF) in 2022, which is an initiative under the cooperation of the global financial sector to formulate standards for assessment and disclosure of GHG emissions financed by loans and investments.
3. Taking part in the Climate Action Leading Organization initiative under the cooperation of the Thailand Greenhouse Gas Management Organization (Public Organization) (TGO) and the United Nations Framework Convention on Climate Change (UNFCCC), which reflects our intent to lead in GHG management.
4. Working with the Thai Bankers' Association (TBA) in advancing sustainable development of the Thai banking sector since 2021: KBank has taken the role of Lead Facilitator in sustainability with key missions, including the ESG Declaration, and development of impact assessment tools and industry handbook.
5. Representing the TBA in joining the Thailand Taxonomy working group of the Bank of Thailand to offer opinions and provide recommendations for formulating a "green taxonomy" that will serve as a common guideline in classifying environmentally sustainable economic activities.

KBank collaborated with various external agencies to address critical climate change issues. Key initiatives and collaborations in 2025 are further described in Climate Collaboration section.



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Disclose the actual and potential impacts of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning where such information is material.

Management Strategies in Relation to Climate Change

- Recommended disclosures
- a. Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.
 - b. Describe the impact of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning.
 - c. Describe the resilience of the organization’s strategy, taking into consideration different climate-related scenarios, including a 2 °C or lower scenario.

KBank has announced the Net Zero Commitment with the aim of Net Zero in KBank’s operations (Scope 1 & 2) by 2030. KBank is committed to achieving Net Zero in our financed portfolio in line with Thailand’s aspirations, accelerating this journey where possible. To this end, KBank plans to revise our portfolio to conform to the Paris Agreement and Thailand’s target by means of promoting the alleviation of greenhouse gas emissions and adaptation to climate change. KBank has established a policy on fossil fuel and related sectors and sectors with significant environmental and social impacts*. Additionally, KBank has added risks and opportunities arising from climate change as part of the risk management processes, including risk identification, risk assessment, risk monitoring and control, and risk reporting.

* Details of ESG Credit Policy and Sector Specific Guidelines are available at: <https://www.kasikornbank.com/en/ir/corporategovernance/transparency/pages/esg-credit-policy.aspx>

Climate Change Management Strategies



* Details of the action plans to reduce GHG Scope 1 and 2 emissions can be viewed in the Environmental and Green Operation Management section.
** The goal of Net Zero Emissions by 2050 is the global effort that is in line with the Paris Agreement.
As for KBank, our Net Zero goal has been established in accordance with Thailand’s target, and we will accelerate the achievement where possible.
*** Thailand’s target as announced at the COP30 is to achieve Net Zero Emissions by 2050.



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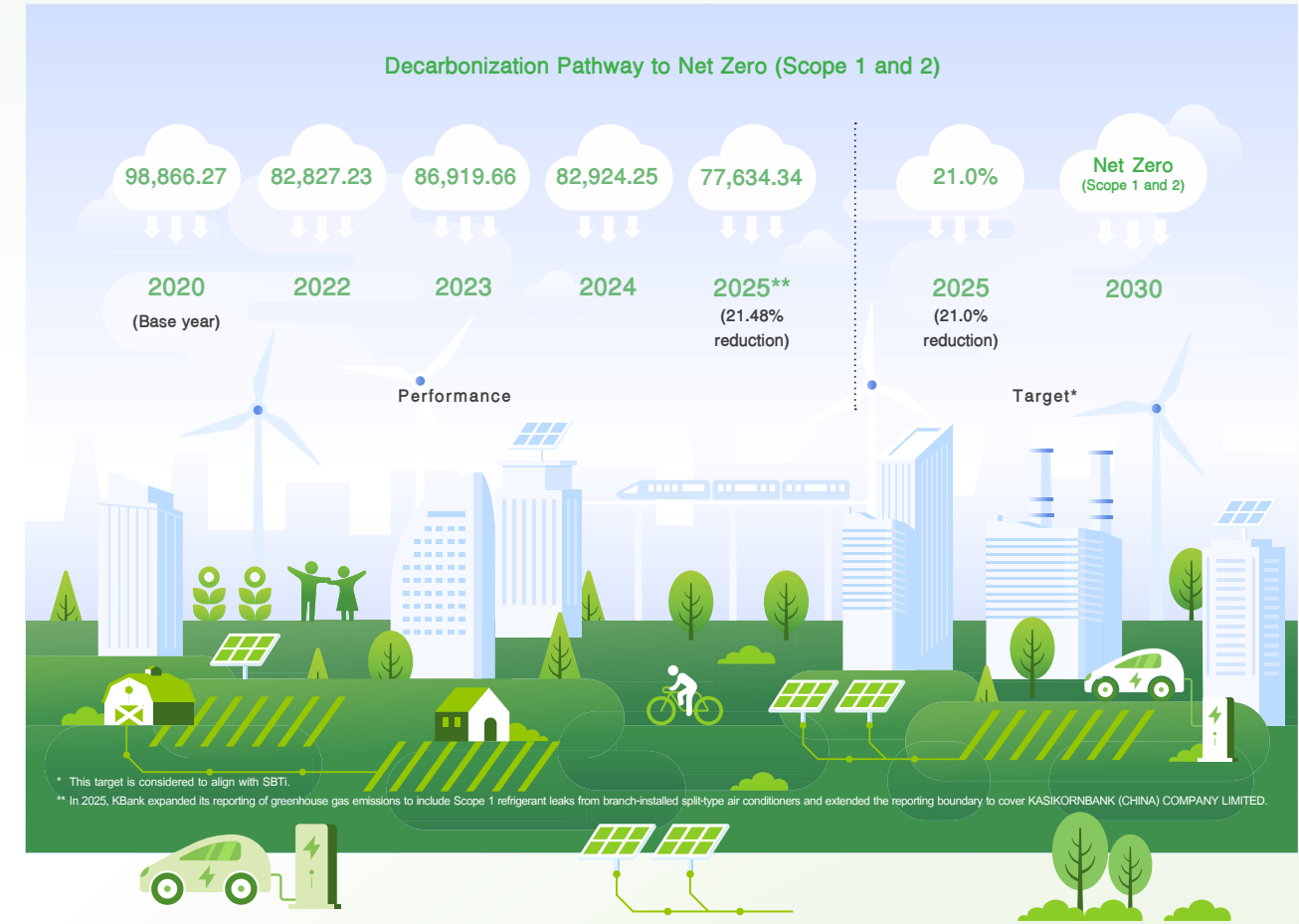
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Environmental and Green Operation Management

KBank is fully committed to steering its business sustainably, balancing continuous growth with profound responsibility towards the environment, local as well as global community. The Bank has implemented a robust environmental management strategy, set ambitious Net Zero target for its own operations (Scope 1 and 2) by 2030, as well as continuously enhancing eco-efficiency through effective waste management.

This commitment extends to its employees, who are actively encouraged to participate in initiatives such as value-based resource management — reducing natural resource and raw water usage, and minimizing business travel — alongside process development, which includes championing green procurement and designing products and services with greater consideration for their environmental impact. KBank is decisively accelerating the implementation of these initiatives to achieve cost efficient green operations by minimizing environmental impacts from its own operations as much as possible.



Strategy for Net Zero in Own Operations

Scope 1

Emissions: KBank's Own Fleet
Replacing KBank's conventional vehicles with electric vehicles (EVs) and Hybrid.

Scope 2

- Emission incurred from electricity consumption**
- Installing solar panels at KBank offices and branches.
 - Implementing energy conservation measures through building retrofits.
 - Space Optimization: Optimizing office and branch space to reduce energy demand.
 - Purchasing RECs to offset electricity consumption with renewable energy sources.

Residual Emission

Carbon Removal Projects:
Utilizing carbon sequestration and afforestation projects to remove carbon.

Environmental Management

KBank maintains its environmental responsibility through a systematic and integrated management approach. This involves efficiently managing both resources and environmental aspects, all while fostering concurrent organizational development. Our process includes meticulous planning and continuous monitoring to ensure we are constantly improving business operations and effectively minimizing our environmental footprint. Furthermore, KBank has consistently enhanced its environmental risk management frameworks to meet international standards. As part of this commitment, the Bank has adopted ISO 14001 standard, which provides the essential criteria for comprehensive environmental management system.

Management Approach

KBank's robust environmental management is overseen by the Sustainable Development Sub-Committee, which comprehensively addresses economic, governance, social, and environmental dimensions of sustainability. The Customer and Enterprise Service Fulfillment Division serves as a key driver in managing internal operations towards sustainability goals, as well as collecting environmental data for reporting and continuous operational enhancement.

The Bank reinforces its commitment through policies such as the Energy and Environmental Conservation Policy; alongside established goals and guidelines aimed at reducing natural resource consumption and minimizing operational environmental impact. These frameworks provide clear direction for all employees, enabling them to actively contribute to environmental stewardship for the local & global community.





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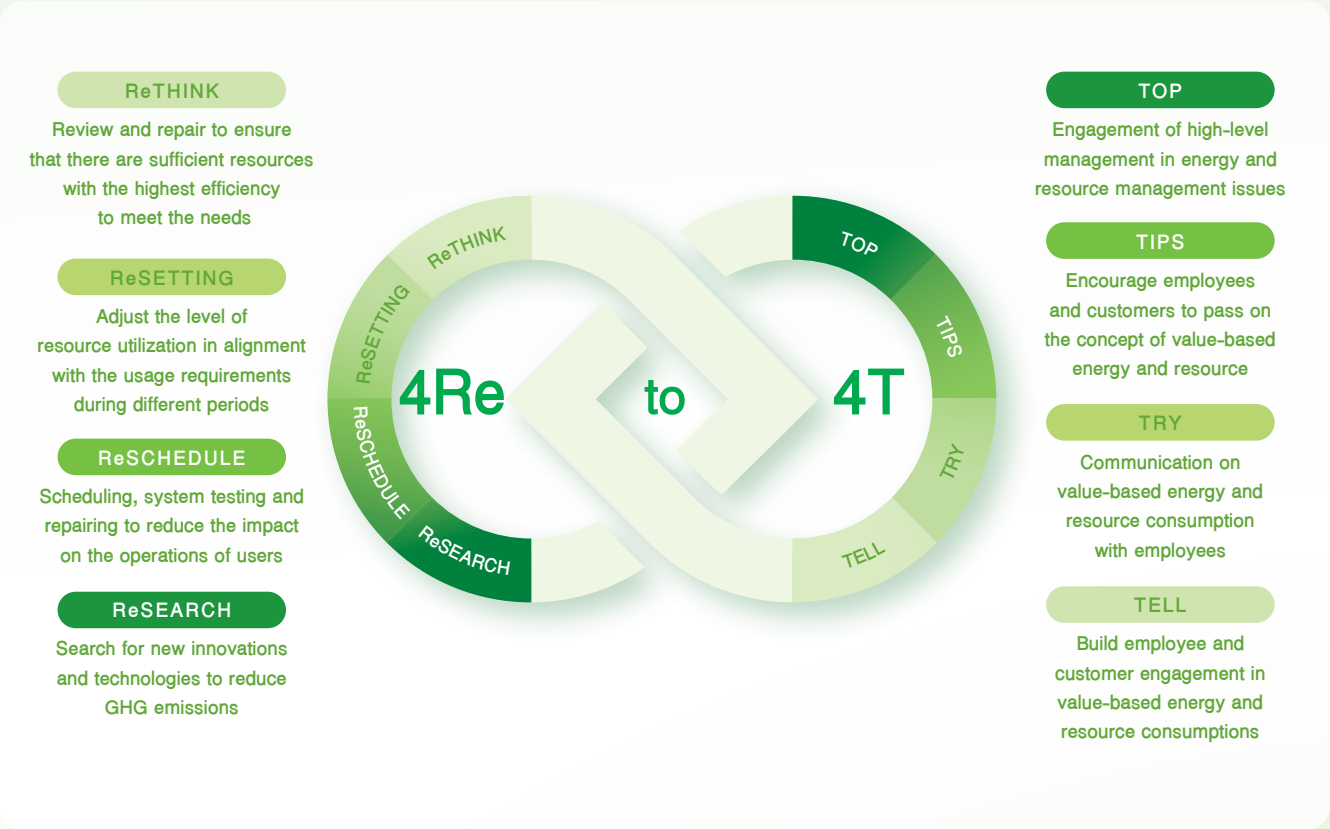
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The Bank places importance on cost efficient green operations, with the aim of managing negative impacts throughout entire business value chain from upstream to downstream, while enhancing positive impacts through cost-effective measures. This is achieved by promoting organizational awareness and participation in sustainable resource management through the 4Re to 4T approach, guided by the principle of “reducing waste, using resources wisely, and restoring nature.” These efforts support business operations that seek to achieve balance of economic performances and eco-efficiency, in alignment with international standards. The scope covers management of lighting systems, air-conditioning systems, organization-wide water resource management, waste management, and employee business travel.



To access Environmental and Energy Conservation Policy, please see:
https://www.kasikornbank.com/en/ir/corporategovernance/transparency/pages/environmental_and_energy_conservation_policy.aspx

Green Operations

Focus Areas	Approach	2025 Performance
Environmentally Responsible Travel	Promoting Electric Vehicles (EVs) The Bank promotes fleet switching from internal combustion engine (ICE) vehicles to EVs, and aims to fully transition its fleet from ICE vehicles to EVs by 2030.	At present, the Bank has replaced owned vehicles and executive vehicles to EVs, successfully replacing 391 ICE vehicles and achieving 77% fleet replacement rate among executive vehicles. This transition helps avoid 1,609.90 tons CO₂e.

Focus Areas	Approach	2025 Performance
Energy Consumption	Clean Energy Management - The Bank promotes clean energy consumption, with target to install solar rooftop systems at HQ, main buildings, and branches where installation is feasible by 2026. Electricity Management - The Bank effectively manages electricity consumption in HQ and main buildings (4 buildings in total) by adjusting duration of equipment usage, controlling air conditioning system, and setting appropriate temperature to reduce unnecessary energy consumption.	- At present, the Bank has installed solar rooftop systems at a total of 165 buildings, which is 75% of buildings where installation is feasible. Solar electricity generation was 5,460 MWh, which helps avoid 2,729 tons CO₂e. - Successfully reduced 2,649 MWh of electricity consumption compared to 2024, which helps avoid 1,324.23 tons CO₂e.
Water Consumption	Water System Management The Bank manage water system to ensure optimum resource efficiency by utilizing water management innovations, including flow rate adjustments at washroom outlets in every building, as well as effective wastewater management where treated wastewater is reused for sanitary systems and landscape irrigation.	Reused a total of 38,896 m³ of treated wastewater
Waste Management	Effective Waste Management The Bank systematically manages waste so to ensure sustainable outcomes. The Bank also collaborates with partners to manage various types of waste through methods such as composting, recycling, and waste-to-energy to enhance resource use efficiency and reduce environmental impacts.	Successfully reduced waste diverted to landfill from HQ and main buildings (4 buildings in total) to be within specified threshold of 10% of total waste generation in 2025 in line with Zero Waste to Landfill approach. This success is achieved ahead of plan.
Employee Development on Environmental Topics	Capacity building in environmental, social, and climate change through collaboration with International Finance Corporation (IFC) under the Climate Transition Capacity-Building Project: - Enhancement of knowledge on green finance and buildings. - Climate change risk assessment. - Capacity building in environmental and social risk management, including establishment of Environmental and Social Management System (ESMS) in alignment with IFC Performance Standards.	- Conducted 10 training sessions under the project. - Participants included staff from five divisions of KBank, KASIKORN FACTORY AND EQUIPMENT CO., LTD. and KASIKORN RESEARCH CENTER CO., LTD. - Number of participating employees: - Green finance: 65 persons - Green buildings: 40 persons - Climate change risk management: 10 persons - Environmental and social management system: 28 persons
ESG Due Diligence Training for Employees	ESG Due Diligence - Enhanced capability to conduct in-depth risk assessment for industries with high ESG risks, based on IFC Performance and GRI disclosure standards. - Promoted understanding of operational risks through on-site project inspections, enabling comprehensive assessment of environmental conditions and risk issues.	- Number of participating employees: 18 persons - Participants were from Enterprise Risk Management Division and Corporate Banking Division of KBank.



