

CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

As a financial conglomerate operating under the Statement of Good Corporate Governance Principles and Corporate Social Responsibility (CSR) Principles, KASIKORNBANKGROUP recognizes our role in society towards support of public service projects and programs to care for underprivileged children and youth, assist community development and improve the environment in ways that promote a better quality of life for all, and sustainable social development. The Board of Directors Meeting resolved to revise the CSR policy as follows:

- To strictly adhere to the Statement of Business Conduct, and to participate in social development and environmental protection
- To encourage employees at all levels to strictly abide by the Code of Conduct and CSR Principles
- To launch CSR activities for the benefit of all stakeholders
- To arrange workplaces by placing considerable emphasis on safety, occupational health, environmental concern and facilitation for employees and customers
- To promote environmental preservation and contribution to society

In 2009, KASIKORNBANKGROUP formulated a CSR plan via different business divisions of KGroup and set aside budget for CSR activities at 1 - 1.5 percent of its annual net profit (or around Baht 150 - 250 million). CSR activities can be summarized in four categories, i.e.,

Society

KASIKORNBANKGROUP has cooperated with both public and private agencies in initiating and organizing activities for social contribution. These include provision of support for education, arts and culture, sports, religion, public health, disaster relief and development of community, youth and the underprivileged of society. These activities included:

Royal Kathin Robe Presentation Ceremony for 2009

As part of our effort to support Buddhism, KASIKORNBANKGROUP organizes a Royal Kathin Robe Presentation Ceremony every year. In 2009, KGroup held a Royal Kathin Robe Presentation Ceremony at Wat Traimit Witthayaram Voravihara, Samphanthawong District, Bangkok, which was presided over by Mr. Banyong Lamsam, KGroup Chairman. Also participating in the ceremony were KGroup executives and employees, and the general public. Aside from presenting Kathin robes, four necessities for Buddhist monks and other private monk utensils, KGroup set aside a sum of Baht 10,400,000 in donations for the temple's maintenance and for charitable activities via organizations and public agencies. They included the Narcotics Control Foundation for treatment and rehabilitation of young drug addicts under the Ban Tawan Mai program, the Thai Red Cross Society for the Prevention of Mother-to-Child Transmission (PMTCT) Program, the Foundation for the Blind in Thailand under the Royal Patronage of H.M. the Queen, the Home for Disabled Babies (Baan Fuengfah), the Home for Children with Disabilities, the Home for Mentally Handicapped Children (Ban Rajawadee), the Wat Traimit Witthayaram Voravihara Foundation, Trai Mit Witthayalai School, Wat Traimit Witthayaram Pariyatti-dhamma School, the Phra Maha Mondop Foundation of Wat Traimit Witthayaram, Mahaweeranuwat School, Plubplachai 2 Police Station, BMA General Hospital and Wat Yansangvararam Voramahavihara.



KBank's Chairman presided over the Royal Kathin Robe Presentation Ceremony for 2009 at Wat Traimit Witthayaram Voravihara Temple

KGroup Encourages Thais to Learn Treasured History from Documentary entitled “King Rama V’s Private Journeys”

KASIKORNBANKGROUP produced the documentary entitled “King Rama V’s Private Journeys”, broadcast by Thai PBS TV station. The television documentary series depicts a unique chapter of Siamese history in commemoration of His Majesty King Chulalongkorn’s private and royal visits to townships and rural areas in 44 provinces across the country a century ago, and features his talents and decent behavior in performing royal activities. The documentary comes as a set of DVDs entitled “King Rama V’s Private Journeys”, available at all KBank branches. Proceeds after expenses will be granted to Chulalongkorn University for educational purposes.



