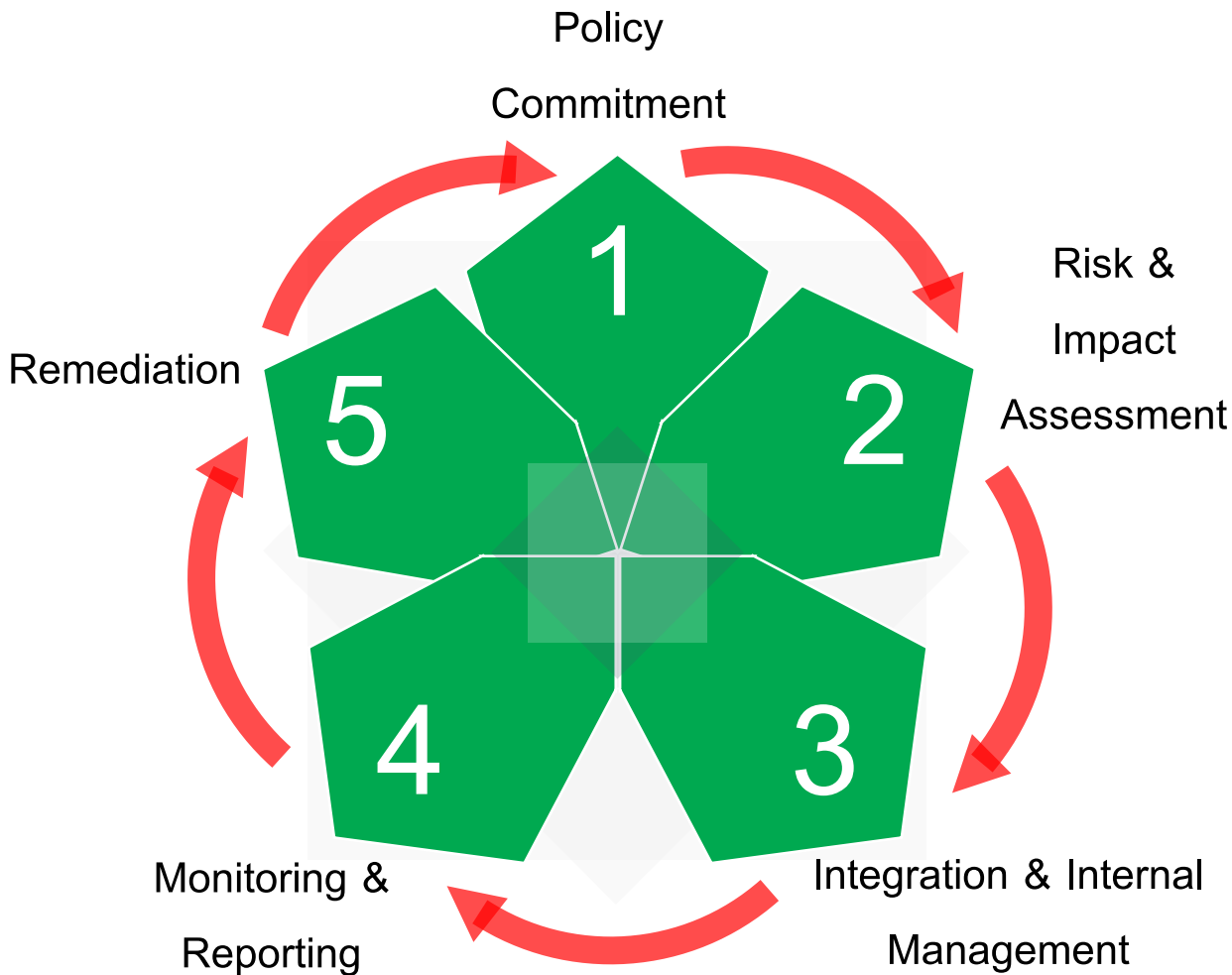


Human Rights Due Diligence

2021 Report

Human Rights Due Diligence Process 2021

KBank's Human Rights Due Diligence process has been developed in accordance with the UN Guiding Principles on Business and Human Rights (UNGPs).