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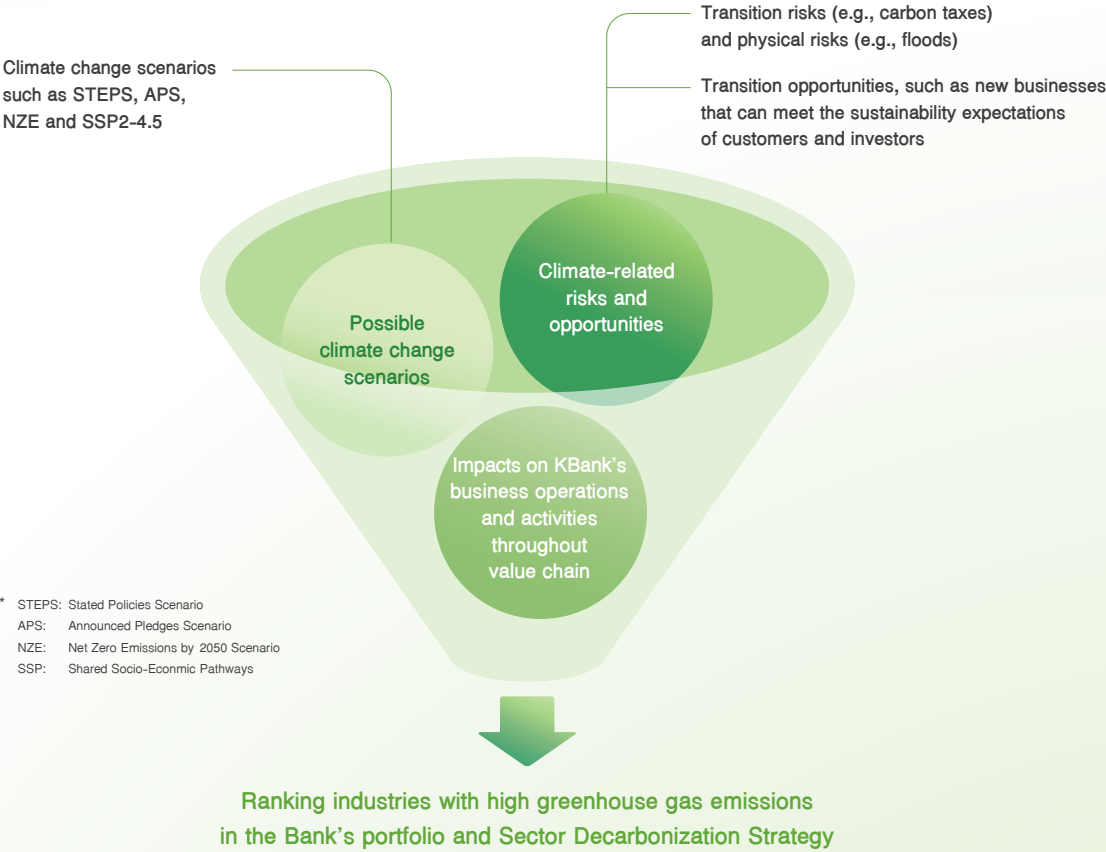
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Strategies to Manage Climate-related Risks and Opportunities

The impacts of climate change are expected to intensify in both frequency and severity. KBank recognizes this as an important risk and is proactively preparing to address it. To mitigate potential adverse impacts while identifying opportunities to enhance sustainable operations, the Bank has established management strategies covering transition risks and opportunities, as well as physical risks. In parallel, the Bank has developed comprehensive and effective risk assessment approaches, as outlined below.



1. Identify, analyze and prioritize climate-related risks and opportunities

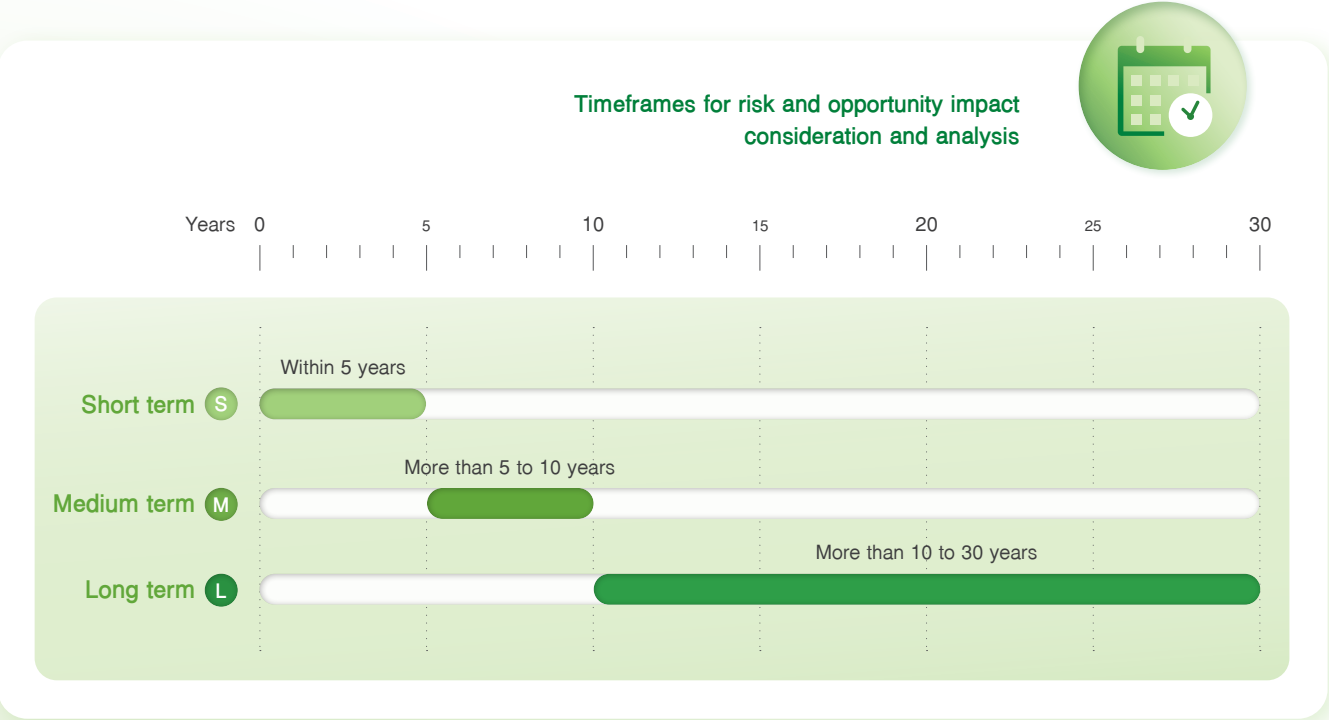
KBank conducts a materiality assessment to identify, analyze, and prioritize climate-related risks and opportunities under climate change scenarios that may impact the Bank's business, both qualitatively and quantitatively, as well as across the value chain from upstream to downstream, with a particular focus on retail and corporate customers. In this regard, the Bank incorporates international emissions reduction targets and transition plans as well as Thailand's Nationally Determined Contributions (NDCs) towards 2050, as inputs for determining risk management and control measures.

2. Prioritize climate-related risks and opportunities based on the severity and likelihood of their impact on the Bank's business

Climate-related risks and opportunities that have been assessed and identified as important to the Bank's value chain, including the Bank's own operations and stakeholders both upstream and downstream, will be prioritized based on the severity of impacts and likelihood of occurrence. Both short- and long-term impacts will be considered to ensure effective planning and decision-making.

Climate-related Risks and Opportunities and Financial Impacts
KBank classifies climate-related risks into two categories: transition risks and opportunities, and physical risks. These risks may affect profitability, competitiveness, corporate image, reputation, and long-term business viability. If businesses fail to adapt in a timely manner, they may face higher future operating costs, driven by the need for additional investment to develop environmentally friendly products and services, as well as potential damage to assets and business operations arising from natural disasters. These factors may undermine competitiveness and debt repayment capacity, and are expected to have both short- and long-term impacts on the Bank.

The Bank's timeframes for risk and opportunity impact consideration and analysis, as well as risk control guidelines, are classified as follows:





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KBank has summarized the results of climate-related risk analysis that may result in financial impacts on the Bank, as well as guidelines for risk control and response, as follows:

Transition Risks

Risks	Definitions of Risks	Impacts on KBank Businesses	Timeframes of Risks			Risk Control Guidelines
			Short term	Medium term	Long term	
Legal and Policy Risk	Implementation of the Carbon Pricing Mechanism, which is a key tool for greenhouse gas emissions reduction, to align with Thailand's updated Second Nationally Determined Contribution (NDC), which aims to reduce greenhouse gas emissions and achieve Net Zero Emissions by 2050.	- Debt servicing capacity of customers in high-emissions industries such as energy, transportation, and heavy industry tends to decrease due to the implementation of carbon pricing, which increases operating costs and affects the Bank's revenue. - The Bank's operating costs increase.		✓	✓	- Diversify investments and increase lending proportion in industries with low carbon pricing risk, such as investments in renewable energy, clean technology, energy-efficient businesses, etc. - Strictly monitor changes in carbon prices and potential impacts from relevant regulations and laws.
	The likelihood of increasingly stringent environmental laws and regulations, such as the enforcement of a carbon tax, the implementation of an emissions trading system (ETS), and environmental trade barriers	Write-off and depreciation of assets that invest in industries affected by carbon pricing or environmental measures, due to increased costs from compliance with environmental regulations.	✓	✓	✓	- Identify and assess impacts on industries in the portfolio that are primarily affected by various regulations. - Discuss with customers to establish adaptation strategies.
	Given the implementation of environmental and social policies and measures, including initiatives to reduce domestic greenhouse gas emissions, international investors and financial institutions tend to prioritize sustainable finance. This trend includes increased investment in projects or activities that adhere to the environmental, social, and governance (ESG) principles.	Inability to attract investments focusing on sustainable assets, as the Bank's financial products fail to meet the needs of ESG-focused investors.		✓	✓	Plan to adopt the Thailand Taxonomy, a classification standard for environmentally sustainable economic activities, as a framework for evaluating customer projects or activities that align with sustainability. This will enhance the development of sustainable finance products, such as green bonds and green loans.

Risks	Definitions of Risks	Impacts on KBank Businesses	Timeframes of Risks			Risk Control Guidelines
			Short term	Medium term	Long term	
Technology Risk	Possibilities of and budgets for technology development investment in the transition to low greenhouse gas emissions, e.g., production technologies using renewable energy sources, energy storage technologies, energy efficiency enhancement technologies, technologies to alleviate greenhouse gas emissions.	- Write-off and depreciation of assets - Technology changes leading to increased investment costs - Falling demand for goods with high greenhouse gas emissions, adversely affecting customers' income and repayment capabilities - Rising funds for research and development		✓	✓	- Keeping abreast of progress in technology innovation and development - Supporting research and development of related units - Planning for investment in new technology businesses
Market Risk	Changing consumer behaviors resulting in changes in demand and supply, consumers considering environmental issues and climate change as another factor in their buying decisions, making changes to market conditions.	- Consumers are more interested in environmentally friendly products, affecting sales of goods that cannot keep up with such trends, leading to financial problems and deteriorating repayment capabilities of this customer group. - Write-off and depreciation of assets	✓	✓	✓	Designing and developing financial products and services that are environmentally friendly or create positive impacts such as green bonds and green loans
Reputation Risk	Heightened scrutiny from the public and investors on issues related to efforts in addressing climate change, particularly loan support to businesses engaging in activities that do not align with sustainable development principles. Additionally, stakeholders are increasingly expecting banks to demonstrate transparency in greenhouse gas emissions, sustainability strategies, and transition planning toward a low-carbon economy.	- Causes harm to the Bank's image, thus leading to a decline in stakeholder confidence - Reduced customers' use of KBank services, affecting KBank revenues	✓	✓	✓	- Determining credit policy, Exclusion List, Sector-Specific Guidelines, and Sector Strategy to control greenhouse gas volumes of industries with significantly high greenhouse gas emissions - Determining growth targets for sustainable financing and investment



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Physical Risks

The Bank has categorized physical risks arising from climate change into two types:

- **Acute Physical Risks:** Sudden and severe events such as cyclones, typhoons, floods, and droughts, which are occurring with increasing frequency and intensity.
- **Chronic Physical Risks:** Gradual and long-term climate change phenomena, such as rising sea levels, changes in global average temperatures, atmospheric conditions, and precipitation patterns.

Risks	Definitions of Risks	Impacts on KBank Businesses	Timeframes of Risks			Risk Control Guidelines
			Short term	Medium term	Long term	
Acute Physical Risks	Droughts and floods that tend to occur more often and with increased severity	• Damages to assets of customers and banks • Business interruptions • Rising costs and expenditures for prevention of and recovery from impacts of natural disasters • Increased investment in research and development • Write-off and depreciation of assets	✓	✓	✓	• Continuously review and assess risks arising from natural disasters, covering both the Bank’s operating assets and potential impacts on customers. • Establish mitigation measures and emergency response plans by integrating physical risk factors into the risk governance framework, including the use of Key Risk Indicators (KRIs) to closely monitor impacts on customers’ financial positions. • Conduct risk assessments and develop long-term action plans to enhance resilience and effectively manage chronic physical risks that may affect the Bank’s assets.
Chronic Physical Risks	Rising global temperatures, weather fluctuations, higher sea levels				✓	

Transition Opportunities

KBank has identified transition opportunities arising from businesses and nations setting Net Zero greenhouse gas emission targets. As society moves towards increased renewable and clean energy adoption, coupled with the implementation of technologies to enhance energy efficiency and reduce greenhouse gas emissions, there is growing demand for financing to support this Net Zero transition. KBank recognizes the opportunity to support all sectors in achieving these goals and has analyzed climate-related transition opportunities and their potential financial impacts on the Bank, as follows:

Opportunities	Definitions of Opportunities	Opportunities or Benefits for Bank Businesses	Timeframes of Opportunities			Guidelines to Response to Opportunities
			Short term	Medium term	Long term	
Resource Efficiency	Efficient consumption of energy and resources, e.g., water recycling, use of energy-saving devices, construction of environmentally friendly buildings	• Reduction of KBank’s operating costs • Increase of value of assets that are environmentally friendly • Enhancement of employees’ quality of life and livelihoods • Reinforcement of positive image of KBank	✓	✓	✓	• Identifying work plans for greater efficiency of energy and resource utilization • Increasing participation with customers to push forward their determination of operational strategies and investment planning for greater efficiency of resource utilization in their operations and production processes • Preparing projects to promote awareness within and outside the organization
Energy Source	Use of technologies to produce environmentally friendly energy, cooperation with agencies engaged in climate management	• Opportunities to provide financial support for customers’ adjustment of business processes	✓	✓	✓	
Products/ Services	• Development of financial products and services to support environmentally friendly businesses • Development of products that are beyond financial services to minimize impacts of climate change	• Expansion of customer database, generation of income from financial products and services that support environmentally friendly businesses and new income from innovations that are beyond financial services, such as establishment of carbon credit market and emissions trading platform	✓	✓	✓	• Develop sustainable finance and green finance products to support investment in environmentally friendly businesses, clean technologies and climate adaptation projects.



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3. Climate-related Scenario Analysis

KBank has conducted the climate-related scenario analysis, both qualitatively and quantitatively, in accordance with TCFD recommendations to assess impacts of climate change on KBank’s portfolio, encompassing its own operations and stakeholders’ activities across the value chain, from upstream to downstream. The results have been applied in establishing portfolio management strategies, focusing on risk management and identification of business opportunities.

3.1 Transition Risks and Opportunities

KBank employs the **Climate Financial Driver Analysis (CFDA)** and **Paris Agreement Capital Transition Assessment (PACTA)** tools to analyze climate-related risks and opportunities in lending to customers across sectors and evaluate the financial impact on both customers and the Bank under different climate-related scenarios, derived from internationally recognized organizations, including the International Energy Agency (IEA).