KBank produced a documentary series entitled “King Rama V’s Private Journeys”, presented in a set of DVDs, to depict a unique chapter of Siamese history

Seminar on “Women in Poverty Alleviation and Environment Conservation”

Her Royal Highness Princess Maha Chakri Sirindhorn presided over the Sino-Thai seminar on “Women in Poverty Alleviation and Environment Conservation”. On this occasion, she gave a lecture on “Experience in Strengthening the Potential of Women in Remote Areas”, jointly organized by the Office of Her Royal Highness Princess Maha Chakri Sirindhorn’s Projects and the All China Women’s Federation, on February 11, 2009, at KASIKORNBANK Head Office, Rat Burana Building. The forum was aimed at strengthening relations between China and Thailand, as well as promoting broader perspectives and understanding of the role of women in poverty alleviation and environment conservation on a global basis, among related officials to ensure better operation. The event, which was sponsored and administered by KGroup, attracted more than 500 participants, including Thais and Chinese.



KBank organized the 6th Sino-Thai Seminar on “Women in Poverty Alleviation and Environment Conservation”, aimed at strengthening relations between China and Thailand

Reforestation in Honor of the 50th Anniversary of His Majesty the King’s Accession to the Throne

KASIKORNBANKGROUP, in cooperation with the Rajapruerk Institute Foundation, took part in the project of “Reforestation in Honor of the 50th Anniversary of His Majesty the King’s Accession to the Throne” for the Department of National Parks, Wildlife and Plant Conservation. The project is aimed at planting and rehabilitating the watershed mountainous areas which have dry and sandy soil. Deforestation occurred due to agricultural settlement in the areas, which are now covered with weeds and undergrowth, causing the problem of soil degeneration. The program, which was carried out between 2005 and 2009, reforested areas of 19,804 rai in 2005, 20,748 rai in 2006, and 14,248 rai in 2007 - 2009. The total reforested area of 54,000 rai was delivered to the Department of National Parks, Wildlife and Plant Conservation.



KBank presented reforested areas to the Thai government as part of the project of “Reforestation in Honor of the 50th Anniversary of His Majesty the King’s Accession to the Throne”

Chinese Film and Performing Arts Festival in Celebration of the 60th Anniversary of the People's Republic of China (PRC)

KASIKORNBANKGROUP, in cooperation with the Ministry of Culture, the Embassy of the People's Republic of China and Chulalongkorn University's Chinese Studies Center, staged the Chinese Film and Performing Arts Festival in Celebration of the 60th Anniversary of the People's Republic of China (PRC). The event featured six rarely-seen Chinese movies shown at SFX Cinema, the Emporium, between September 30 and October 5, 2009, and the performance of an Inner Mongolian artistic troupe featuring over 40 performers, for the first time in Thailand, at the Chulalongkorn University Main Auditorium, on October 3 and 4, 2009. These special activities attracted a great number of our customers and the general public.



KBank joined in the Celebration of the 60th Anniversary of the People's Republic of China by staging a Chinese film festival and a performance of an Inner Mongolia artistic troupe

Charity Concert "Pan Dao Khuen Din" Raises Funds for Underprivileged Children via 8 Charitable Organizations

KASIKORNBANKGROUP, in cooperation with the Carabao Foundation, organized a charity concert of the Carabao band on December 4, 2009, at the Thammasat University Auditorium, to raise funds for charitable activities for social contributions. Proceeds from ticket sales of Baht 2,000,000, together with an equal sum donated by KGroup, totaling Baht 4,000,000, were presented to eight charitable organizations at Baht 500,000 each. They include the Foundation for Children, the Cardiac Children Foundation of Thailand, the Foundation for Children with Disabilities, the Child Protection Foundation, the Foundation for the Better Life of Children, the Books for Children Foundation, The Center for the Protection of Children's Rights Foundation, and the CCF Foundation in Thailand.