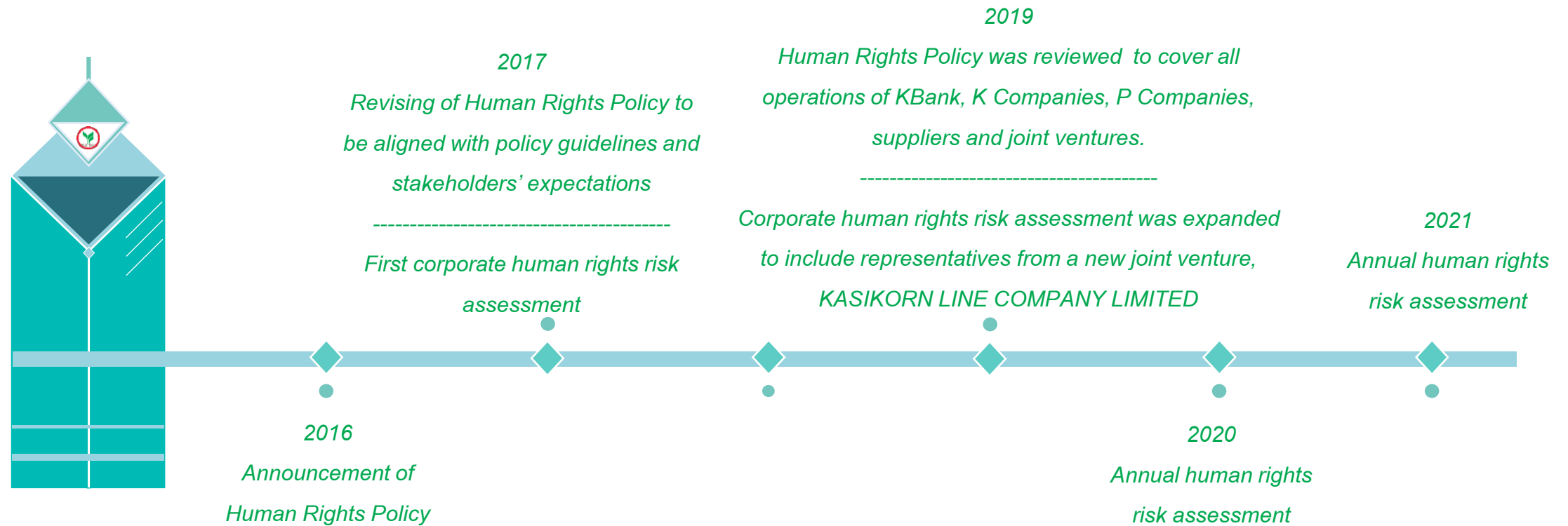


- 1 **Policy Commitment:** The first Human Rights Policy was announced in 2016 in which the organization reviews and updated annually. (slide page 4)
- 2 **Risk and Impact Assessment:** Assessment and analysis of actual and potential human rights impacts. (slide page 5 - 13)
- 3 **Integration and Internal Management:** Integrate findings to activities , act upon findings (i.e. mitigation measures), and ensure effective implementation of actions. (slide page 14-19)
- 4 **Monitoring and Reporting:** Regularly monitor, track and reports on the company's actions related to human rights (i.e. risks, effectiveness of mitigation measures). (slide page 20)
- 5 **Remediation:** Remediate the stakeholders and vulnerable groups, who are affected by the company's adverse human rights impacts. (slide page 21-22)



KBank's Human Rights Journey

Since organizing our first corporate human rights risk assessment in 2017, KBank has embarked on a human rights journey to integrate human rights principles into all our activities. The process is on-going. In 2021, we kept monitoring human rights risks from the passed years which potentially impact to stakeholders, including customers, employees, suppliers, and vulnerable group in our business activities and supply chain. Specifically, we focused on emerging human rights risks in the bank sector, especially the risks which have been influenced by the COVID-19 situation.





1

Policy Commitment

- KBank is committed to sustainable business operations. We recognize that respect for human rights is an important responsibility associated with employees, customers, suppliers, and business partners including agents, joint ventures (Incorporated), government, and local communities related to our business activities. Therefore, KBank has established a human rights policy that conforms to key legal principles and international standards such as UNGPS, ILO, UNGC.
- The Policy applies to all operations of KBank and other companies in KASIKORNBANK FINANCIAL CONGLOMERATE, as well as employees, customers, suppliers, and business partners. All have the responsibility to respect human rights and to comply with the laws and regulations governing the protection of human rights at the national and international levels. KBank expected that all relevant stakeholders, as per mentioned, adhere to these human rights principles that are consistent with their own.
- To promote compliance with the Human Rights Policy, KBank has arranged a series of trainings and communications to enhance knowledge, understanding, and awareness of human rights principles for employees on a regular basis to prevent human rights violations. The management guidelines cover all of stakeholders.

Human Rights Policy

KBank is committed to sustainable business operations. We recognize that respect for human rights is an important responsibility associated with employees, customers, suppliers, and joint ventures. Therefore, KBank has established a human rights policy that conforms to key legal principles and international standards, such as the United Nations Guiding Principles on Business and Human Rights (UNGPs), principles of humanity and rights in accordance with the International Labor Organization (ILO), and Principles of the United Nations Global Compact (UNGC). KBank's human rights policy is designed as the guideline for corporate-wide implementation.

Scope
This policy applies across the operations of KBank and other companies in KASIKORNBANK FINANCIAL CONGLOMERATE as well as suppliers and joint ventures. All have the responsibility to respect human rights and to comply with the laws and regulations governing the protection of human rights at the national and international levels.

Human Rights Due Diligence
KBank has established guidelines for human rights management and due diligence practices by carrying out assessments of risks and human rights-related impacts, preventive and remedial measures in the event of human rights violations, monitoring and reporting of implementation results, and providing channels for receiving and handling human rights-related complaints. An annual revision of the human rights policy is included as well. Additionally, KBank has arranged a series of trainings and communications to enhance knowledge, understanding, and awareness of human rights principles for employees on a regular basis to prevent human rights violations. The management guidelines cover the following stakeholders:

Customers

Lending
KBank has identified human rights as one of the factors in considering credit approval. As stated in the Environmental, Social, and Governance (ESG) policy, lending transactions must not link to businesses or activities involved with a human rights violation, e.g., human trafficking or exploitation as defined by the laws, social morality, and practices of each industry.