The Bank prioritizes its risk assessments based on greenhouse gas emission levels, with a primary focus on the power generation and coal mining sectors. Emphasis has been placed on risks arising from regulatory changes, as well as technological and market transformations associated with the transition to a low-carbon economy in the short term, medium term, and long term. The risk and financial impact assessment approaches can be categorized into two parts based on the assessment tools used, as follows:

Methodology		Climate-related Scenario*		Sector	Key Insights
CFDA	IEA WB2C IEA NZE	Power Generation:			- Natural gas will play a role as a transition fuel in the short to medium term; however, its role is projected to decline over the long term due to advancements in clean technologies and the increasingly stringent implementation of carbon taxation or carbon pricing mechanisms. - The Bank has discontinued support for investments in coal-related industries, resulting in a significant reduction in short-term transition risks. - Hydropower and biomass power plants present long-term growth opportunities due to rising demand. Hydropower is expected to increasingly play an important role during 2041 - 2050, in line with Thailand's Power Development Plan (PDP). Meanwhile, biomass power generation is projected to continue growing through 2050 in line with the Alternative Energy Development Plan (AEDP). Nevertheless, biomass energy continues to face price-related risks arising from competition with other energy sources and volatility in agricultural commodity prices, which serve as key feedstocks.
		 Natural gas power plant	 Hydropower plant	 Biomass power plant	
PACTA	IEA STEPS IEA APS IEA NZE	Power Generation:			
		 Hydropower plant	 Biomass power plant	 Coal-fired power plant	
		 Coal mining			

Further details about CFDA are available at:
<https://www.kasikornbank.com/SiteCollectionDocuments/sustainable-development/pdf/kbanksscenarioanalysis2021-en.pdf>

In line with Thailand’s updated aspiration to achieve Net Zero Emission by 2050, replacing the previous 2065 target, KBank recognizes increasing transition risks associated with carbon-intensive sectors, particularly coal-fired power generation. As Thailand’s energy transition pathway increasingly emphasizes the reduction of fossil fuel reliance and the expansion of renewable energy generation in support of the Net Zero 2050 target, existing financing exposures to coal-fired power plants may face deterioration in credit quality over the longer term. Based on the Bank’s climate scenario analysis, coal-fired power plant exposures potentially affected by the transition pathway are estimated at approximately Baht 2,425 million through the credit risk channel. To proactively manage this transition risk, KBank is committed to exiting coal-fired power plant financing by 2030, alongside active customer engagement and transition support provided through relationship managers to facilitate customers’ transition toward a low-carbon economy.



2. Engagement for Transition Advancement: The Bank fosters active engagement with relevant stakeholders to support the transition, particularly with customers in high-emitting industries. This aims to set appropriate emission reduction targets, alongside the provision of sustainable finance and sustainability-linked products beyond traditional financial services.

Opportunities and Challenges

KBank recognizes significant business opportunities in supporting low-carbon transition, focusing on the development of financial products that promote such activities. As evidenced, the Bank provides green loans, such as renewable energy projects, thereby creating business opportunities aligned with the low-carbon transition.

However, advancing the transition of high-emitting industries hinges on several key factors, particularly government measures to enhance the competitiveness of low-carbon industries, as well as technological advancement. In addition, there are methodology gaps in industry-level climate-related risk analysis, especially with respect to emission data and customers’ transition plans towards emission reduction. Therefore, the Bank remains committed to continuously enhancing its analytical processes, data quality, and data availability to align with ongoing improvements in climate-related scenario models and updates to emission reduction targets at both the global and national levels in response to evolving circumstances.

Mitigation Measures and Strategies for Managing Transition Risks

KBank places strong emphasis on managing transition risks by integrating such risks into its ESG Credit Policy to establish a clear governance framework. This reflects the Bank’s commitment to collaborating in mitigating climate-related risks in line with the following objectives:

- Thailand’s Net Zero Target:** The Bank reduces emissions from its loan portfolio by defining and monitoring sector-specific strategies and glidepaths.

* Climate-related scenarios are derived from the International Energy Agency (IEA) and published in the World Energy Outlook (WEO).

IEA STEPS (Stated Policies Scenario): This scenario reflects the outcomes of energy and climate policies and measures that governments worldwide have already announced and are currently implementing. Under this scenario, global temperatures are projected to rise by approximately 2.5°C (or more) by 2100.

IEA APS (Announced Pledges Scenario): This scenario assumes that all announced climate pledges, including Nationally Determined Contributions (NDCs) and Net Zero targets declared by governments worldwide, are fully and timely implemented. Under this scenario, global temperatures are projected to rise by approximately 1.7°C by 2100.

IEA WB2C (Well Below 2 Degrees Celsius Scenario): This scenario considers policies and investments focused on promoting clean energy to achieve the Sustainable Development Goals (SDGs) and assumes intensive near-term actions to reduce greenhouse gas emissions, primarily in the energy sector. It is consistent with limiting the increase in global temperatures to below 1.65°C by 2100.

IEA NZE (Net Zero Emissions Scenario): This scenario reflects a commitment to achieving Net Zero Greenhouse Gas Emissions by 2050 through the widespread deployment of clean energy technologies and a substantial reduction in fossil fuel use. It is consistent with limiting the increase in global temperatures to below 1.5°C by 2100.



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3.2 Physical Risks

KBank’s primary physical risk is flooding, a recurring natural disaster and a major challenge in Thailand. This risk has a significant impact on the Bank and its value chain, including damage to assets, business disruptions, and increased costs. To address this, the Bank has established a system to assess both the severity of impacts and the likelihood of occurrence through climate-related scenario analysis over the short term, medium term, and long term, using two key data sources, as outlined below

- 1. Historical Data:** Used to review loss claims data and serve as a benchmark for planning and preparedness measures aimed at preventing and mitigating potential damage.
- 2. Scenario-Modelled Forecast Data:** Developed in accordance with standards set by internationally recognized organizations, namely the Shared Socioeconomic Pathways* (SSPs) and Representative Concentration Pathways (RCPs) of the Intergovernmental Panel on Climate Change (IPCC). This allows the Bank to better understand potential risks to its loan portfolio and collateral impairment, as well as to enhance risk management planning for real estate assets.

KBank has established policies for the ongoing assessment of flood risks and the conduct of stress testing to strengthen its preparedness for managing physical climate risks. In 2024, the Bank, in collaboration with the Bank of Thailand, participated in the Pilot Climate Stress Test and continued the exercise in 2025. The exercise assessed credit risk impacts under scenarios involving acute flood events in 2030 and 2050. In addition, the scope of risk assessment was expanded to cover the Bank’s entire loan portfolio, the Bank’s own assets, and upstream leased assets. Additionally, KBank has expanded scope of stress test analysis to include collateral value dimension through Collateral Revaluation Assessment due to flood risks. The valuation covers all secure loan of the Bank in order to reflect risks to the Bank due to collateral devaluation in each area with flood risks, as the devaluation may impact portfolio value stability and overall portfolio quality. The assessment is part of physical risk management framework and provides foundation for establishment of Key Risk Indicators (KRIs) as well as mechanisms for regular measurement and monitoring.

Summary of Assessment Details

Methodology	Climate-related Scenario	Flood Data	Scope	Criteria for Risk Severity
Historical Data Assessment	Not considered	Maps showing sub-district areas with recurring flooding over the past 10 years**	- Loan portfolio - The Bank’s own assets - Upstream leased assets	Number of flood events: - High severity: 8 – 10 flood events over the past 10 years - Medium severity: 4 – 7 flood events over the past 10 years - Low severity: Not more than 3 flood events over the past 10 years
Stress testing	SSP2-4.5 SSP3-8.5	Maps showing sub-district flood levels under future severe flood scenarios (2030 and 2050), based on return periods of 1-in-50 years and 1-in-100 years	- Loan portfolio - The Bank’s own assets - Upstream leased assets	Flood depth (Unit: Meter): - No flood: 0 meter - Low flood: ≤ 1 meter - Moderate flood: > 1 to 3 meters - High flood: > 3 meters

* Shared Socioeconomic Pathways (SSPs) are used as additional scenario simulations that consider economic and social dimensions together with GHG emission concentrations (Representative Concentration Pathways: RCPs), including population changes, economic growth, education, projected emissions, and levels of technological development.

SSP2-4.5 projects a moderate challenge in mitigating greenhouse gas emissions. It indicates that society is adapting to climate change, with social, economic, and technological conditions evolving similarly to historical and current trends, suggesting that other societies are adequately prepared. Some developed countries are expected to adopt energy- and technology-intensive solutions with reduced resource use and a higher share of clean energy. Under this scenario, the global mean surface temperature is projected to increase by approximately 2.7 °C by 2100 relative to pre-industrial levels.

SSP3-8.5 projects an extreme challenge in both mitigation and adaptation to climate change. It is characterized by “Regional Rivalry,” in which countries prioritize national interests and policies. This leads to slower economic growth in developing countries, increased inequality, and low investment in education and health. The lack of global cooperation weakens climate policies, leaving the world highly dependent on fossil fuels. Consequently, greenhouse gas emissions remain very high, and global temperatures are projected to rise to the most severe levels.

** 10-year historical flood data or “Repetitive Flooding Map of Thailand” developed by the Office of Natural Calamity and Agricultural Risk Prevention, Land Use Policy and Planning Division, Land Development Department, Ministry of Agriculture and Cooperatives

3.2.1 Historical Data Assessment

This assessment is based on maps of recurring flooding over the past 10 years, focusing on flood frequency and geospatial risk to reflect risks already manifested and serve as a baseline for primary risk management.

Scope	Key Insights
Loan Portfolio	The volume of loans exposed to high-severity flood risk is at a level that does not significantly affect the Bank’s credit risk. This includes corporate business loans, which account for 2.1%, and mortgage loans, which account for 0.1%, of total outstanding loans.
The Bank’s own assets and upstream leased assets	The proportion of asset value exposure to high-severity flood risk is 1.8% of total assets, which is not expected to have a significant impact on operations or operational risk.

Note: Corporate business loans cover both corporate and SME customers.

3.2.2 Physical Stress Testing

The Bank conducts pilot climate-related stress testing on an ongoing basis by developing vulnerability functions that integrate geospatial assessments with flood depth data to evaluate potential damage to the Bank’s own assets and customer assets, including both collateral and non-collateral assets associated with lending portfolio. The approach also incorporates Collateral Revaluation Assessment to reflect potential impacts of flood risk on all secure loan of the Bank.

As part of its ongoing physical risk assessment framework, the Bank conducted a pilot climate stress test in 2024. The financial implications presented in this section are based on this assessment, which serves as a baseline quantification of potential impacts under acute flood scenarios, primarily aligned with the SSP2-4.5 scenario and reflecting a 1-in-50-year flood event with severity comparable to the major flood event in 2011.

To quantify financial impact of acute flood events on the Bank’s credit portfolio, the Bank conducted climate scenario analysis to evaluate potential impacts on business operations and assets of the Bank and its customers. The results are incorporated into credit risk assessment through Expected Credit Loss (ECL), based on three key credit variables: Probability of Default (PD), Loss Given Default (LGD), and Exposure at Default (EAD).

For the Bank’s Own Assets, potential flood damage (excluding business interruption losses) is estimated and offset it against anticipated Insurance Recovery. The resulting Net Loss Value (Baht) reflects the Financial Implications of flooding events on the Bank’s Own Assets.

The results indicate that, under the assessed scenarios, the Bank’s exposure to financial losses from this acute flood event remains manageable, with impacts primarily driven by credit risk deterioration in vulnerable sectors and collateral value depreciation.



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Summary of Financial Implications from 2024 Pilot Climate Stress Test

Overall, the total estimated financial implications of acute flood events as per 2024 Pilot Climate Stress Test scenario across credit portfolio and the Bank's own assets was Baht 46,800 million, as follows:

1. Financial Implications on Credit Portfolio

Value Chain	Assets	Definition of Risk	Financial Implication**
Own Operation and Downstream	Corporate Loan*	- Assets and infrastructure are damaged by flooding. - Transportation of raw materials and finished goods is disrupted. - The Bank is exposed to heightened borrower default risk and an escalation in non-performing loans (NPLs), thereby necessitating increased provisioning for credits exhibiting elevated risk profiles.	Baht 5,983 million
Own Operation, Upstream and Downstream	Mortgage Loan	- Assets damaged by flooding may necessitate repair and restoration, potentially leading to customer illiquidity and loan delinquency. - Depreciation in real estate values can exacerbate incidence of non-performing loans (NPLs). - The Bank is required to augment loan loss provisions for mortgages in high-risk areas, consequently impacting its profitability.	Baht 40,389 million

* Corporate customers represent 60 percent of the total across all five industry sectors, including Wholesale Trade, Retail Trade, Electronic Engineering, Electronics and Motor Vehicles.
** The financial impact on credit exposures is determined by ECL.

2. Financial Implications on the Bank’s Own Assets

Value Chain	Assets	Definition of Risk	Financial Implication***
Own Operating	- Head offices - Cash Operating Centers - General Branches	- The Bank's assets (including leased assets) located in flood-affected areas sustained damage. - Costs of repair and rehabilitation resulting from the flooding had a substantial direct impact on the Bank's financial statement.	Baht 428 million
Upstream	Leased Branches		

*** The financial impact on the Bank's own assets is based on Net Damage value, calculated from potential damage value (excluding opportunity costs from business disruptions due to flooding), offset by anticipated insurance recovery amount.

Building on the 2024 pilot climate stress test, the Bank enhanced its approach in 2025 by expanding scenario coverage and incorporating asset-level exposure analysis, including Collateral Revaluation Assessment. While the 2024 assessment focused on financial quantification, the 2025 approach emphasizes exposure identification and has been used to establish Key Risk Indicators (KRIs) for ongoing monitoring and risk management.

The results of the assessment, based on different future emission scenarios (SSP2-4.5 and SSP3-8.5) for 2030 and 2050, incorporating flood return periods of 1-in-50 years and 1-in-100 years, indicate that the Bank's overall credit risk and operational risk remain at low and manageable. Details are provided as follows:

Scope

Loan portfolio

Key Insights

The physical risk assessment of outstanding loans indicates that the proportion of loans exposed to high flood risk is very small and does not have a significant impact on the Bank's credit risk. Under the most severe scenario (SSP3-8.5 in 2050 with a 1-in-100-year flood return period), corporate business loans account for up to 0.05% of total outstanding loans. Meanwhile, mortgage loans show no exposure (0%) to high flood risk across all scenarios.

The Bank's own assets and upstream leased assets

The expected net loss, after insurance, relative to the total value of assets used in the Bank's operations, remains at a low level and does not have a significant impact on the Bank's operational risk. The maximum expected net loss as a proportion of total asset value is 6.3% under the most severe scenario (SSP3-8.5 in 2050 with a 1-in-100-year flood return period).

Note: Corporate business loans cover both corporate and SME customers.

Mitigation Measures and Strategies for Managing Physical Risks

KBank focuses strongly on management of physical risks by integrating physical risk considerations into its ESG Credit Policy, together with the continuous assessment of flood risk. In particular, flood risk assessments of customers are conducted on an ongoing basis to support disaster preparedness planning, formulation of core strategies and business opportunities, and establishment of Key Risk Indicators (KRIs), including mechanisms for measurement and monitoring, with regular reporting to committee, sub-committees and related senior management.

Mitigation measures cover both the Bank's operations and its lending activities, as follows:

- Business continuity management and risk management of the Bank's own assets:** The Bank manages operational risks through the implementation of a Business Continuity Plan (BCP) to ensure that critical operations can be restored and continue within defined timeframes. In addition, the Bank maintains property and business interruption insurance to mitigate potential losses, alongside implementation of flood prevention measures at main office buildings to enhance disaster resilience, such as the installation of flood barriers and water pumps.
- Customer Support:** The Bank leverages risk assessment results to provide customer support through early warning notifications and climate adaptation finance, thereby enabling appropriate and timely adaptation to climate change and supporting the development of disaster preparedness plans.

Opportunities and Challenges

KBank recognizes significant business opportunities arising from effective management of physical risks, particularly opportunities to offer climate adaptation finance, as well as use of forward-looking data to enhance the Bank's future real estate planning.

However, physical risk assessment process continues to face data limitations, including inconsistent data quality across multiple sources, geolocation challenges related to customer assets, and complexity of assessing impacts from diverse disaster types. The Bank is therefore committed to enhancing data quality assessment processes and data availability, while also incorporating other potential disaster risks into its analysis. The Bank also continues to refine its assessment framework to ensure alignment with climate scenario models and disaster risk data under prevailing conditions.