The Bank, in cooperation with the Carabao Foundation, organized a charity concert entitled "Pan Dao Khuen Din" to raise funds for eight organizations

KGroup Scholarships

KASIKORNBANKGROUP has always placed significance on education. As part of the Bank's efforts to promote education, the Bank provides scholarships to support education and student thesis writing at several universities every year. In 2009, six scholarships were granted for graduate study at Chulalongkorn University at Baht 15,000 each, totaling Baht 90,000; one scholarship worth Baht 223,000 for graduate study

at the Faculty of Economics, Thammasat University; and two scholarships worth a total of Baht 1,000,000 for undergraduate students of the Faculty of Communication Arts at Huachiew Chalermprakiet University. The Bank also donated a sum of Baht 2,400,000 to support the Chinese and Japanese Language Training Project of the Faculty of Arts, Chulalongkorn University.



KBank's First Senior Vice President presented scholarships to support student thesis writing for graduate study at Chulalongkorn University

Construction of Library for Thammasat University

KASIKORNBANKGROUP provided a sum of Baht 1,500,000 to the Faculty of Commerce and Accountancy, Thammasat University, for the construction of a library and improvement of lecture rooms. The library was named the "KASIKORNBANK Room" on November 23, 2009.



KBank presented a donation to the Faculty of Commerce and Accountancy, Thammasat University, for the construction of a library and lecture room improvement

KASIKORN Foundation Built Libraries for Schools in Two Provinces

KASIKORN Foundation under KASIKORNBANKGROUP took part in the improvement of educational quality for Thai students in rural areas. Emphasis was placed on the construction of libraries up to international standards for schools in remote areas across the country. In 2009, two libraries were constructed, for Ban Nam Phang School in Nan and Ban Nong Sano School, Ubon Ratchathani. Aside from the donation of quality books to those libraries, the KASIKORN Foundation also had an automated library book borrowing system installed for library management efficiency. This would indirectly help students learn how to apply technology to their work - a key basis for their learning that will contribute greatly to the nation in the future. On November 26 - 29, 2009, Mr. Banthoon Lamsam, Chief Executive Officer, KASIKORNBANK, led a team of news reporters to visit Ban Nam Phang School in Nan - one of the schools under the sponsorship of the KASIKORN Foundation. On this occasion, he also donated books and sports equipment to the school.



KBank's Chief Executive Officer led a team of news reporters to donate books and sports equipment to Ban Nam Phang School in Nan

"Mettadham" Project

The Bank launched the "Mettadham" project in 2006 to encourage KGroup and P Companies' employees to join activities for social contributions and to promote donations among them for betterment of the lives of less-fortunate

children, the aged and the disabled. Items donated through the “Mettadham” website include clothes, bedding, bags, shoes, books, toys, electrical appliances, e.g., rice cookers, electric hot water pots, radios, TV sets, and refrigerators, sports equipment, musical instruments, walkers, etc. In 2009, the “Mettadham” project received 4,171 donated items from 2,752 donors, including KGroup and P Companies’ employees, for distribution to 1,253 needy people and 173 organizations.



The Bank launched the “Mettadham” project to promote donations among KGroup and P Companies’ employees for a better life among less-fortunate children, the aged and the disabled

National Children’s Day 2009 Celebrations

KASIKORNBANKGROUP organized National Children’s Day 2009 celebrations at Pod Duang Plaza, Phahon Yothin Main Branch Building. More than 300 children from the Suan Plu community and around 200 - 300 children living nearby plus KGroup employees’ children took part in the activities and games, including inflatable bounce houses and slides for kids, toy trains, etc. There were also stage performances, i.e., the KBand, and a Likay performance by Wat Suan Kaeo orphans and homeless youth. All children had a good time joining the celebration, and snacks and beverages were distributed throughout the event. In addition, the “Mettadham” website also accepted donated items such as toys, rice, preserved foods, and daily necessities including toothbrush, toothpaste, soap and shampoo for further presenting to 1,195 orphans living in Wat Sa Kaeo, Ang Thong.