Investing
KBank has incorporated human rights issues in our investment analysis, decision-making process, and portfolio construction across all asset classes. ESG aspects are integrated into our investment policy.

Market conduct
KBank has established a market conduct policy and procedure detailing fair service provision to customers. This covers pre-sales, during, and after-sales service processes in order to provide complete and accurate information about financial products and services to customers and ensure that any sales pitch or service is truthfully and honestly offered to all customers.

Customer data protection
KBank has established a customer data protection policy with regulations to manage customer data, operating guidelines to access customer information, and procedures for the disclosure of customer information to third parties and external organizations in order to manage customer data properly without violating customer privacy.

Details of Human Rights Policy can be found at KBank website:
https://www.kasikornbank.com/EN/IR/CorporateGovernance/transparenc y/pages/human_rights_policy.aspx



2 Risk and Impact Assessment 2021 (1)

KBank has reviewed and identified human rights risks, associated with KBank business activities, value chain and new business relations (mergers, acquisitions, joint ventures), on an annual basis. KBank has done these systematically via the following steps:

1 RISK IDENTIFICATION

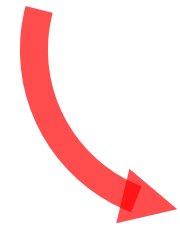
- Identify all actual or potential human rights issues associated with KBank business activities, value chain and new business relations (mergers, acquisitions, joint ventures). The actual or potential human rights issues that are covered in the process include, for example, working conditions, human trafficking, forced labour, child labour, freedom of associate, right to collective bargaining, discrimination, environmental issues and community rights, equal remuneration, and privacy.
- Consider stakeholders and vulnerable groups, including employees, women, children, customers, migrant workers, third-party contracted labours, indigenous people, LGBTQI+, elderly, people with disabilities and pregnant women, in the process.



2 RANK INHERENT RISKS

(Risk level before considering its exiting mitigation measures and/or controls)

Conduct human rights inherent risk assessment.
Remark: In 2021, KBank revisited human rights risks identified in 2019-2020 and updating their risk levels if necessary.



3 IDENTIFY MITIGATION MEASURES

Identify how each inherent risk is being managed through existing mitigation measures and/or controls.

4 RANK RESIDUAL RISKS

(Risk level after considering its exiting mitigation measures and/or controls)

Rank residual risks and prioritize human rights salient issues. For each human rights salient issue, KBank develops additional mitigation measures to reduce risk likelihood and/or severity to low level.





2 Risk and Impact Assessment (2 - KBank)

1 IDENTIFICATION

- KBank identified all actual or potential human rights issues associated with KBank functions bases on revenue generation through peer benchmarking, media analysis, review of existing human rights risks and impacts, and concerns communicated by civil society actors
- In 2021, the scope of risk assessment covered KASIKORN LINE COMPANY LIMITED as a joint venture.

	Customers	Employees	Suppliers	
KBank and KASIKORN FINANCIAL CONGLOMERATE	<p>Customer:</p> <ol style="list-style-type: none"> 1. Anti-money laundering practices 2. Data breaches and information misuse 3. Discrimination in lending practice 4. COVID-19 implication 5. Issues for project finance 	<p>Project Financing:</p> <ol style="list-style-type: none"> 1. Labour practices compliance: Illegal labour in supply chain 2. Working condition/ Health & Safety/ Security 3. Environmental issues & human rights (such as pollution) 4. Community rights and livelihood/ emergency response & safety 5. Treats to livelihood & live due to significant use of resources such as water and land 6. Bribery & corruption 7. Land acquisition and resettlement 8. Local and indigenous people's rights 9. Grievance Mechanism and Right to remedy 10. Collective bargaining 	<p>Employees</p> <ol style="list-style-type: none"> 1. Unequal pay between men and women 2. Potential discrimination in the hiring process 3. Potential to unfair dismissal 4. Employee data privacy 5. Health and safety due to communicable disease 6. Unsafe and ergonomically not suitable for working conditions and environment 7. Potential influx of migrants and increase in community conflict 8. Health and safety amid COVID-19 	<p>Suppliers</p> <p>Procurement Practices (KBank's own operation):</p> <ol style="list-style-type: none"> 1. Potential Discrimination 2. Fair wages/ remunerations 3. Data and information leaks and breaches 4. Working Conditions: Health & Safety <p>Suppliers:</p> <ol style="list-style-type: none"> 1. Working condition 2. Illegal form of labour 3. Health and Safety 4. Discrimination



2 Risk and Impact Assessment (3 - KASIKORN LINE)

1 IDENTIFICATION

- KBank identified all actual or potential human rights issues associated with KBank functions through peer benchmarking, media analysis, review of existing human rights risks and impacts, and concerns communicated by civil society actors
- In 2021, the scope of risk assessment covered KASIKORN LINE Company Limited as a joint venture.