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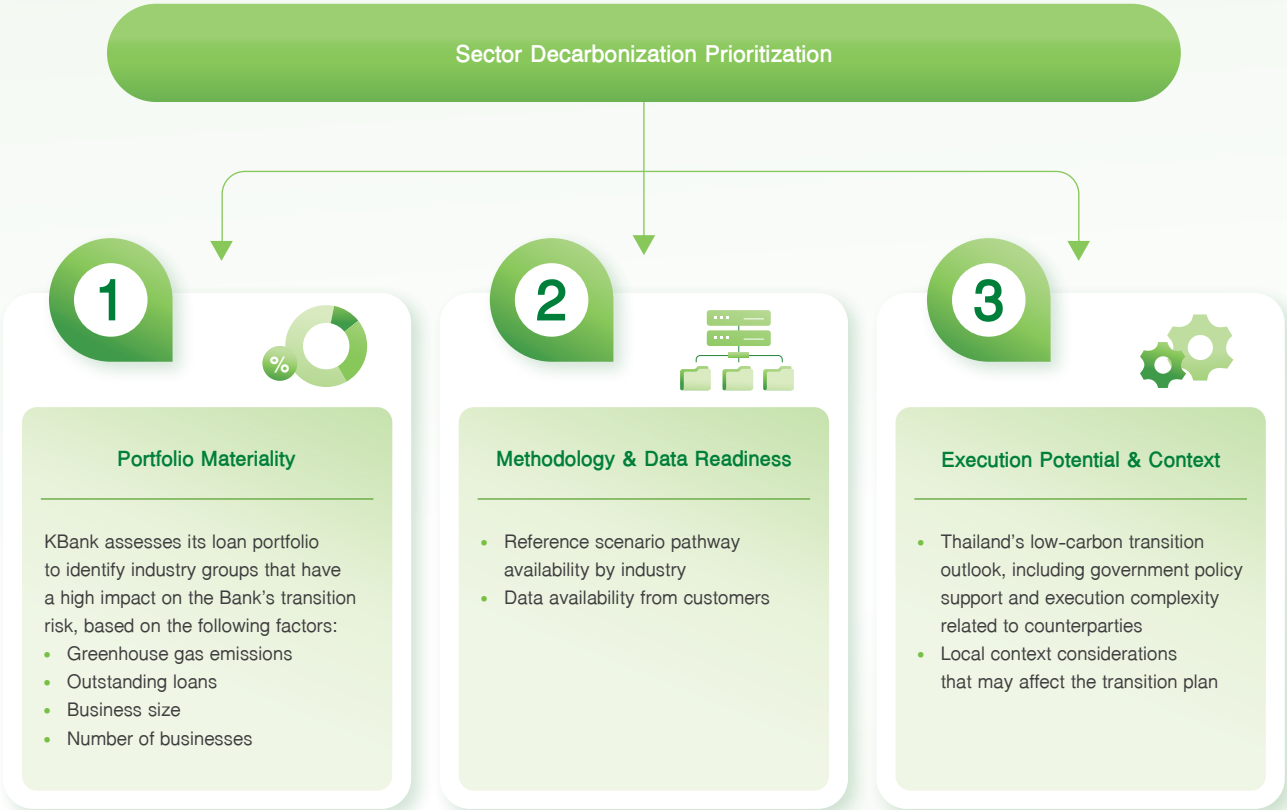
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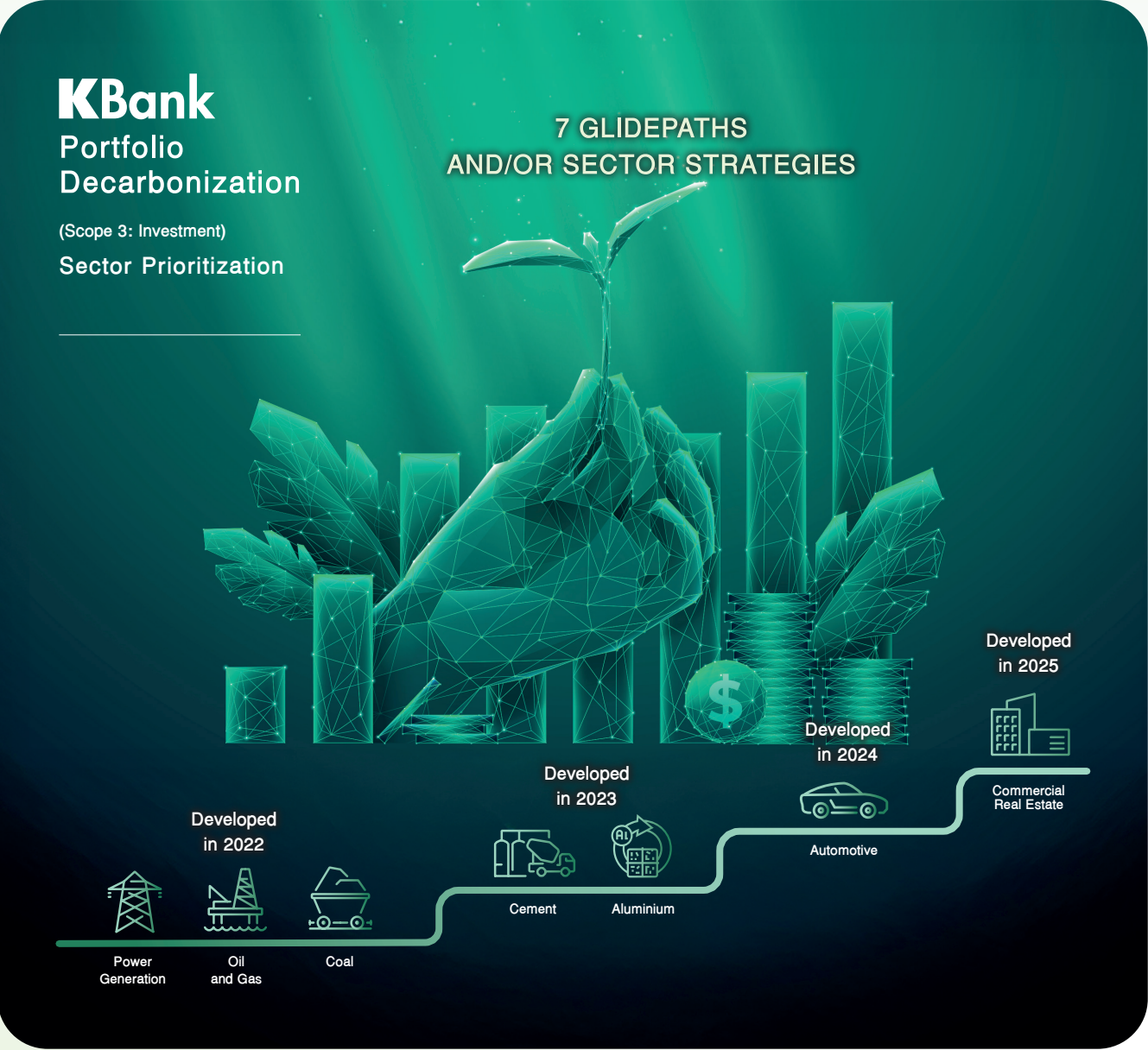
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4. Sector Prioritization for Industries with High Greenhouse Gas Emissions in the Portfolio

KBank has prioritized its loan portfolio of high-emitting industries to develop Sector Decarbonization Strategies and to define pathways for reducing and managing emissions across each sector, in alignment with the Paris Agreement and Thailand's targets, based on three key factors as follows:



Based on the prioritization using the above key factors, the Bank has established Sector Decarbonization Strategies for seven high greenhouse gas-emitting industries: power generation, oil and gas, coal, cement, aluminum, automotive, and commercial real estate. These industries are characterized by high levels of emissions, reference methodology readiness, essential data for emissions calculation, and their strong potential to drive the transition.





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5. Strategy to Manage Portfolio Emissions

The Bank is committed to establishing emission reduction strategies, including sector-specific decarbonization pathways and targets (Sector Decarbonization Strategies), for each industry in its portfolio, as follows:

Sector	Scope of Activities	Strategic Guidelines
Power Generation	Upstream business: Power generation	Control greenhouse gas emissions intensity per unit of electricity generated to remain within the defined decarbonization pathways and targets, as follows: Coal-fired power plants: No new lending will be provided, and existing outstanding loans will be gradually reduced to zero by 2030. Natural gas power plants: No new lending will be provided to projects that do not use low-carbon technology to significantly reduce emission intensity.
Coal	Upstream business: Thermal coal mining Downstream business: Thermal coal trading	Control lending support to remain within the defined decarbonization pathways and targets, as follows: - No lending support will be provided to thermal coal mining or thermal coal trading activities. - Outstanding loans related to thermal coal mining and trading will be gradually reduced to zero by 2030.
Oil and Gas	Upstream business: Oil and gas exploration, production, and operations, including drilling and maintenance	Control lending support and financial commitments to remain within the defined decarbonization pathways and targets, as follows: No lending support will be provided to projects involving exploration, drilling, and production from unconventional oil and gas resources, such as tar sands, shale oil and gas, and Arctic oil and gas, except for shale gas companies that have a Net Zero commitment and an acceptable transition plan incorporating low-carbon technologies, including but not limited to CCS/CCUS*.
Cement	Upstream business: Cement production	Control emission intensity per unit of cement production to remain within the defined decarbonization pathways and targets.
Aluminum	Downstream business: Aluminum secondary production	- Monitor emission intensity per unit of aluminum production. - Initiate the establishment of decarbonization pathways and targets once leading global banks begin implementing emission reduction controls for secondary aluminum production, or when European countries start considering the imposition of carbon taxes on secondary aluminum production.
Automotive	Midstream business: Light-duty vehicle (LDV) assembly Downstream business: Distribution of light-duty vehicles through car dealers	Monitor emission intensity per vehicle kilometer (Vkm) to ensure alignment with the defined decarbonization pathways and targets.
Commercial Real Estate (CRE)	Commercial real estate applying for project-specific lending	Monitor emission intensity per unit of floor area to remain within the defined decarbonization pathways and targets.

* Carbon Capture and Storage/ Carbon Capture, Utilization & Storage

KBank has a policy to support the expansion of renewable electricity generation and use, improvements in energy efficiency, investments in carbon capture technologies, and scaling up or transition towards other low-carbon energy sources. The Bank plans to progressively expand the scope of its greenhouse gas management strategies to additional sectors, thereby increasing the share of industries within its portfolio covered by such strategies. In addition, the Bank has monitored emissions reduction plans related to its own direct operations in support of its Net Zero commitment.

With respect to the reduction of financed emissions, the Bank undertook the following key initiatives in 2025:

- Developed sector decarbonization strategies for seven industries, with commercial real estate (CRE) newly added compared to the previous year.
- Formulated a customer engagement plan, starting with significant industries, to ensure alignment between customers and the Bank in advancing towards Net Zero emissions.
- Provided sustainable lending and investment support to drive and facilitate the transition towards Net Zero targets.
- Established a Green Finance Framework, which has been externally reviewed by ISS-Corporate, to serve as a guideline and standard for capital management and lending related to environmentally friendly projects or activities.
- Accelerated capability development for both the Bank's employees and customers through various tools, including ESG Consult Clinics, seminars, and online training programs.





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Risk Management



Risk Management

Describe how the organization identifies, assesses, and manages climate-related risks.



Risk Management

- Recommended disclosures
- Describe the organization's processes for identifying and assessing climate-related risks.
 - Describe the organization's processes for managing climate-related risks.
 - Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.

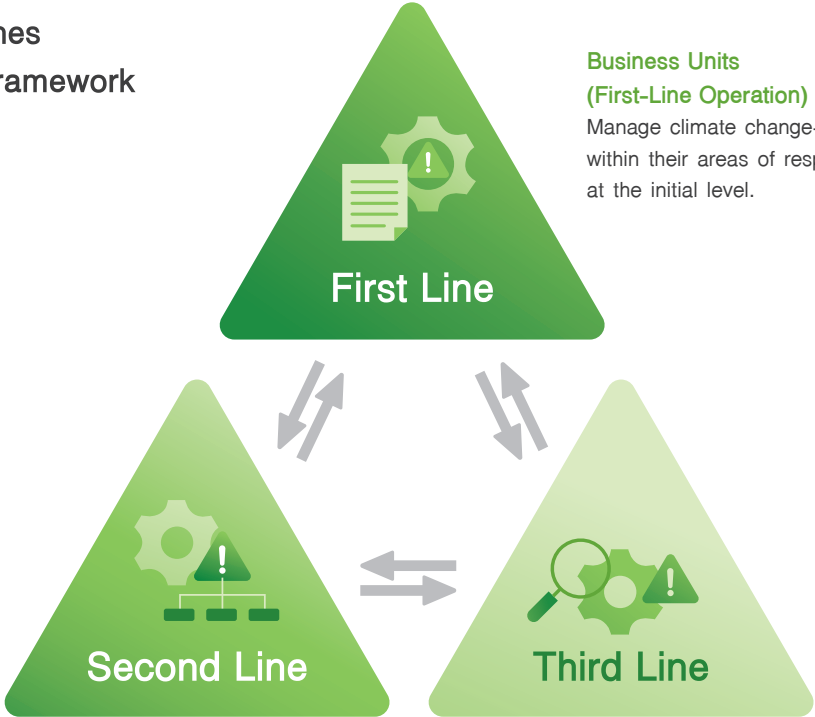
Through our risk assessment processes, KBank proactively identifies and mitigates business risks for both customers and the Bank. Our organizational risk framework specifically addresses climate-related transition and physical risks, recognizing their direct impact on key areas like credit and operational risk.

Risk Management

KBank has an organization-wide risk assessment process that encompasses climate-related risks, which may transmit impacts to other risk categories, including credit risk, operational risk, market risk, liquidity risk, and other risks. In this regard, the Bank has integrated climate-related risk management into its credit risk and operational risk management processes, given their significant interlinkages, to ensure comprehensive and effective management of the Bank's key risks.

The Bank manages climate change-related risks under the Three Lines of Defense framework:

The Three Lines of Defense Framework



**Business Units
(First-Line Operation)**
Manage climate change-related risks within their areas of responsibility at the initial level.

Risk Management and Compliance Units
Responsible for establishing policies, monitoring climate change-related risks, controlling risk levels to be within acceptable risk levels, and ensuring ongoing compliance with regulatory requirements and internal controls, in a consistent manner and within acceptable risk levels.

Internal Audit Units
An independent function responsible for assessing and enhancing the effectiveness of risk management processes and internal controls.