The Bank staged National Children’s Day 2009 Celebrations at Pod Duang Plaza, Phahon Yothin Main Branch Building

Exemplary Organization

KASIKORNBANKGROUP is renowned for our exemplary success in organizational management. In 2009, more than 20 public and private organizations, plus domestic and foreign educational institutes, paid visits to the Bank for presentations on organizational management. Selected presentation topics included human resources management, the economic situation, capital markets, forex trading, banking services, and good corporate governance. These were first-hand knowledge and learn from our experience of more than 60 years for the development of their organizations and society at large.



KBank’s Rat Burana Head Office

KBank Club’s Sports, Art and Music Camp for Underprivileged Youth Program

KASIKORNBANKGROUP cares for and gives significance to underprivileged children. We have organized activities related to sports, music and arts every year since 1994. These useful activities have been organized for 16 years now to give children living in youth shelters and homeless youth training foundations/centers the opportunity to join activities which are beneficial to their health and other skills for living. In 2009, KGroup organized the Sports, Art and Music Camp for Underprivileged Youth Program to encourage youth to spend their free time wisely. Training classes for football, basketball, volleyball, chorus singing, arts and painting were organized and taught by well-known instructors. Details of program participants are shown below:

Activities	Number of Classes	Number of Participants
1. Basketball	40	999
2. Football	40	918
3. Volleyball	41	900
4. Self-esteem boosting activities	1	30
5. Music: guitar and chorus singing	27	769
6. Arts and painting	38	760
Total	187	4,376



The Bank organized the Sports, Art and Music Camp for Underprivileged Youth Program at the KBank Club

Support for Project on Volunteer Camps for Rural Development

The Bank has a policy of encouraging students to voluntarily take part in rural development activities to help them learn by experience, providing them with a broader perspective on Thai rural society. The activities include projects for local development in cooperation with villagers, and community development. This is aimed at enhancing students’ knowledge, experience and skill to make contributions to the nation after graduation. In 2009, the Bank set aside Baht 1,500,000 in budget to support projects related to student volunteer camps for rural development of various educational institutions.



KBank provided financial support for projects on volunteer camps for rural development

KGroup Donates Computers to Schools in Remote Areas

Technology is an important factor for the country's development. However, it is evident that many schools do not have sufficient computers for educational purposes. Realizing this need, especially among schools located in remote areas, the Bank has made it customary to donate used computers and related IT equipment which is still in good condition to schools, temples and youth centers. In 2009, KGroup donated a total of 476 computers to 48 schools nationwide.



KBank donated used computers, which are still in good condition, to schools and other institutions

Environment and Safety

Due to our recognition of environmental problems and the importance of energy conservation, particularly energy efficiency, KBank has established an environmental preservation and conservation program, as well as an ongoing occupational health and safety program, as follows:

Occupational Health and Safety

The Bank takes due care to ensure that our buildings are safe, and clean with pleasant environments for efficient work, as well as being convenient for customers and persons doing business with the Bank.



Employees training at KBank's Learning Center, Chachoengsao

The Head Office building and other high-rise buildings of the Bank are designed and equipped with fire protection systems meeting U.S. NFPA (National Fire Protection Association) standards, which are accepted worldwide. Important systems within the buildings include an automatic fire alarm system, fire extinguishing system, smoke ventilation system, compressed air systems for each floor, fire exits and an automated building control system. Moreover, at the Head Office building, the Bank has built a helicopter-landing pad on the rooftop of the car parking garage building for emergency evacuation.

The Emergency Master Fire Plan for the Bank was drafted by experts and is updated continually. The Bank regularly arranges fire drills, at least once a year, so that staff who are responsible for fire fighting administration have the required knowledge and expertise to assist in building evacuation according to these plans. The Bank has drafted a Business Continuity Plan for all product domains of the Bank, as well.

The sanitation systems installed in the buildings are there for the health and safety of personnel working in those buildings, and include such systems as high-quality Merv 13 and two-stage air filtration systems plus air conditioning for clean air, free from outside air pollution; lighting systems with standardized lighting values for comfortable eyesight; and ozone-treatment drinking water purification systems, etc. In addition, high-quality electrical appliances are used within the buildings for energy savings.