KASIKORN LINE COMPANY LIMITED, a joint venture of KBank

Customers

1. Anti-money laundering Practices
2. Data breaches and information misuse
3. Discrimination in Lending practice
4. Covid-19 Implication

Employees

1. Unequal pay between men and women
2. Potential discrimination in the hiring process
3. Unfair dismissal
4. Employee data privacy
5. Health and safety due to communicable disease
6. Unsafe and ergonomically not suitable for working conditions and environment
7. Potential influx of migrants and increase in community conflict
8. Health and safety amid COVID-19

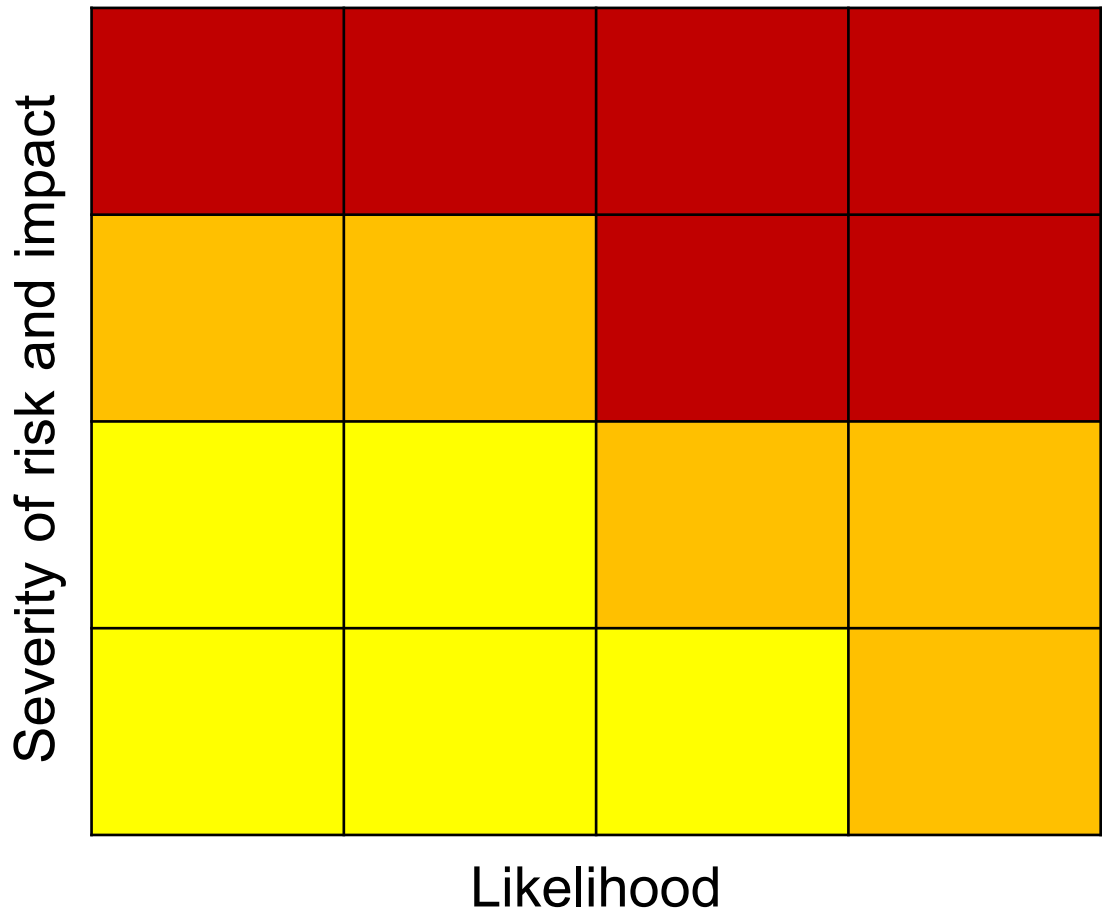
Suppliers

1. Potential Discrimination
2. Fair wages/ remunerations
3. Data and information leaks and breaches
4. Working Conditions: Health & Safety



2 Risk and Impact Assessment (4)

2-4 RANK INHERENT RISKS, EVALUATE MITIGATION MEASURES, AND RANK RESIDUAL RISKS.



Human Rights Matrix

Human rights risk assessment is done based on the impacts created on rights holders, especially considering vulnerable groups. Risks are placed on a 4x4 matrix, whereby the y-axis is severity of risk and impact and the x-axis is likelihood of the risk occurring. Risks are assessed and categorized as one of three levels:

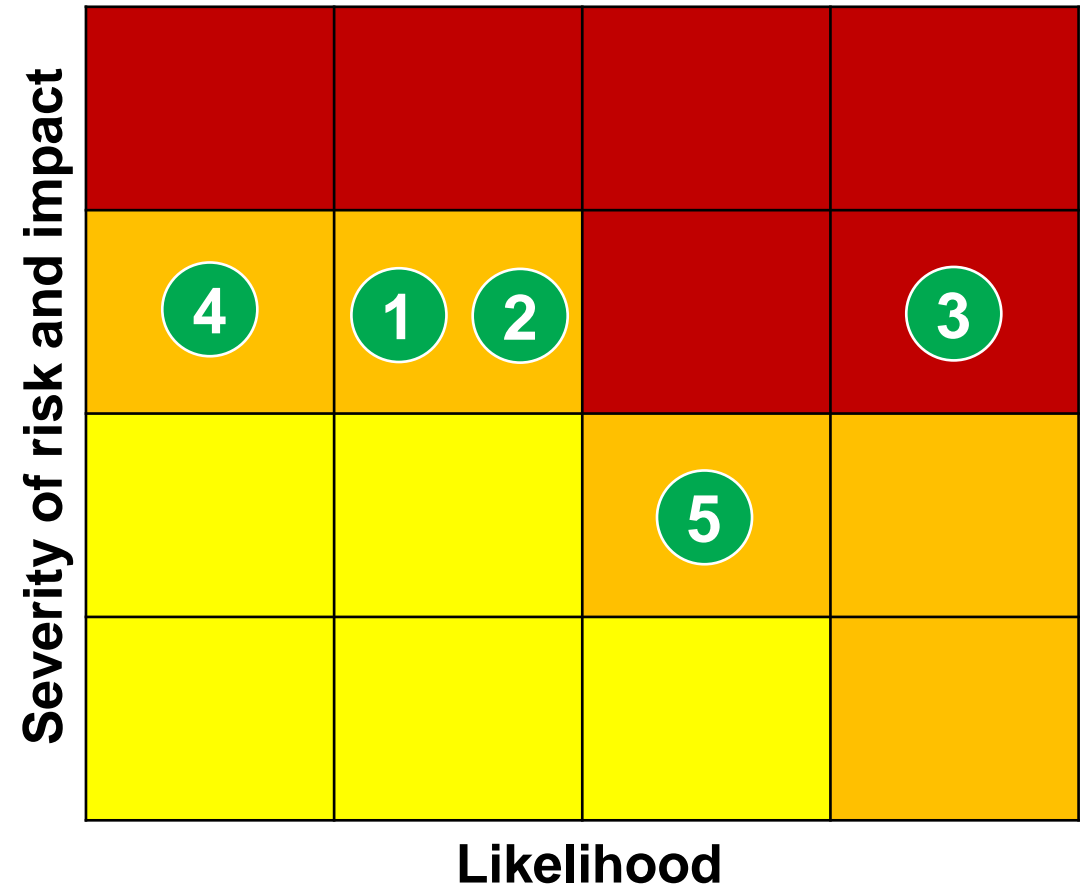
High	High risks are human rights salient issues that need to be addressed with additional mitigation measures.
Medium	Medium risks are human rights salient issues that are mitigated to some extent, but need additional mitigation measures.
Low	Low risks are human rights risks that are presently adequately mitigated, and should be monitored regularly for changes.

In 2021, human right issues that were ranked at high and medium levels will be considered as salient issues for KBank



2

Risk and Impact Assessment (5): Salient Issues in KBank's Own Operations

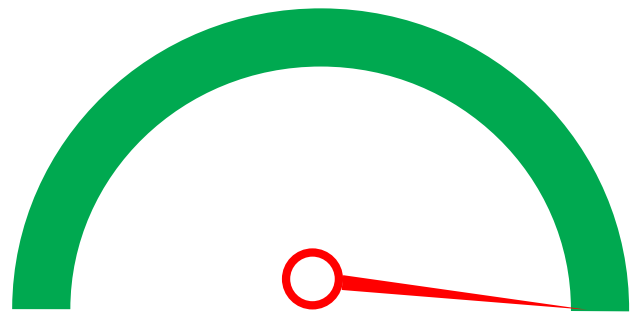


	2021 KBank's Human Rights Salient Issues	Considered Stakeholders and Vulnerable Groups
1	Project Financing : Working condition/ Health & Safety/ Security in workplace	Women, local communities, customers, elderly, LGBTQI+, people with disability, pregnant women
2	Project Financing : Environmental issues & human rights (such as pollution)	Women, local communities, customers, elderly, LGBTQI+, people with disability, pregnant women
3	Project Financing : Community rights and quality of life related to access to natural resources such as water and land	Women, local communities, customers, elderly, LGBTQI+, people with disability, pregnant women
4	Customer : Money laundering	Women, local communities, customers, elderly, LGBTQI+, people with disability, pregnant women
5	Customer : Data breaches and information misuse	Women, local communities, customers, elderly, LGBTQI+, people with disability, pregnant women



2 Risk and Impact Assessment (6): Overview of Results for KBank's Own Operations

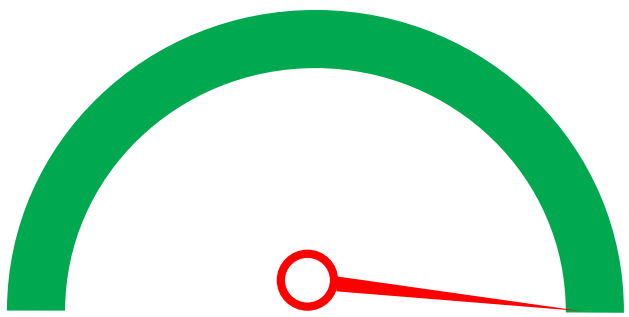
100%



100% of KBank functions bases on revenue generation were assessed, including joint ventures with management control