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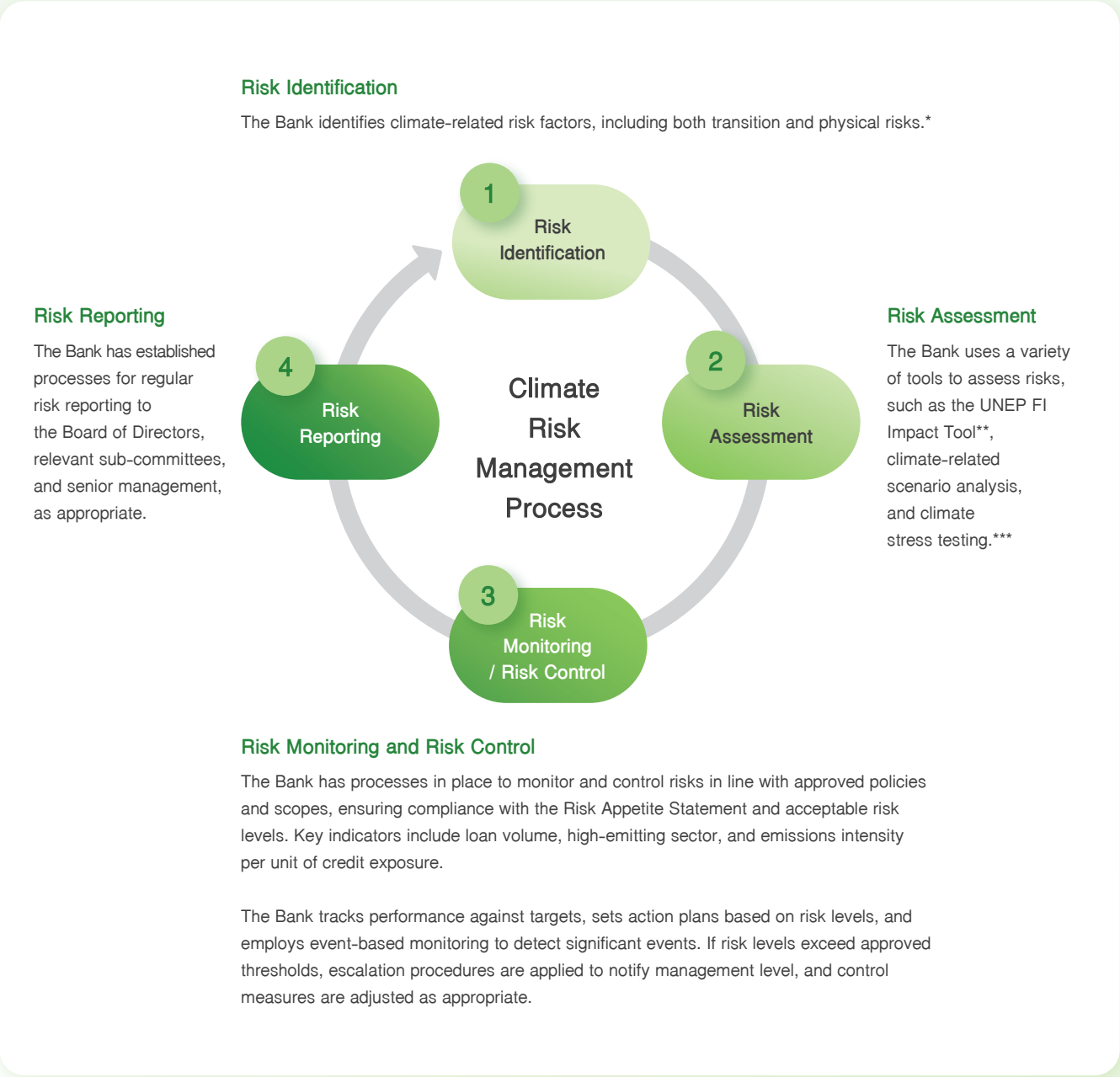
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Climate-related Risk Management Structure

The Bank has established a clearly defined structure, roles, and responsibilities for overseeing and managing climate-related risks (as detailed in the Governance Structure section).

The climate-related risk management process comprises the following:



* Details are available in the summary table of climate-related risk and opportunity analysis
** Details are available in the Sustainability Report 2025 under the UN Principles for Responsible Banking (UNPRB) reporting section
*** Details are available in the Climate-related Scenario Analysis Section

Integration of Climate Change Risk Factors in Credit Risk Management

Following the Bank’s Net Zero Commitment announcement, aligned with Thailand’s national goals, the Bank has integrated climate-related risk factors into its ESG Credit Policy* Exclusion List, such as gradually reducing support for businesses with significant greenhouse gas emissions where low-carbon technology alternatives are already available. Additionally, the Bank has established Sector-Specific Guidelines, particularly for high carbon-intensive sectors, including industries that heavily rely on coal as their primary fuel in production processes. These guidelines provide direction for credit support considerations in such business groups, with special additional consideration of ESG factors, such as reviewing customers’ greenhouse gas reduction policies and targets, customers’ greenhouse gas emissions reporting, and environmental management policies and plans. The Bank is progressively developing industry-specific greenhouse gas reduction plans (Sectoral Glidepath/Sector Strategy) and has established a Sustainable Finance Framework as an operational framework, along with setting sustainable financing targets.



* Details of ESG Credit Policy and Sector-Specific Guidelines are available at <https://www.kasikornbank.com/en/ir/corporategovernance/transparency/pages/esg-credit-policy.aspx>



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Credit Assessment and Approval Guidelines

PRE-APPROVAL

- For credit requests from industries where the Bank has already established Sector-Specific Guidelines, they must undergo a pre-approval review to ensure alignment with the Bank's set targets before credit approval. The review will be based on indicators of the Sector-Specific Guidelines, such as credit amount and the intensity of greenhouse gas emissions per unit of production.
- Industry groups where the Bank has not yet established Sector-Specific Guidelines will be classified as Large Deals per the established criteria. They must undergo financed emission calculation to evaluate their significance to the portfolio's overall financed emissions.
- For sustainable financing requests, especially Green Finance initiatives such as renewable energy, energy efficiency, clean transport aimed at climate change mitigation, and climate change adaptation, a specialized review must be conducted by designated units to ensure compliance with the Bank's green finance framework, which is aligned with internationally accepted standards.

POST-APPROVAL

- Regularly monitor performance against various risk indicators, such as monthly monitoring of Sectoral Glidepath performance.
- Establish control processes and action plans categorized by risk levels, determined by deviation from set targets.
- Establish regular reporting requirements, including ad hoc reporting.
- Establish processes for monitoring of customers' environmental performance at least once a year.

Project Finance

KBank integrates Environmental and Social Risk Management into its project finance credit assessment process in alignment with the Equator Principles (EP), through a structured Environmental, Social, and Governance (ESG) due diligence framework. The Bank acknowledges its responsibility to mitigate potential environmental and social impacts arising from its financing activities. All project finances are required to comply with applicable environmental laws and regulations. Projects are categorized into three risk levels, Project Finance Type A, B, and C, based on the scale and severity of their potential environmental and social impacts.

In 2025, the total amount of project finance was 64 projects, with 62 approved projects, zero projects approved with conditions, 2 projects under consideration, and zero rejected projects.

Integration of Climate-related Risk Factors in Operational Risk Management

Risk Identification

- Review climate scenario analysis in case of flooding event as the most likely event and utilize the information to inform the selection of suitable locations for new banking branches and their physical design, taking into consideration the potential risks of flooding in the area.

Closely Monitoring Process

- We have dedicated facility team to monitor potential extreme flooding events that can impact our operation.
- Annually review the exposure at loss and reconsider the mitigate plan for the residual risk by insurance if necessary.

Strategic & Planning Process

- The predefined actions have been developed to address immediate risks and support our employees and customers before, during, and after adverse events.
- Our Business Continuity Management Sub-Committee is promoted to activate the plans to help KBank resume business operations within acceptable timeframe to minimize operational disruptions in case of an extreme climate event like flooding occurs.

Protection & Adaptation Mechanism

- Strengthen service in digital channels to decrease our physical dependency of branches and other service areas. We are determined to deliver services accessible to our customers through deployment of technology.
- Implement suitable mitigation action such as construction of flood barrier and temporarily relocation of Auto Teller Machine from flooded area to prevent damage.

Our adaptation plan & mechanism, as mentioned above, have been adopted, with the target for implementation within 5 years or less



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Metrics and Targets

Metrics and Targets

Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.

Metrics and Targets

Recommended disclosures

- a. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.
- b. Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.
- c. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.

KBank drives its ESG strategy through Objectives and Key Results (OKRs), utilizing the Balanced Scorecard framework. The Bank developed key performance indicators (KPIs) to measure success across four crucial dimensions: Finance, Customers, Internal Processes, and Learning & Sustainable Development. This ensures our business strategies seamlessly integrate environmental, social, and governance factors throughout the entire organization. These KPIs are cascaded from the CEO down to Presidents, Division Heads, and other relevant teams, with continuous monitoring to ensure we achieve our set objectives.

Metrics and Targets

KBank has established Board of Directors KPIs based on the Balanced Scorecard as a tool for transforming strategy into practice. KPIs have been determined to measure success through four key dimensions, including: Finance, Customers, Internal Processes, and Learning and Sustainable Development, to ensure that business strategies that account for ESG factors are in harmony across the organization. The KPIs are cascaded from the level of Chief Executive Officer to the levels of President, Division Head, and other parties involved. Operating results are monitored to ensure achievement of established objectives.

Sustainable Development Policy – Environmental Aspect	Metrics and Long-term Targets	Target 2025	Performance 2025
Net Zero in own operations by 2030*	1) 21% reduction of emissions by 2025 (Baseline year: 2020) 2) Achievement of “Zero Waste to Landfill” at KBank’s main office buildings by 2025**	1) 21% reduction of emissions (Baseline year: 2020) 2) Achievement of “Zero Waste to Landfill” at KBank’s two main office buildings	1) 21.48% reduction of emissions (Baseline year: 2020) 2) Achievement of “Zero Waste to Landfill” at KBank’s four main office buildings
• Decarbonized financed portfolio emissions in line with Thailand’s ambition • Emission reduction in significant industries based on both their share of total emissions and credit exposure, prioritizing accelerated action where feasible	Complete development of glidepaths and/or sector strategies	Preparation of one glidepath and/or sector strategy	Preparation of glidepath and/or sector strategy for one industry, i.e., commercial real estate (CRE)
Leader of innovative “Green Finance” agenda in Thailand, particularly as the provider of the most comprehensive climate solutions	At least Baht 400 - 500 billion in sustainable financing and investment by 2030	Baht 45,908 million in sustainable financing and investment	Baht 76,748 million in sustainable financing and investment

* Achieving Net Zero in KBank’s own operations by 2030, covering:
Scope 1: Direct emissions from the activities of an organization including stationary combustion, fleet vehicles (organization-owned), wastewater treatment, as well as fugitive and process emissions.
Scope 2: Energy-indirect emissions including an organization’s purchased energy such as electricity.

** “Zero Waste to Landfill” at KBank’s main office buildings by 2025: A target has been set in line with international standards to minimize waste sent to landfills, ensuring that landfill waste does not exceed 10 percent of total waste generated within the buildings.



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Own Operation Performance

In order to ensure alignment with the Paris Agreement on climate commitment, KBank has develop a target to reduce Scope 1 and Scope 2 GHG emission using the guideline and recommendation from the Science-Based Target initiative and committed to becoming Net Zero in our own operations (Scope 1, 2) by 2030.

In 2025, KBank decreased GHG emissions (Scope 1 & 2) by 21.48 percent from 2020 base year (compared to the target of 21 percent reduction from 2020 base year). The table below provides statistics documenting our environmental performance.

Greenhouse Gas Emissions

Parameter	Unit	Performance					Target 2025 compared with Base year 2020	Performance 2025 compared with Base year 2020
		2020 (Base year)	2022	2023	2024	2025		
Total Scope 1 emission	Tons CO ₂ e	29,760.78	21,685.68	25,744.78	25,099.76	21,976.42		
Total Scope 2 emission (Location based)	Tons CO ₂ e	69,105.49	61,336.01	64,034.31	66,687.73	58,657.32		
Total Scope 2 emission (Market based)	Tons CO ₂ e	69,105.49	61,141.55	61,174.88	57,824.50	55,657.92		
Total Scopes 1 & 2 emission ⁽¹⁾	Tons CO ₂ e	98,866.27	82,827.23	86,919.66	82,924.25	77,634.34	21.00%	21.48%
Total Scopes 1 & 2 emission intensity	Tons CO ₂ e per FTE	2.99	2.63	2.73	2.61	2.65		
Full Time Employee ⁽¹⁾	FTE	33,034	31,469	31,868	31,728	29,330		

Operational Eco-Efficiency

Parameter	Unit	Performance				
		2021	2022	2023	2024	2025
Energy						
Total energy consumption within the organization from renewable sources ⁽²⁾	MWh	8,167.06	27,674.46	27,939.49	31,692.58	17,565.51
Total energy consumption within organization from renewable and non-renewable sources	MWh	186,564.30	188,807.49	195,717.65	199,127.04	172,940.79
Total renewable energy consumption/ Total energy consumption within organization	%	4.38%	14.66%	14.28%	15.92%	10.16%
Full Time Employee ⁽¹⁾	FTE	33,034	31,469	31,868	31,728	29,330

Notes:
⁽¹⁾ In 2025, KBank expanded its reporting of greenhouse gas emissions to include Scope 1 refrigerant leaks from branch-installed split-type air conditioners and extended the reporting boundary to cover KASIKORNBANK (CHINA) COMPANY LIMITED, including energy consumption.
⁽²⁾ Including energy generated from solar PV, uses of Renewable Energy Certificate (REC), and bio-based portion of liquid fuel containing biogenic ingredients.

Parameter	Unit	Performance				
		2021	2022	2023	2024	2025
Water and Effluents						
Total water withdrawal	m ³	615,550	571,827	647,819	634,198	592,646
Total water discharge to surface water ⁽³⁾	m ³	332,963	413,497	405,183	398,749	393,953
Total water consumption	m ³	282,587	158,330	242,637	235,449	198,693
Water withdrawal intensity	m ³ per FTE	19.41	18.17	20.43	19.99	20.41
Waste						
Total waste generated	Metric Tons	5,494.61	4,918.38	4,166.97	3,507.81	3,553.69
Total waste used / recycled / sold / others	Metric Tons	2,947.59	1,504.82	1,879.22	2,055.92	2,160.76
Total waste disposed	Metric Tons	2,547.02	3,413.56	2,286.50	1,451.89	1,392.93
Waste generation intensity	kg per FTE	173.30	156.29	130.76	110.56	122.39
Greenhouse Gas Emissions from Business Travel ⁽⁴⁾						
Total CO ₂ e emission from road travel	Tons CO ₂ e	612.61	613.62	1,136.50	1,289.53	444.53
Total CO ₂ e emission from air travel	Tons CO ₂ e	36.77	934.11	1,789.80	1,992.67	2,043.53
Total CO ₂ e emission from business travel ⁽⁴⁾	Tons CO ₂ e	649.38	1,547.73	2,926.30	3,282.20	2,488.07
Total CO ₂ e emission from business travel per FTE	Tons CO ₂ e per FTE	0.0205	0.0492	0.0918	0.1034	0.0857
Full Time Employee ⁽⁵⁾	FTE	31,706	31,469	31,868	31,728	29,035

Notes:
⁽³⁾ In 2025, the Chaeng Watthana building recorded wastewater discharges with TDS values greater than 1,000 mg/l for a total of 4 months, amounting to approximately 5,348.80 cubic meters (m³).
⁽⁴⁾ In 2024 and 2025, KBank reported greenhouse gas emissions from business travel, with additional inclusion of travel activities from KASIKORNBANK’s financial business group, covering both land and air travel. In addition, In 2025, the policy for collecting and reporting data of one subsidiary was also changed.
⁽⁵⁾ The reporting boundary of non-GHG indicators (Water and Effluents, Waste, Business Travel) does not cover KASIKORNBANK (CHINA) COMPANY LIMITED, resulting in the number of Full Time Employee (FTE) used for intensity calculations differing from FTE used for GHG indicators where the boundary includes KASIKORNBANK (CHINA) COMPANY LIMITED.

Financed Emissions

As is typical for financial institutions, GHG emissions under Scope 3, Category 15: Investments represent the largest source of emissions for the KASIKORNBANK FINANCIAL CONGLOMERATE*. Recognizing the importance of managing and reducing portfolio emissions, KBank joined the Partnership for Carbon Accounting Financials (PCAF) in 2022 to adopt its standardized methodology as reference for calculating GHG emissions from financial assets. This enables the Bank to assess emissions associated with its lending and investment activities across various industries in its portfolio, while engaging in ongoing technical consultation with PCAF experts.

In 2025, the Bank systematically reviewed, enhanced, and expanded scope of portfolio emission calculation and reporting. The enhancement includes dedicated disclosure for Commercial Real Estate asset class (previously reported as part of Business Loans and Unlisted Equity), as well as methodology updates for Mortgages asset class to improve clarity, transparency, as well as alignment with international disclosure guidelines and standards.

* Reporting boundary of GHG emissions under Scope 3, Category 15: Lending and Investment Activities, for business loans and unlisted equity, listed equity and corporate bonds, project finance, commercial real estate, and mortgages covers only KASIKORNBANK PUBLIC COMPANY LIMITED. For motor vehicle loans, the reporting boundary covers KASIKORN LEASING CO., LTD. and KASIKORN FACTORY AND EQUIPMENT CO., LTD.