The environment in society and in communities is always a point of concern for the Bank. The compounds of KBank's Head Office Building, Phahon Yothin Main Branch Building and Chaeng Watthana Building are pleasant spaces with

landscaped gardens, shade-giving trees, fountains, sculptures and a recreational ground etc. Emergency electricity generators are installed with exhaust systems that filter out smoke and smells, and have noise abatement devices to prevent disturbing nearby communities. The highly efficient wastewater system provides treated water to the gardens and for use within the cooling and sanitary systems. Therefore, apart from helping to preserve the environment, the system also helps the Bank to significantly reduce water utility costs.

In addition, the Bank has a policy of promoting environmental conservation and safety within the Head Office building and other high-rise buildings of the Bank. The Bank's policy of building construction and improvement is consistent with environmental standards established by the Leadership in Energy and Environmental Design (LEED) Green Building Rating System, developed by the U.S. Green Building Council (USGBC) and energy conservation and environmentally-friendly standards of the Ministry of Energy of Thailand.

These environmental standards have been applied to the improvements of KBank's Chaeng Watthana Building, which was inaugurated in February 2009. The Chaeng Watthana Building is aiming to achieve a LEED Gold Rating, and will be among Thai buildings nominated for the ASEAN Energy Awards 2010.

The Bank has completed the operational process improvement and renovation of the Rat Burana Building, while the interior refurbishment of the Phahon Yothin Building is being carried out to meet the LEED certification standards. These two buildings are aiming to achieve a LEED Gold Rating, as well.

In addition, high-quality electrical appliances have been installed at KBank branches to save energy, such as LED lights in offices and for illuminating advertising billboards. The Bank is planning to improve air conditioning systems at branches, as well. Aside from saving energy, these practices have helped reduce carbon dioxide or greenhouse gas emissions.

KBank Wins Thailand's First Gold Label Energy Efficiency Award

KASIKORNBANK's Chaeng Watthana Building won the Gold Label Energy Efficiency award from the Ministry of Energy at the "Gold Label Energy Efficiency and Environmentally Friendly Building" presentation ceremony, organized by the Department of Alternative Energy Development and the Chulabhorn Research Institute. The Gold Label recognizes buildings with excellent levels of energy efficiency and environmental friendliness. The Chaeng Watthana Building meets the environmental responsibility criteria of the Ministry of Energy due to the use of refrigerants that minimize the greenhouse effect. This new building meets minimum ventilation and lighting requirements of green buildings. It is also equipped with water treatment & renewable systems and a grease trap. Environmental protection and noise abatement devices have been put in place. Only environmentally-friendly paints and surface coatings have been selected for the building.



Educational Institutions visited the Bank for a presentation on the Chaeng Watthana "Green Building" Project, as the Bank has been recognized as an organization that promotes green, sustainable design and construction

The Chaeng Watthana Building has energy efficiency standards higher than regulatory requirements. The indoor and outdoor environmental quality of the building also meets minimum requirements. The Chaeng Watthana Building is among the first buildings to receive the Gold Label from the Ministry of Energy, which recognizes buildings with excellent levels of energy efficiency.

In addition, the Chaeng Watthana Building has won the 2009 Outstanding “Green Architecture” Award from the Association of Siamese Architects under Royal Patronage, which recognizes Thai buildings that promote green, sustainable design and construction.



KBank's Chaeng Watthana Building won a Gold Label Energy Efficiency Award

KGroup Introduces “Workplace Improvement” Program

Aside from creating a pleasant surrounding environment, KASIKORNBANKGROUP also encourages staff of KASIKORNBANK and other KGroup companies to improve their workplace environment. This has been carried out through the “Workplace Improvement” program at Rat Burana, Phahon Yothin, Chaeng Watthana, Silom and Sua Pa buildings to allow staff working there to clean their workplace, organize documents, discard unnecessary items and sort things for retrieval to meet hygienic standards of the Bank. Once those activities were completed, disinfectants were used on frequently touched surfaces as a measure to reduce the spread of the 2009 influenza virus.