- Corporate Banking
- Asset Management
- Wealth Management
- Retail Banking
- Global Business

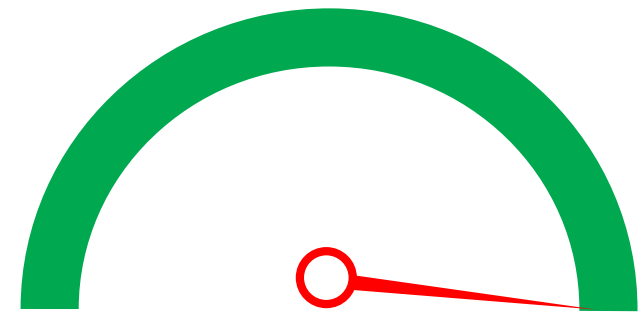
100%



100% of assessed functions of KBank have human rights risks

- Working condition/ Health & Safety/ Security in workplace
- Environmental issues & human rights (such as pollution)
- Community rights and quality of life related to access to natural resources such as water and land
- Money laundering
- Data breaches and information misuse

100%



100% of KBank functions with human rights risk have mitigation measures and remediation process implemented

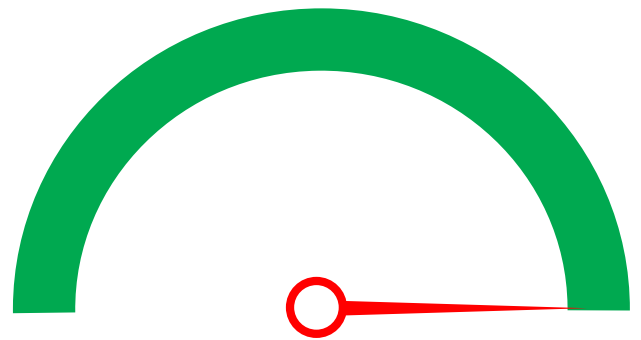
More information is available in KBank Sustainability Report 2021, page 124 - 127



2

Risk and Impact Assessment (7): Overview of Results for KASIKORN LINE

100%



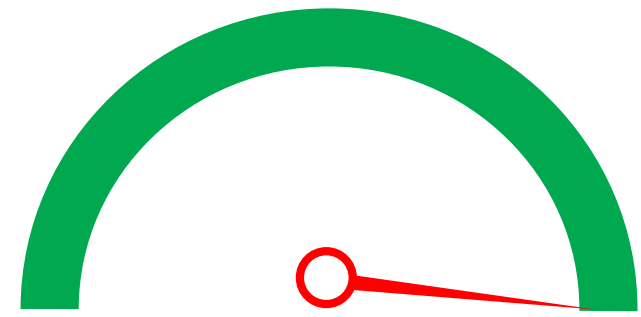
100% of KASIKORN LINE's (KBank's joint venture with management control) operations and business activities were assessed

0%



0% of assessed business activities of Kasikorn Line have human rights risks

100%



100% of KBank functions with human rights risk have mitigation measures and remediation process implemented

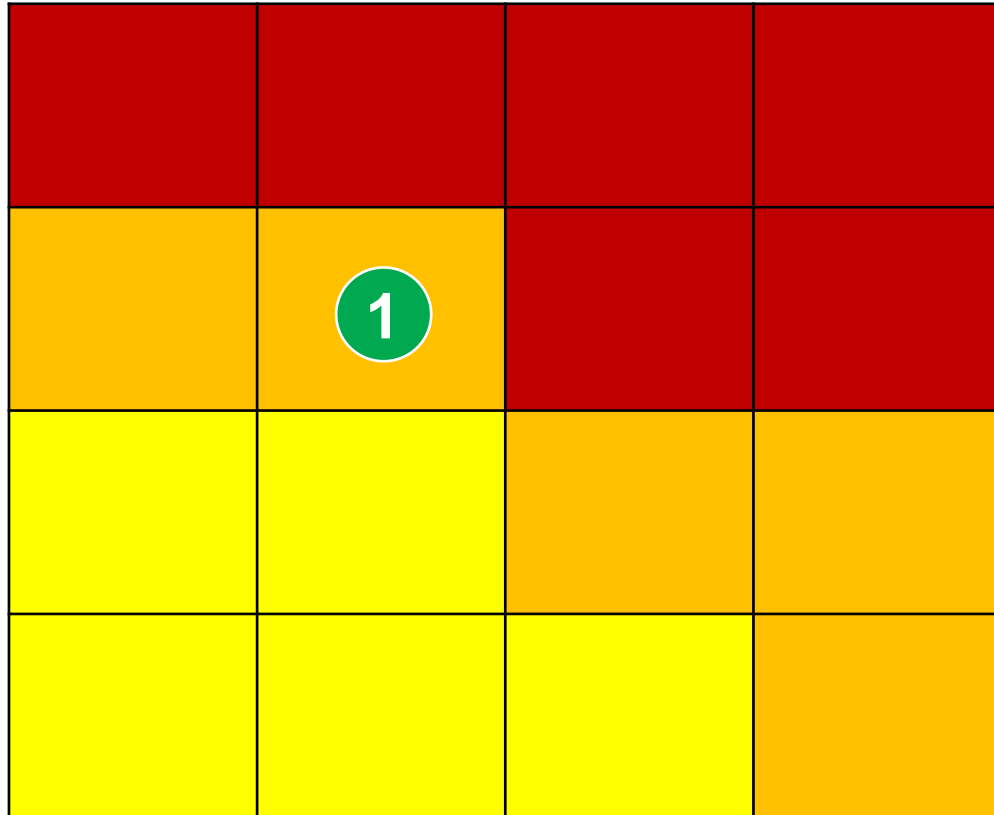
More information is available in KBank Sustainability Report 2021, page 124 - 127