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Types of assets/sectors	2024 (Restated) ⁽¹⁾						2025							
	Portfolio allocation	Absolute GHG emissions (Tonnes of CO ₂ e)		Weighted score of data quality ⁽³⁾ (Highest quality = 1 Lowest quality = 5)		Emissions Intensity (Tonnes of CO ₂ e to USD 1 million of investment or loan)	Portfolio allocation	Absolute GHG emissions (Tonnes of CO ₂ e)		Weighted score of data quality ⁽³⁾ (Highest quality = 1 Lowest quality = 5)		Emissions Intensity (Tonnes of CO ₂ e to USD 1 million of investment or loan)		
		Scope 1+2	Scope 3	Scope 1+2	Scope 3			Scope 1+2	Scope 3	Scope 1+2	Scope 3			
By asset classes according to PCAF standard														
Business Loans and Unlisted Equity	100% of corporate bonds, listed and unlisted equity, and business loan	13,981,815	32,727,594	4.2	4.2	294.0	100% of corporate bond, listed and unlisted equity, and business loans	14,765,370	34,797,329	4.2	4.2	304.5		
Listed Equity and Corporate Bonds		55,132	118,665	4.4	4.6	39.3		79,837	115,120	4.6	4.8	28.0		
Project Finance	100% ⁽⁴⁾	2,550,335	269,063	3.0	4.0	2,164.4	100% ⁽⁴⁾	2,174,989	274,229	3.1	4.1	1,897.4		
Commercial Real Estate ⁽²⁾							100% ⁽²⁾	234,619	-	4.0	-	150.7		
Motor Vehicle Loans	99.7%	552,766	-	3.9	-	154.9	99.7%	557,752	-	3.9	-	142.2		
Mortgages	98.8%	1,623,812	-	4.0	-	148.9	99.4%	1,649,490	-	4.0	-	132.5		
Total		18,763,860	33,115,322	4.1	4.2	290.8		19,462,057	35,193,193	4.1	4.2	276.4		
By sectors (business loans, project finance loans, and commercial real estate only)														
Municipal power generation and municipal water	100% of business loans and project finance ⁽⁴⁾ and commercial real estate ⁽²⁾	2,772,485	345,604	3.1	4.0	-	100% of business loans and project finance ⁽⁴⁾ and commercial real estate ⁽⁵⁾	2,407,442	383,095	3.2	4.0	-		
Oil and gas		2,592,345	4,258,487	3.7	3.7	-		2,187,575	2,708,740	4.1	4.3	-		
Cement		866,655	167,308	4.0	4.2	-		1,101,234	204,907	3.8	4.2	-		
Agriculture		790,795	1,850,430	4.5	4.5	-		849,933	1,981,919	4.5	4.5	-		
Transportation		576,070	691,209	4.0	4.0	-		579,572	704,935	3.9	4.0	-		
Iron and steel		447,646	339,523	4.1	4.1	-		555,142	429,669	4.1	4.1	-		
Coal		165,561	446,840	2.8	2.8	-		251,515	823,372	2.4	2.4	-		
Automotive and auto parts		355,661	1,426,596	4.4	4.4	-		399,055	1,525,724	4.3	4.3	-		
Aluminium		19,774	179,677	4.0	4.0	-		251,855	146,475	4.0	4.0	-		
Real estate		60,847	122,071	2.6	2.6	-		57,601	105,734	3.0	3.0	-		
Other sectors ⁽⁵⁾		7,740,695	23,134,517	4.2	4.2	-		8,532,689	26,041,782	4.2	4.2	-		
Total			16,388,535	32,962,262	4.1	4.2		337.7		17,173,612	35,056,351	4.1	4.1	336.2

Notes:

⁽¹⁾ To ensure data comparability, KBank has conducted restatement for historical emissions for the year 2024, previously disclosed in Sustainability Report 2024. KBank has adjusted emission factors based on PCAF methodology and database to be consistent with emission calculation for the year 2025.

⁽²⁾ To align with PCAF’s portfolio emission calculation and disclosure standards, the Bank has provided dedicated disclosure for Commercial Real Estate asset class, the scope of which includes purchases and/or refinancing of commercial estates used for economic or income-generating activities. These activities include retail stores, hotels, office buildings, and large residential rental buildings. The scope does not include properties under construction.

⁽³⁾ The scores of data quality were weighted by KBank’s financing and investment amount in accordance with PCAF’s Global GHG Accounting and Reporting Standard for Financed Emissions.

⁽⁴⁾ The scope for emission calculation and disclosure of Project Finance asset class currently covers only power plants under loans to for the municipal power generation and municipal water sector.

⁽⁵⁾ Other industries include chemicals and chemical products, retail sales of farm products, retail sales of commodity products, retail sales of industrial products, communications, construction, construction materials, digital and IT, electrical devices and appliances, entertainment, fashion, finance and banking, food and beverages, furniture and wood, hardware, hotels and restaurants, agricultural industry, other metals, packaging and publishing, medicine and hospitals, services, and other industries.



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Limitation

Estimation of Scope 3 emissions Category 15: Investment rely on availability, comprehensiveness, and detail of data across multiple sources, including the Bank's own data, data provided by customers, and data from third-party data providers. This is essential for enhancing accuracy of portfolio emission estimation and for formulating effective emission reduction strategies and targets. Therefore, the Bank has systematically outlined data capability improvement plan, focusing on uplifting data collection and processing procedures, as well as database management systems, so to improve efficiency and data reliability for future calculations.

However, the estimated volume of financed emissions may fluctuate over time, which will be reflected in varying data quality scores. The Bank expects that data quality will improve as time and database improvement plan progresses. In cases where customers' reported emissions are unavailable, the Bank will estimate emissions using other variables, such as production capacity and sector-specific revenue/asset-based emission factors. Additionally, emission factors may be updated to align with the PCAF reference database.

Additionally, limitations may arise due to lag time in the reporting cycle of variables required from third parties, such as customers' reported emissions data and financial statements, resulting in slight temporal deviation between input data available and base year. Under these limitations, the Bank will utilize most recent and most credible data available during each reporting cycle for financed emission calculation.

Decarbonization Glidepath Demonstrating Emissions Reduction

As part of our financed portfolio emissions management, the first wave of sectorial glidepaths developed in 2022 focused on carbon-intensive sectors, including Power Generation. KBank sets emission intensity reduction targets and implements key strategies including:

- Minimizing exposure to high carbon-intensive power plants.
- Increasing exposure to low carbon, zero emission, or green power plants.
- Discontinuing financing for new coal-fired power generation projects.
- Gradually reducing the provision of existing loans to coal-fired power plants to zero by 2030.

KBank commits to ongoing and dynamic monitoring and assessment of decarbonization pathways and targets, adapting to emerging financing opportunities. These goals and decarbonization strategies will undergo reassessment in response to significant developments in Thailand's Power Development Plan, Alternate Energy Development Plan, and other pertinent Energy Plans.

Performance monitoring reveals that, between 2025 and 2024 where the same PCAF-aligned calculation methodology has been applied to ensure comparability, 2025 shows a reduction of 375,346 tCO₂e when compared to 2024 emissions within the scope of the Power Generation glidepath (Project Finance Loans, Client's GHG Scope 1 & 2).

Releases of greenhouse gases into the atmosphere worsen the conditions of climate crisis and further burdens the environment and the society with increased cost to survive in and recover from the impacts, including but not limited to increased food cost, health issues, property damage from increased natural disasters, i.e. Social Cost of Greenhouse Gases (SC-GHG). On the other hand, prevention of further greenhouse gas releases helps the society avoid the SC-GHG cost from increasing. With the estimated cumulative emission avoidance of 375,346 tCO₂e from the progress of Power Generation decarbonization glidepath in 2025 compared to 2024, the estimated emission avoidance can be translated to social cost avoided of approximately Baht 1,525 million*.

* Social cost avoided was calculated according to EPA Report on the Social Cost of Greenhouse Gases: Estimates Incorporating Recent Scientific Advances, by U.S. Environmental Protection Agency. https://www.epa.gov/system/files/documents/2023-12/epa_scghg_2023_report_final.pdf

Sustainable Financing and Investment

1. Green Loans and Sustainable Loans: Outstanding amount in 2025 totaled Baht 117,012 million

Loans for Corporate and SME Customers

Outstanding Loans in 2025

Green Loans, Social Loans,
Sustainable Loans for
Corporate Customers

Baht
40,393
million

Sustainability-linked
Loans for Corporate
Customers

Baht
18,749
million

Green Loans, Social Loans,
and Sustainable Loans
for SME Customers

Baht
5,051
million

Total Baht
64,193
million



Note: Corporate Business Loan encompasses Corporate Customers and SME Customers.

Loans for Retail Customers

Sustainable Loans and Mortgages
for retail customers

Total Baht
52,819
million



Outstanding amount of green loans
and sustainable loans totaled

Baht **117,012** million



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2. Beyond Banking

KBank is committed to driving an inclusive transition across the entire ecosystem, aspiring to become the most comprehensive climate solution provider. The Bank focuses on delivering essential knowledge and tools, alongside financial support for customers across all segments, to guide their decarbonization journeys and enhance sustainable competitiveness in a low-carbon economy. Key initiatives include the following:

- 2.1 Knowledge and Skill Development** through establishment of a dedicated unit:
- Creative Climate Research Center (CCRC):** A central hub for climate-related knowledge and initiatives supporting Net Zero transition. Key activities included:
 - Development of Net Zero Program in collaboration with partner institutions to raise awareness among next-generation leaders, ranging from executives to professionals.
 - Preparation of White Paper on Climate Ecosystem Collaboration, developed jointly with partner organizations within the Thailand Climate Business Network (ThaiCBN) to foster climate collaboration and drive policy-level change.
 - Development of databases and policy recommendations on green finance support for SMEs, in collaboration with partner organizations, including preparation of a handbook on adaptation to Thailand's environmental standards and frameworks for future pilot green loan programs.

- 2.2 Performance Measurement and Strategic Planning** through development of platforms and advisory services to support low-carbon economy transition for customers and Thai businesses. Key initiatives included:
- KCLIMATE 1.5:** GHG data management and processing platform, equipped with carbon accounting tools encompassing GHG emissions record and verifiable disclosures in line with international standards. The platform allows SME customers to accurately develop and execute decarbonization strategies across their supply chains.

- K-CLIMATE ESG Advisory:** A sustainability and decarbonization advisory offering strategic guidance and solution development to support Thai businesses' low-carbon economy transition and sustainable growth, with a particular focus on investment feasibility assessment, identifying new opportunities in green businesses, and building competitive advantages.

2.3 Implementation and Ecosystem Building

- K-GreenSpace:** An e-marketplace platform that provides information and alternative energy-saving products for retail and SME customers, enabling easy price comparison and seamless access to related financial services
 - WATT’S UP:** A fully integrated e-marketplace platform offering electric bike rental services, supported by a nationwide network of more than 120 battery-swapping stations. This platform promotes air-pollution reduction by lowering reliance on internal combustion engine (ICE) vehicles and leverages usage data to develop related financial services, including access to financing and insurance solutions.
 - GreenPass:** A platform for registration and trading of Renewable Energy Certificates (RECs), developed by KBank in collaboration with Innopower Co., Ltd. The platform enables retail and SME customers with rooftop solar installations to generate additional income through easy, convenient, and free-of-charge REC registration and trading, while supporting Thailand's transition to clean energy.
 - ThaiCBN:** Thailand Climate Business Network, initiated by KBank to foster domestic collaboration among private sector, government and state enterprises, financial and banking sector, and academia. The network aims to build climate action ecosystem by developing shared knowledge infrastructure, standards, and collaborative operating models to accelerate tangible and sustainable decarbonization across all sectors in Thailand.
- Key initiatives of ThaiCBN in 2025 included**
- Development of a pilot food waste-to-biomethane project in Chiang Mai province, supported by stakeholder engagement mechanism involving users, collectors, and processors.
 - Support for SMEs across the supply chain in adopting a systematic approach to GHG management through development of e-handbook and organize activities in Earth Jump event.

3. Green and Sustainable Investment

KBank recognizes the importance of environmental investment and has therefore issued and invested in sustainability bonds with the following details:

Initiatives	2025 Performance
Issuance of sustainability bonds ⁽¹⁾ in line with international standards ⁽²⁾	Total amount: USD 65 million (equivalent to Baht 2,275 million), representing approximately 10 percent of KBank's total senior bonds (bond maturity was on 15 December 2025). Use of proceeds: Financing for 5 environmental and social projects, comprising: 3 environmental projects: Solar power generation projects⁽¹⁾ 2 social projects: Employment generation
Investment in green bonds and sustainability bonds in line with international standards ^{(3), (4)}	Total amount: Baht 50,945 million, accounting for approximately 9 percent of KBank's total bond investment. Use of proceeds: To promote environmental conservation and sustainability, comprising: - Green bonds⁽³⁾ including projects related to clean and renewable power generation, water and marine resource conservation, green buildings, and clean transportation - Sustainability bonds and sustainability-linked bonds⁽⁴⁾
Issuance of risk-hedging instruments, issuance of bonds, and underwriting of ESG-linked bonds	- Carbon Credit Forwards in line with international standards, certified by Verra, the first such transaction in Thailand. - Blue Finance-Linked FX Forward, foreign exchange risk management instruments linked to funding sources supporting marine conservation, the first in Thailand, executed in collaboration with Thai Union Group PCL. - FX risk management contracts linked to the Low Emission Support Scheme (LESS) of Thailand Greenhouse Gas Management Organization (Public Organization), the first such transaction in Thailand's airline industry, in collaboration with Thai AirAsia Co., Ltd. - ESG-linked financial hedging contracts tied to ESG performance targets, such as community engagement outcomes, continued inclusion in the Dow Jones Sustainability Indices (DJSI), and/or retention of SET Sustainability Awards status in 2025, executed with two companies in the energy sector. - Lead underwriter for Green Bond issuance for organizations such as Sermuang Power Corporation PCL, Minor International PCL, Thai Union Group PCL, Central Plaza Hotel PCL, and Government Housing Bank.

Notes:

⁽¹⁾ Further details on the Sustainability Bonds and the related Second Party Opinion are available on KBank's website: <https://www.kasikornbank.com/en/sustainable-development/sustainability-bond/Pages/Sustainable-Bond-Report.aspx>

⁽²⁾ In alignment with international standards established by International Capital Market Association (ICMA), as well as ASEAN Green, Social, and Sustainability Bond Standards set by ASEAN Capital Markets Forum (ACMF).

⁽³⁾ Investment in bonds complies with internationally recognized standards, including ASEAN Green Bond Standards (ASEAN-GBS), Climate Bonds Standard (CBS), International Capital Market Association Green Bond Principles (ICMA-GBP), and LMA Green Loan Principles (LMA-GLP).

⁽⁴⁾ Investment in bonds aligns with ASEAN Green Bond Standards, Social Bond Standards, and Sustainability Bond Standards (ASEAN-GBS, SBS, SUS), International Capital Market Association Green Bond Principles, Social Bond Principles, Sustainability Bond Guidelines, and Sustainability-Linked Bond Principles (ICMA-GBP, SBP, SBG, SLBP) and LMA Green Loan Principles and Sustainability-Linked Loan Principles (LMA-GLP, SLLP).



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3.1 Issuance of Sustainability Bonds*

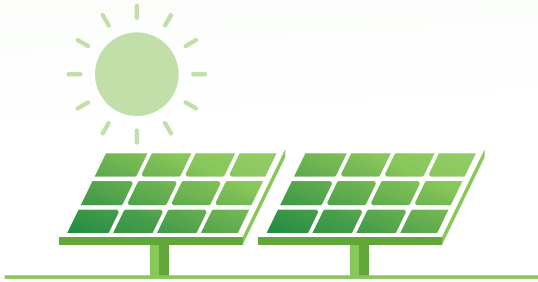
Since 2022, KBank has issued and offered 3-year sustainability bonds denominated in Japanese Yen and US Dollars, with a total equivalent value of USD 65 million, to domestic investors. The issuance complied with international standards**. The objective was to promote lending to environmentally and socially responsible businesses, including energy conservation and environmental loans, renewable energy project financing, and loans supporting employment generation in society.

Operating Performance***

The proceeds from the sustainability bonds are fully allocated by the Bank to eligible environmental and social projects, as follows:

1. Three environmental projects

Solar energy projects* with total production capacity of 207 megawatts and generating electricity of 306 million kilowatt-hours.



2. Two social projects

Employment generation supports, under which loans were extended to a total of 1,469 retail customers, including SMEs, franchise businesses, and community-based micro enterprises.