2

Risk and Impact Assessment (8): Salient Issues in KBank's Supply Chain

Severity of risk and impact



Likelihood

There was one human rights salient issue identified for KBank's supply chain during 2021 human rights due diligence process.

Human rights issues, stakeholders and vulnerable groups, considered in 2021 human rights due diligence process, are illustrated in the below table.

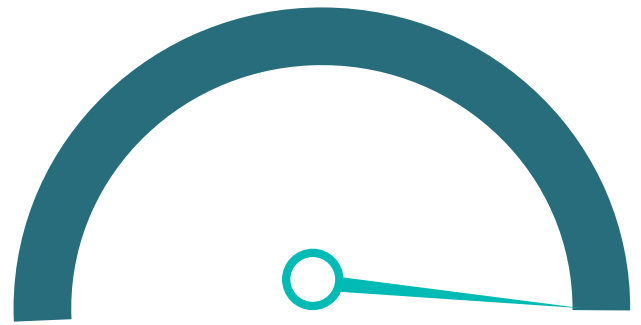
2020 KBank Suppliers' Salient Issues	Considered Stakeholders and Vulnerable Groups
1 Occupational Health and Safety of Suppliers in their own operation	Employees, women, third-party contracted labour, LGBTQI+, people with disability, elderly, pregnant women



2

Risk and Impact Assessment (9): Overview of Results for Supply Chain

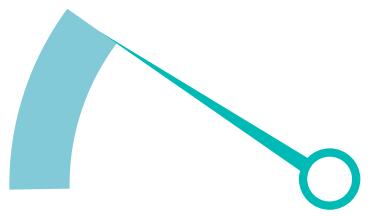
100%



100 % of total KBank' suppliers were assessed.

- 1,013 suppliers of Tier-1 and Tier-2

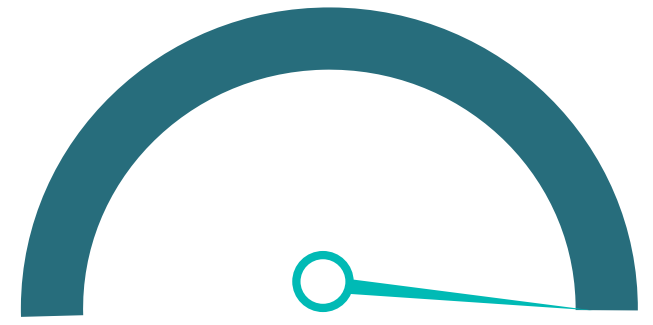
11.46%



11.46% of Tier-1 & 2 suppliers and contractors with human rights risk

- Health & Safety

100%



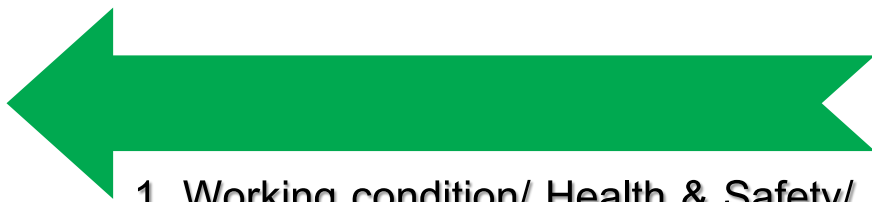
100% of assessed suppliers with human rights risk have mitigation measures and remediation process implemented



3 Integration & Internal Management: KBank's 2021 Salient Issues



RISK



1. Working condition/ Health & Safety/
Security in workplace
(Project Financing)



MITIGATION

- Poor health & safety condition of worker working in the project that the bank invest in

- A procedure to require an applicant to comply with the government's occupational health and safety regulations

3 Integration & Internal Management: KBank's 2021 Salient Issues



2. Environmental issues & human rights (pollution) (Project Financing)



- Adverse impact on local communities' quality of life from pollution

- A policy "not to support" operators who encroach on forest areas or contribute to deforestation or practice slash-and-burn agriculture to reduce air pollution that may affect the surrounding communities.
- A policy "not to support" mountaintop removal mining to reduce air pollution that may affect the surrounding communities.
- Measures to manage waste or residual toxic substances, and the storage of chemicals and hazardous materials.
- A policy "not to support" forced labor.



3 Integration & Internal Management: KBank's 2021 Salient Issues



RISK



3. Community rights and quality of life related to access to natural resources such as water and land (Project Financing)



MITIGATION

- Adverse impact on local communities' quality of life from lack of resources

- Encourage public participation in all projects that have received loans from KBank.
- Put in place reliable monitoring and auditing of issues relevant to community rights.