KBank issued sustainability bonds totaling
Baht
2,275
million

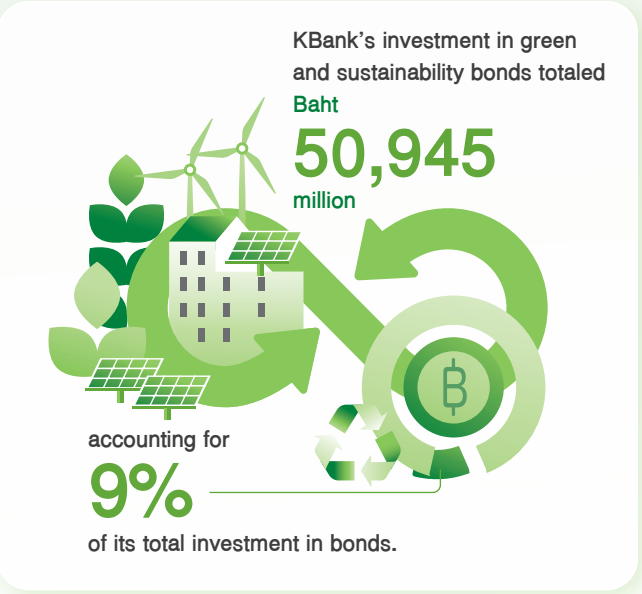


* Further details on the Sustainability Bonds and the related Second Party Opinion are available on KBank's website: <https://www.kasikornbank.com/en/sustainable-development/sustainability-bond/Pages/Sustainable-Bond-Report.aspx>

** International standards established by the International Capital Market Association (ICMA) and the ASEAN Green, Social, and Sustainability Bond Standards set by the ASEAN Capital Markets Forum (ACMF)

*** as of 30 September 2025

3.2 Investment in Green and Sustainability Bonds



KBank invested a total of Baht 50,945 million in internationally recognized green and sustainability bonds to support environmentally friendly and energy conservation projects, as well as initiatives promoting sustainable development, as detailed below.

3.2.1 Investment in Green Bonds

KBank invested in green bonds related to clean and renewable energy power generation, water and marine resource conservation, green buildings, and clean transportation projects. These bonds comply with internationally recognized standards*.

3.2.2 Investment in Sustainability Bonds and Sustainability-Linked Bonds

KBank invested in sustainability bonds and sustainability-linked bonds that support social and economic development and environmental conservation, in accordance with internationally recognized standards**.

3.3 Underwriting of Green Bonds

The Bank acted as one of the underwriter for sustainability bond issuance for clients, as detailed below:

- **Green bonds of Sermuang Power Corporation Public Company Limited** with a total value of Baht 2,000 million, were raised through two tranches: No. 1/2025: Secured bonds with a guarantor, maturing in 2030; and No. 2/2025: Unsecured bonds, maturing in 2028. The objective was to repay existing debt and to

expand investments in renewable energy projects in Japan and Thailand, in the name of both the company and subsidiaries.

- **Sustainability-linked bonds of Minor International Public Company Limited** with a total value of Baht 13,000 million, comprising:
 - Sustainability-linked bonds No. 2/2025, with a total value of Baht 5,000 million: Series 1: Maturing in 2032 and Series 2: Maturing in 2035. The objective was to repay existing debt. These bonds feature one sustainability KPI.
 - Sustainability-linked bonds No. 3/2025, with a total value of Baht 8,000 million: Series 1: Maturing in 2029, Series 2: Maturing in 2032, and Series 3: Maturing in 2035. The objective is to repay existing debt and to be used as short-term working capital. These bonds feature one sustainability KPI.
- **Blue Bonds and Sustainability-Linked Bonds of Thai Union Group PCL** with a combined value of Baht 9,000 million, comprising:
 - Blue Bonds, No. 1/2025 — Series 1 maturing in 2029, with a total value of Baht 2,000 million. The objective is to refinance existing investments or expenses in projects related to the procurement of seafood certified by the Marine Stewardship Council (MSC) standards.
 - Sustainability-Linked Bonds, Two tranches, with a combined value of Baht 7,000 million: No. 1/2025 — Series 2 maturing in 2032, and No. 1/2025 — Series 3 maturing in 2035. The objective is to repay existing debt. These bonds feature two sustainability KPIs.
- **Green Bonds of Central Retail Corporation Public Company Limited** No. 1/2025 — Series 2 maturing in 2030, with a total value of Baht 1,000 million. The objective is to refinance existing investments or expenses in projects related to the investment in renewable energy projects.
- **Blue Bonds of B.Grimm Power Public Company Limited**, with a total value of Baht 1,500 million, comprising:
 - Blue Bonds No. 2/2025 — Series 1 maturing in 2028. The objective is to replace the company's treasury reserves used in investment in offshore wind energy projects located in the Republic of Korea.
 - Blue Bonds No. 2/2025 — Series 2 maturing in 2029. The objective is to replace the company's treasury reserves used in investment in offshore wind energy projects located in the Republic of Korea.
- **Sustainability-linked bonds of Central Plaza Hotel Public Company Limited** No. 3/2025 maturing in 2030, with a total value of Baht 1,300 million. The objective is to repay existing debt. The bonds feature two sustainability KPIs.

* The ASEAN Green Bond Standards (ASEAN GBS), Climate Bonds Standard (CBS), International Capital Market Association Green Bond Principles (ICMA-GBP), and LMA Green Loan Principles (LMA-GLP).

** The ASEAN Green Bond Standards, Social Bond Standards, and Sustainability Bond Standards (ASEAN-GBS, SBS, SUS); International Capital Market Association Green Bond Principles, Social Bond Principles, Sustainability Bond Guidelines, and Sustainability-Linked Bond Principles (ICMA-GBP, SBP, SBG, SLBP); and the LMA Green Loan Principles and Sustainability-Linked Loan Principles (LMA-GLP, SLLP).



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4. Environmental and Sustainability Funds

Net Asset Value of Baht 41,375.55 million

Environmental and Sustainability Funds	Product Details	Net Asset Value** (Million Baht)
K-PLANET K-PLANET-A(A) K-PLANETRMF	Invest in LO Funds — Planetary Transition (USD), I Class A (the master fund), which focuses on investing in global equities or equity-equivalent instruments of companies that benefit from regulations, innovation, services, or products benefitting from the global fight against or adaptation to climate change.	858.3 A(A): 821.91 RMF: 36.39
K-CHANGE K-CHANGE-A(A) K-CHANGE-C(A) K-CHANGE-SSF K-CHANGERMF	Invest in Baillie Gifford Positive Change Fund — Class B Accumulation (GBP) (the master fund), which focuses on investing in global equities of companies whose products and services deliver positive social and environmental impacts, including businesses that support education, social equality, healthcare quality, and natural resources and the environment.	14,074.34 A(A): 5,692.56 C(A): 6.32 SSF: 4,732.37 RMF: 3,643.09
K-THAICGRMF	Invest in equities of companies with good corporate governance practices, including companies certified as members of Thailand's Private Sector Collective Action Coalition Against Corruption (CAC). Investment selection is based on CG Scoring assessments conducted by the Thai Institute of Directors (IOD) or other relevant organizations.	359.53
K-TNZ K-TNZ-ThaiESG K-TNZ-A(A)	Invest in equities included in the SET100 Index. The portfolios are managed with the goal of achieving Portfolio Temperature Alignment which is lower than the benchmark (SET100 Index) via passive strategy. The fund encourages the business sector to be a part in driving Thailand to meet the goal of Net Zero GHG emissions in line with the Paris Agreement.	4,262.11 ThaiESG: 4,108.72 A(A): 153.39
K-ESGSI K-ESGSI-ThaiESG K-ESGSI-A	Invest in green bonds, sustainability bonds, or sustainability-linked bonds issued by Thai sovereign, with an average investment of no less than 80% of net asset value (NAV) over the accounting year.	12,202.03 ThaiESG: 9,848.85 A: 2,353.18
K-BL30-ThaiESG	Invest in equities with outstanding environmental or sustainability performance, and/or have disclosed information, management plans and set goals to achieve GHG emission reduction; invest in green bonds, sustainability bond or sustainability-linked bond of Thai issuers, with a combined average investment of no less than 80% of NAV over the accounting year. Investments in equities account for no more than 30% of NAV on average over the accounting year.	841.84
K-70ThaiESGX K-70ThaiESGX-L K-70ThaiESGX-68	Invest in equities with outstanding environmental or sustainability performance, and/or have disclosed information, management plans and set goals to achieve GHG emission reduction; invest in green bonds, sustainability bond or sustainability-linked bond, with a combined average investment of no less than 80% of NAV over the accounting year. In addition, the Funds emphasize investments in equities with a consistent dividend payment track record or with prospects for dividend payments at levels above the market average, accounting for approximately 65 - 70% of NAV on average over the accounting year.	5,462.47 ThaiESGX-L: 4,109.48 ThaiESGX-68: 1,352.99

Environmental and Sustainability Funds	Product Details	Net Asset Value** (Million Baht)
K-HDThaiESGX K-HDThaiESGX-L K-HDThaiESGX-68	Invest in equities with outstanding environmental or sustainability performance, and/or have disclosed information, management plans and set goals to achieve GHG emission reduction, with a combined average investment of no less than 80 percent of NAV over the accounting year. In addition, the Funds emphasize investments in equities with a consistent dividend payment track record or with prospects for dividend payments at levels above the market average, accounting for no less than 80% of NAV on average over the accounting year.	2,094.31 ThaiESGX-L: 1,524.27 ThaiESGX-68: 570.04
K-ESGBF-ThaiESG	Invest in green bonds, sustainability bonds, or sustainability-linked bonds issued by Thai sovereign and corporate, with an average investment of no less than 80% of NAV over the accounting year.	1,220.63
Net Asset Value (NAV) of Environmental and Sustainability Funds*		41,375.55

* Environmental and sustainability funds of KASIKORN ASSET MANAGEMENT CO., LTD.

** NAV disclosed by investment strategy, categorized by fund and share class:

A, A(A): Accumulation Share Class

C(A): Special Investors Share Class (Accumulation)

SSF: Super Savings Fund

RMF: Retirement Mutual Fund

ThaiESG: Thai ESG Fund

ThaiESGX-L: Thai ESG Extra-L Fund

ThaiESGX-68: Thai ESG Extra-68 Fund





Climate Collaboration

Climate Collaboration

To bring forth a safe and sustainable future for all into reality, we must collaborate extensively across all sectors. The Bank firmly believes in collective momentum and collaborative mechanisms. As such, the Bank continuously collaborated across value chains and stakeholder groups, working with our customers, our business partners, and communities to mitigate climate change impacts.

Collaboration

Customer Engagement

In 2025, KBank engaged with customers through various initiatives, as follows:

Customer Group	2025 Performance
Corporate Customers	Engagement to enhance sustainable business operations: Relationship Managers, in collaboration with the Active Credit Portfolio Management Department and the Industrial Decarbonization Solution Chapter, supported customer engagement in enhancing business operations towards sustainability and in reducing environmental and social impacts. These efforts were directed at customers across 17 target industries, particularly those affected by national regulations and international trade rules, such as food and beverages, agro-processing, auto parts, electrical appliances and equipment, real estate and hospitality, printing and packaging, among others.
SME Customers	- Organization of the seminar, “Decarbonize Now: Turning Climate Change Challenges into New Opportunities for SMEs” for customers in 13 target industries, such as food and beverages, hotels, packaging and plastics, auto parts, and hardware products. The event, which was attended by 29 companies, aimed to enhance knowledge and provide practical guidance on transitioning towards low-carbon businesses, including presentation of emission-reduction technologies and real-world case studies from entrepreneurs to strengthen competitive advantages of customers of the Bank. - KBank participated as a speaker on environmental and sustainability topics at the following events: - The energy conservation network seminar on “DEDE Green Connect 2025”, organized by the Department of Alternative Energy Development and Efficiency (DEDE) - The training program, “Energy Transition and Climate Change Management”, under the topic of “Sustainable Finance”, organized by the Thai Renewable Energy (RE100) Association - The knowledge-sharing forum, “Tourism Sector: Opportunities for Transitioning to Green Businesses”, organized by the Bank of Thailand, Northern Region Office - The seminar, “Financial Policy Support to Elevate Environmentally Friendly Hotels in a Sustainable Manner”, for hotel operators in the Southern region, organized by the Thailand Environment Institute - The seminar, “Green Finance for Green Buildings”, organized by the Thai Building Manager Association
Retail Customers	Provision of loans for energy-efficient homes to retail customers through a green housing loan campaign offering preferential interest rates, in collaboration with 42 leading property developers, featuring energy-saving housing projects nationwide.





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Collaboration with Business Partners to Mitigate Climate Change Impacts

Collaboration with Suppliers on Green Procurement

KBank applies the Green Procurement concept that takes environmental impacts into account across all dimensions of the procurement process, from supplier sourcing and selection, material selection, production processes, to waste management. This approach reflects KBank's commitment to supporting its environmental objectives and promoting sustainable procurement practices.

Program	Approach
Sustainable Waste Management in Collaboration with Suppliers	KBank has engaged waste management operators and technologies to enhance waste management efficiency, as follows: • Food waste digesters: convert food waste into fertilizer for green landscape maintenance, returning value to the environment. • Waste compactors: reduce volume of waste to be transported, thereby reducing transportation frequency and improving downstream waste management efficiency. • Refuse-Derived Fuel (RDF) service providers: convert waste into RDF for electricity generation, diverting waste from landfill.
New Year Gifts	Environmentally friendly materials were selected for the products, including recycled plastic (rPET), Green Read paper, and durable recycled materials that can be reused. For business customers, gifts were prepared from environmentally friendly materials and designed by local communities and Thai entrepreneurs, reflecting KBank's commitment to supporting Thai businesses and driving sustainability across the entire value chain.
Environmentally Friendly Gifts for Special Occasions	KBank selected paper made from recycled pulp and natural residual fibers (EcoFiber 100%) for Chinese New Year red envelopes and calendars, reducing environmental impacts as follows: Chinese New Year envelopes Reduced the use of 450 trees Avoided 36.70 tons of carbon dioxide emissions Wall and desk calendars Reduced the use of 2,462 trees Decreased steam energy consumption by 77.72 tons Lowered carbon dioxide emissions by 199.06 tons Reduced total energy consumption by 13,488 units Reduced water consumption by 590,237 liters

Collaboration with Domestic Organizations

Organizations	Approach
Thailand Greenhouse Gas Management Organization (TGO) and the Department of Climate Change and Environment	Participation in the “New Business Opportunities & Sustainable Finance” seminar at the Climate Action Leader Forum, Class 4, sharing views and experiences from the perspective of the financial sector, which plays a key role in encouraging participation across all sectors in reducing GHG emissions and driving Thailand towards Net Zero, while also presenting Beyond Banking solutions to help customers achieve a comprehensive transition.
Mae Fah Luang Foundation and TGO	Launch of Thailand's first carbon credit tokenization pilot project under the Bank of Thailand's regulatory sandbox, in collaboration with Mae Fah Luang Foundation, Thailand Greenhouse Gas Management Organization (TGO), Kubix, and Orbix Technology.
ThaiCBN and the Department of Climate Change and Environment	KBank together with members of ThaiCBN and the Department of Climate Change and Environment jointly signed a Memorandum of Understanding on Cooperation to Promote Climate Action. The collaboration aims to establish a shared direction and working framework at the network level, support the development of practices and projects among the network, and strengthen capabilities of the business sector to enable tangible climate adaptation, thereby advancing Thailand towards its Net Zero goal which had been accelerated under Thailand Nationally Determined Contribution (NDC) 3.0.



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Collaboration with International Organizations

Organizations	Approach
International Finance Corporation (IFC)	KBank partners with IFC to issue a USD 100 million Green Bond Subscription Agreement. The funding will be used to support KBank's green financing and investment initiatives, enhance clients' business capabilities in adopting low-carbon technologies, and offer Thais greater access to green lifestyles, ultimately driving Thailand towards its Net Zero target. KBank collaborates with IFC to enhance green finance capabilities to align with international standards, as follows: - Establishment of Climate Transition Capacity-Building Project to provide knowledge and strengthen staff capabilities in green loans, green buildings, climate-related risk assessment, as well as development of Environmental and Social Management System (ESMS), in accordance with IFC Performance Standards. - Encouragement and support to real estate customers in developing green building in line with international standards “EDGE: Excellence in Design for Greater Efficiencies”. KBank also offers customers and real estate developers free access to advisory services and preliminary green building assessments under the EDGE Certification via the EDGE app. 
Lombard Odier	KASIKORN ASSET MANAGEMENT COMPANY LIMITED (KAsset) continues progression on a strategic partnership on sustainable investment first announced in 2024 with Lombard Odier, a globally renowned financial institution from Switzerland. The collaboration aims to jointly formulate strategies and develop sustainable investment products in line with international standards. This partnership reinforces KAsset's leadership in Thailand's Sustainable and Responsible Investing Fund (SRI) and supports the application of ESG principles across all funds under its management. The initiative also seeks to advance the Thai mutual fund industry towards sustainable investment practices on par with those of developed markets worldwide. Additionally, in 2025, KAsset and Lombard Odier jointly organized the seminar, “Decoding Global Sustainability Practices: The Implications for Thailand”, to enhance understanding of global sustainability trends and connect them with opportunities and challenges for Thailand. The insights shared will be valuable in shaping future business and investment strategies. 

Climate collaboration with Communities

In 2025, KBank engaged with communities to drive social and community transformation through socioenvironmental initiatives including the following:

Program

Strategic Investment in Special Initiatives in Nan Province to address National Challenges

Approach

Nan Province is home to one of Thailand's largest reserved forest areas and class 1 headwater forests of national significance, rich in biodiversity. These forests are the source of the Nan River, contributing more than 40 percent of the water volume to the Chao Phraya River, a major river essential to the livelihoods of people nationwide. However, its continuous decline in forest areas poses a critical challenge that requires collective action across all sectors to inspire collaboration among communities and society. Addressing such complex challenges requires structural and root-cause solutions across multiple dimensions. Only through such an approach can broad collaboration among communities and society be achieved to address the core issue of forest restoration. The Bank therefore prioritizes implementing projects that deliver tangible impact in pilot areas within Nan Province. It invests in social initiatives tailored to address deeply rooted and complex challenges affecting local communities, including improving public health, creating alternative livelihoods to replace monoculture farming on mountain slopes, fostering awareness of forest conservation, and laying intellectual and knowledge foundations for youth to become future agents of sustainable change. This enables communities to sustainably coexist with watershed forests while preserving them for the long term. The Bank supports and implements projects in Nan Province through partnerships with the Rak Pa Nan Foundation under the Royal Patronage of Her Royal Highness Princess Maha Chakri Sirindhorn, the KASIKORNTHAI Foundation, and the Cultivation of Wisdom Foundation. Collaboration is carried out with public sector, private sector, civil society, and community leaders to establish a truly sustainable development ecosystem in the area. Nan Province is thus positioned as a model city of sustainability that can be scaled and replicated in other regions of Thailand in the future.

The Bank's social initiatives in Nan Province are categorized into four key areas to systematically address watershed forest challenges, as follows:

Strategic Investment in Special Initiatives in Nan Province to Address National Challenges

Career Development and Forest Restoration Initiatives in Nan Province	Public Health Promotion Projects	Education Promotion Projects	Other Social Development Projects
- Nan Sandbox Project - Rak Pa Nan (Care for Nan Forest) Project under the Royal Initiative - Community Economic Empowerment Program of KASIKORN AGRO INNOVATE (KAI)	- Building Construction, Equipment Procurement, and IT System Implementation Project at Nan Hospital - Projects for Building Construction and Medical Equipment	- The Cultivation of Wisdom Camp: Programs for Learning and Thinking Development - Nantha Sippakhan Learning Center	- Construction and Renovation Projects for Important Buildings and Cultural Heritage Sites - Community Waste Management and Organic Farming Promotion Project Using the SUZDEE System and LUMOS Technology



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About This Report

Approach to Climate Reporting

The TCFD disclosures offer insights into KBank’s climate-related activities for the year ending 31 December 2025, based on data from the financial year spanning 1 January to 31 December 2025 unless otherwise stated. Measurement methods and calculations are detailed alongside data tables where necessary. To enhance its reporting framework, KBank aims to reflect evolving market practices — such as the International Sustainability Standards Board (ISSB) and contribute to the broader effort of standardizing climate-related disclosures.

Environmental Information

The environmental aspect information in this report covers activities considered by KBank to have significant impacts on the environment and has been compiled by KBank that produce environmental impacts. The environmental aspect information comes from different sources, e.g., recording gauges, accounting evidence, operating processes, and data evaluation on quality principles.

Energy

Total energy consumption consists of non-renewable energy, including electricity and energy from fuel combustion — and renewable energy, including solar power as well as the amounts of biodiesel and bio-gasoline in the fuel ratio. The information is derived from accounting data, meter readings and energy unit conversion, based on the annual energy report of the Department of Alternative Energy Development and Efficiency.

Water

Water management involves water from external sources, recycled water, discharged and reused water. Evaluation of water utilization efficiency and risk from different water sources is in place. Water from external sources is used for KBank’s activities. The information is extracted from the accounting data.

Waste

Waste management covers total waste generated through KBank’s operations and activities. The quantity of waste refers to the quantity of waste generated through KBank’s operations and activities, and the quantity of waste recorded in this report was based on valid estimation of the quantity of municipal solid waste from Rat Burana Building, Phahon Yothin Building, Chaeng Watthana Building, KBTG Building and KLOUD by KBank Building, and based on theoretical estimation of waste generation from other buildings apart from the aforementioned.

Greenhouse Gas Emissions

This exhibits greenhouse gas (GHG) emissions from operations or activities of KBank, calculated in compliance with the report, Intergovernmental Panel on Climate Change (IPCC) guidelines and carbon footprint calculation guidelines of the Thailand Greenhouse Gas Management Organization (Public Organization).

1. Report Boundaries

- 1.1 Direct emissions (Scope 1) occur through operating processes and activities under KBank’s monitoring, control and management, including fuel or natural gas combustion and the leakage of methane gas from septic tank and refrigerant leaks only.
- 1.2 Indirect emissions (Scope 2) occur mainly from the amount of electricity bought from external sources for KBank’s operations, including power directly purchased from the Metropolitan Electricity Authority and the Provincial Electricity Authority.
- 1.3 Other indirect emissions (Scope 3) occur from KBank’s business travel by land and air transport, water withdrawal and investment only.

2. Report on Intensity

- 2.1 The calculation of Scope 1 GHG emissions is based on fuel consumption (by weight or quantity), e.g., the quantity of oil or natural gas x emission factor and the leakage of methane gas from septic tank and refrigerant leaks.
- 2.2 The calculation of Scope 2 GHG emissions is based on the quantity of purchased electricity x emission factor
- 2.3 The calculation of GHG emissions incurred indirectly through other means (Scope 3) is based on expense related to business road travel, distance travelled and air travel class related to business air travel, and acquisition of tap water x emission factor.
- 2.4 The calculation of GHG emissions incurred indirectly through the Bank’s investment (Scope 3 category 15: Investment) is based on the Bank’s Commercial Loans, Corporate Bonds, Equity, Project Finance, Commercial Real Estate, Motor Vehicle Loans, and Mortgages.

3. Greenhouse Gas Emissions

The GHG emissions report covers CO₂, CH₄, N₂O, HFCs, PFCs and SF₆, calculated and illustrated in the form of carbon dioxide equivalent (CO₂e), indicating Global Warming Potential (GWP) as designated by the IPCC.

4. Emissions Factor

- 4.1 Scope 1 and 2 GHG emissions: Based on the reference rates of the IPCC (2006), DEFRA (2023), USEEIO V.1.3, and Thailand Greenhouse Gas Management Organization (Public Organization) as well as the fuel heat rate of the Department of Alternative Energy Development and Efficiency.
- 4.2 Scope 3 GHG emissions (Category 15: Investment): Emission factors per energy source are from the Thailand Greenhouse Gas Management Organization (Public Organization). Emission factors per energy consumption or production capacity are sourced directly from the report of the organization within the portfolio and emission factors for the sector per unit of revenue or asset are sourced from PCAF web-based emission factor database.

5. Assessment Methods

- 5.1 Based on the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard Revised Edition and the requirements for calculating and reporting an organization’s carbon footprint, as prescribed by the Thailand Greenhouse Gas Management Organization (Public Organization), Revised Edition No. 6, July 2022.
- 5.2 Calculation of decline in GHG emissions resulting from the use of financial products and services via digital channels, based on the Attributional Approaches on Guidelines for Assessing the Contribution of Products to Avoided Greenhouse Gas Emissions (ILCA 2015).
- 5.3 Calculation of Scope 3 (Category 15: Investment) is based on PCAF’s methodology by determining the proportional share of outstanding amount of loans and investments of the financial institution over the company/project value with the amount of GHG emissions from the borrower, investee, and project. The amount of GHG emissions from the borrower, investee and project could be estimated from three main approaches respectively, depending on availability of data, as follows:
 - 1. Option 1: reported emissions
 - 2. Option 2: physical activity-based emissions such as energy consumption
 - 3. Option 3: economic activity-based emissions

PCAF : The general approach to calculate financed emissions

$$Financed\ emissions = \sum_i Attribution\ Factor_i^* \times Emission_i$$

$$*Attribution\ Factor_i = \frac{Outstanding\ amount_i}{Total\ equity + debt_i}$$

(i = Borrower or investee)

6. Greenhouse Gas Emission Assumptions

- 6.1 Business travel by land transport to carry out KBank business, including taxi travel, is based on the average emissions from car related land travels. Calculation is done by collecting total distance travelled data through direct distance data, in Kilometers (KM), and proxy calculations from spend-based data available via travel claims, to approximate KM data equivalent.
- 6.2 Business travel by air to carry out KBank business is based on emissions factors from relevant air travel class. Calculation is done by collecting total distance travelled, flight travel grouping (short haul, medium haul, long-haul) and air travel class through air travel purchasing order, multiplied by emissions factor appropriate for the air travel class and the flight travel grouping for each passenger.



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Assurance Statement



LRQA Independent Assurance Statement Relating to KASIKORNBANK PUBLIC COMPANY LIMITED’s Sustainability Report for the calendar year for the calendar year (1st January 2025 – 31st December 2025)

This Assurance Statement has been prepared for KASIKORNBANK PUBLIC COMPANY LIMITED in accordance with our contract but is intended for the readers of this Report.

Terms of engagement

LRQA Group Limited was commissioned by KASIKORNBANK PUBLIC COMPANY LIMITED (KBank) to provide independent assurance on its ‘Sustainability report 2025’ (“the report”) using AccountAbility’s AA1000AS v3, where the scope was a Type 2 engagement, and the assurance criteria below¹.

A moderate level of assurance and materiality of the professional judgment of the verifier has been used for assuring the report. The one exception is the direct and indirect GHG emission data where a high level of assurance and 5% materiality has been applied.

Our assurance engagement covered KBank’s operations and activities in Thailand and specifically the following requirements:

- Evaluating the nature and extent of KBank’s adherence to the AA1000 AccountAbility Principles (2018):
 - Inclusivity, Materiality, Responsiveness and Impact.
- Confirming that the Report is in accordance with ;
 - GRI Standards 2021, and
 - Double Materiality assessment
- Evaluating the reliability of data and information for only the selected environmental and social indicators listed below:
 - GRI 302-1: Energy consumption within the organization
 - GRI 303-3: Water withdraw
 - GRI 303-4: Water discharge
 - GRI 303-5: Water consumption
 - GRI 305-1: Direct GHG emissions (scope 1)²
 - GRI 305-2: Energy indirect GHG emissions (scope 2) – excluded purchasing of cooling
 - GRI 305-3: Other Indirect GHG emission (Scope 3 cat. 6--business travel by taxicab and air travel, cat.15-investment only)
 - GRI 305-4: GHG emissions intensity
 - GRI 306-3: Waste generated
 - GRI 306-4: Waste diverted from disposal
 - GRI 306-5: Waste directed to disposal
 - GRI 403-9 Work-related injuries (absenteeism only)
 - FS-7 : Initiatives to enhance financial inclusions.

Our assurance engagement excluded the data and information of KBank’s operations and activities outside of Thailand as well as suppliers, contractors and any third parties mentioned in the report.

LRQA’s responsibility is only to KBank. LRQA disclaims any liability or responsibility to others as explained in the end footnote. KBank’s responsibility is for collecting, aggregating, analysing, and presenting all the data and information within the report and for maintaining effective internal controls over the systems from which the report is derived. Ultimately, the report has been approved by and remains the responsibility of KBank.

LRQA’s Opinion

Based on LRQA’s approach:

- the direct and indirect GHG emissions data in the report are materially correct and nothing has come to our attention that would cause us to believe that KBank has not:
- met the requirements above
- disclosed reliable performance data and information for the selected indicators
- covered all the issues that are important to the stakeholders and readers of this report.

LRQA’s opinion is formed based on a combined level of assurance.

¹ <https://www.globalreporting.org>
² GHG quantification is subject to inherent uncertainty.



LRQA’s approach

LRQA’s assurance engagements are carried out in accordance with our verification procedure. The following tasks though were undertaken as part of the evidence gathering process for this assurance engagement:

- Assessing KBank’s approach to stakeholder engagement to confirm that issues raised by stakeholders were captured correctly. We did this through interviews with external stakeholders and reviewing documents and associated records.
- Reviewing KBank’s process for identifying and determining material issues to confirm that the right issues were included in their report. We did this by benchmarking reports written by KBank and its peers to ensure that sector specific issues were included for comparability. We also tested the filters used in determining material issues to evaluate whether KBank makes informed business decisions that may create opportunities that contribute towards sustainable development.
- Auditing KBank’s data management systems to confirm that there were no significant errors, omissions or mis-statements in the report. We did this by reviewing the effectiveness of data handling procedures, instructions and systems, including those for internal verification. We also spoke with those key people responsible for compiling the data and drafting the report.
- Sampling of evidence presented at KBank’s head office in Bangkok to confirm the reliability of the selected indicators. The extent of evidence sampled for the selected indicators reflected the level of assurance applied.

Observations

Further observations and findings, made during the assurance engagement, are:

- Stakeholder inclusivity: We are not aware of any key stakeholder groups that have been excluded from KBank’s stakeholder engagement process.
- Materiality: Electricity consumption and purchasing of cooling at branch locations has been identified as a material issue for the organization. However, in future reports, we believe that KBank should disclose GHG emissions relating to energy imported from leasers at its branches.
- Responsiveness: KBank has established and implemented processes for responding to the concerns of various stakeholder groups in relation to GHG emissions data.
- Impact: In future reports, KBank should further address quantitative impacts associated with stakeholder groups as well as material issues such as GHG emissions from space leased in department stores.
- Reliability: This year represents the second implementation of the KClimate programme as Kbank’s GHG data reporting tool. This programme consolidates refrigerant data and other relevant data from head offices and branches. However, we believe that KBank should continue to implement, maintain and calibration this programme to further reduce data inaccuracies and enhance data reliability in future report.

LRQA’s standards, competence and independence

LRQA ensures the selection of appropriately qualified individuals based on their qualifications, training and experience. The outcome of all verification and certification assessments is then internally reviewed by senior management to ensure that the approach applied is rigorous and transparent.

This verification is the only work undertaken by LRQA for KBank and as such does not compromise our independence or impartiality.

Dated: 14 February 2026


Phornsuang Markmanee
LRQA Group Limited Lead Verifiers


Opart Charuratana

On behalf of LRQA (Thailand) Limited.
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LRQA Group Limited reference: BGK00001296

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Certain statements shown in this report are forward-looking statements in respect of the financial position or the performance of KASIKORNBANK PUBLIC COMPANY LIMITED (“KBank”). KBank has prepared such forward-looking statements based on several assumptions, and has relied on financial and other information available from public sources as of the date such statements were made. Statements containing words such as “expect”, “believe”, “estimate”, etc. and other similar expressions, are considered as forward-looking statements which involve uncertainties and are subject to changes at any time due to future events, including but not limited to, changes in global/national economic, political and regulatory environment. Accordingly, the readers or the recipients of information shall carefully review this report and make their own independent decision as well as thoroughly evaluate such fact or information which may have changed prior to making any investment or entering into any transaction.



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