3

Integration & Internal Management: KBank's 2021 Salient Issues



RISK



4. Money laundering (Customer)



MITIGATION

- Not having a thorough or proper conducts for AML will lead to the possibility to assist in the receipt or transfer of funds obtained through certain crimes that are also human rights abuses constitutes money laundering.

- Take strict actions under existing measures such as an examination by the Financial Action Task Force (FATF), compliance with the anti-corruption policy, and putting in place a monitoring system for suspicious transactions.
- Monitor and examine Bitcoin platforms and implement various rules and regulations on online transactions.

3 Integration & Internal Management: KBank's 2021 Salient Issues



RISK

- Data breaches include theft, loss of media, media neglect
- Insecure practices such as collecting, storing, sending, encrypting, finding and removing data, and misuse of customer information may result in human rights violations.



5. Data breaches and information misuse (Customer)



MITIGATION

- Strictly comply with the related rules and regulations, as well as developing appropriate practice.
- Legitimate Interest Assessment for personal data processing.
- Build a standard platform for the transfer of data between KBank and outsiders.
- Organize a seminar on customer data privacy and data breach for all employees.
- Introduce the "SATI" campaign to raise awareness of employees and customers about data leakage prevention and data misuse.
- Review operational framework of outsiders.
- Improve existing data leakage prevention tools that are used for detecting data transfers to external destinations, such as raising their capacity in closing any leakage loophole of personal insurance data per the PDPA.



3

Integration & Internal Management: KBank's 2021 Salient Issues



RISK



6. Occupational Health and Safety (Supplier)



MITIGATION

- Poor health & safety condition for supplier of the bank

- Put in place a procurement process to ensure that suppliers comply with the required standards.
- Examine occupational health, safety and environmental standards of suppliers such as their personal protective equipment (PPE).
- Require to submit proof of certification for those are performing specific tasks, such as working in high places.
- Conduct an annual audit and regular visits to suppliers' operating sites.



4 Monitoring and Reporting

Open channels for reporting human rights violation



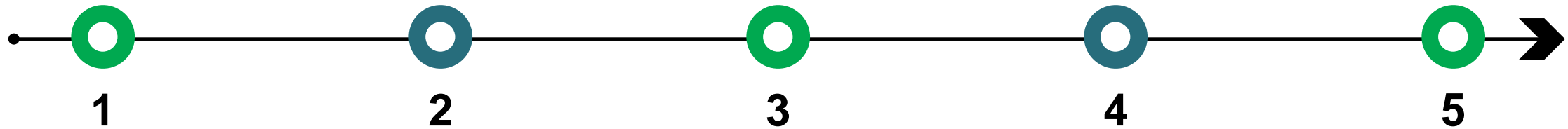
Details of whistle-blowing and communication channels can be found in our Sustainability Report 2021, page 51, please visit https://www.kasikornbank.com/th/sustainable-development/SDAnnualReports/Y2021_SD_EN.pdf

KBank is committed to respecting the human rights of all stakeholders and vulnerable groups, as well as take the necessary actions to prevent any possible human rights violation by developing new mitigation measures and enhancing the existing ones. In order to do so, KBank reviews human rights due diligence annually. Results from the human rights due diligence are utilized for more effective prevention, whereas performance are communicated to internal and external stakeholders.

Therefore, KBank provides communication channel for both internal and external stakeholders and vulnerable groups to report human rights violations or make complaints. This gives KBank an opportunity to conduct further investigation, as well as provide adequate remediation to affected stakeholders and vulnerable groups.

5 Remediation

Process implemented to mitigate human rights risks and to take remediation actions



- Register human rights risks (including human rights salient issues) that are identified during human rights due diligence process.

- Develop additional mitigation measures (i.e. using leverage to handle human rights issues of the associated third party, divestment decision) for the identified human rights salient issues; and
- Inform organizational responsible functions to develop actions plans for implementation of additional mitigation measure.

- Execute the developed action plans for additional mitigation measures by the responsible functions; and
- Inform relevant stakeholders and vulnerable groups about mitigation measures implemented for human rights salient issues.

- Monitor the effectiveness of existing and additional mitigation measures through various ways (i.e. grievance mechanism, whistleblowing, community/customer/ employee engagement);
- Report the progress to higher positions; and
- Consult with higher position on the approach for remedying affected persons when human rights adverse impacts occur and affect persons (mitigation measures cannot handle/ alleviate risks).

- Immediately initiate remediation actions (i.e. publicly official apologies, financial or non-financial compensation, persuading the associated third party to remedy affected persons), after receive approval;
- Report remediation taken to affected persons in order to receive feedbacks; and
- Regularly monitor and communicate with affected persons until they return to the previous state before being affected by human rights adverse impact.



5 Remediation

Remediation actions taken in 2021

After implementing mitigation measures as well as monitoring and tracking human rights violation in 2021, KBank had **no case of human rights violation**, nor concerns or grievances related to human rights submitted. Thus, **there were no remediation action** taken in any forms (i.e. publicly official apologies, financial or non-financial compensation, persuading the associated third party to remedy affected persons).