Employees joined KBank's “Workplace Improvement” program

Business Activities

As a financial institution operating under the Statement of Good Corporate Governance Principles and Corporate Social Responsibility (CSR), KASIKORNBANKGROUP strives for the support of sustainable growth for SMEs and recognizes the importance of upgrading the competitive potential of entrepreneurs. Small-to-medium enterprises with sound business practices, in particular, have thus been promoted to ensure their healthy growth and effective contribution to the country's economic development.

To this end, entrepreneurs have been provided with business-related knowledge to give them a better understanding of how to effectively operate their business, tackling problems so as to improve their businesses. This will eventually lead to more sustainable growth in their business operations.

Training courses and seminars have thus been staged by KASIKORNBANK to provide the Bank's customers and entrepreneurs business-related knowledge that can be applied effectively and in a timely manner. These programs, through which customers' competitiveness potential is bolstered, help broaden their perspectives in doing business. The Bank acts as an intermediary to convey to the customers and entrepreneurs our business concepts, philosophy, operating practices and ideology that comply with the government's policies and vision to promote SME businesses. In 2009, the Bank launched learning-themed programs and seminars including:

Project to Promote Sustainable Management for SMEs

KASIKORNBANK has developed an innovative training program to promote sustainable management for SMEs as part of the Bank's K SME Care project. At least 4,600 people have participated so far in 10 K SME classes held nationwide.

The K SME Care project has been developed to enable SMEs to achieve sustainable growth through the offering of daily business and economic updates, in addition to complete financial products. The Bank also supported entrepreneurs through the offering of know-how and business advice. A survey of entrepreneur demands identified important factors for achieving sustainable growth for SMEs, such as up-to-date news and information, and business consultants. Having the Bank as a business advisor, entrepreneurs will be able to conduct business in a sustainable manner. Thus, KASIKORNBANK has launched the CSR campaign known as the K SME Care project in cooperation with 12 leading academic institutions nationwide with the aim of extending all aspects of business know-how to all SMEs. The K SME Care project offers a series of intensive training sessions conducted by successful management executives on topics that are suitable to Thai SMEs, including innovation management, branding for SMEs and change management. By integrating academic content with simulation games and business matching activities, entrepreneurs have learned how to assimilate the lessons learned from both class work and real business environments, resulting in the formation of a business community to extend help and share resources with one another. Our training is free of charge.

In 2009, the Bank, in cooperation with leading academic institutions, organized three K SME Care classes to help meet the needs of SMEs nationwide.



The Bank organized training entitled, "Sustainable Management Enhancement Project for SME Entrepreneurs"

KBank Opens Thailand's First Knowledge Center for SMEs

Based on our commitment to provide boundless business knowledge for all customers, KASIKORNBANKGROUP has opened Thailand's first knowledge center for SMEs, at the second floor of Chamchuri Square Center. This is the most complete SME knowledge center, providing an advisory service solution for all SME proprietors. Due to the global economic downturn, many proprietors, especially SMEs, small and medium enterprises, have faced problems in business management, so they have had to adjust their business operations in order to survive amid this tough situation. KASIKORNBANK, one of Thailand's leading commercial banks which has continued to give financial support and knowledge to SME proprietors, has established the K SME Care Knowledge Center in order to provide Thailand's first SME knowledge center run by a Thai commercial bank, offering the advisory service solution to support SME business operations.

Learning sections of the K SME Care Knowledge Center can be divided into three parts as follows:

- **Business Intelligence:** This is a source of business knowledge for SME proprietors. KBank has cooperated with our business affiliates from many organizations to provide knowledge, information and news that are beneficial to SMEs. Services in this section include SME Guru, a service in which SME business specialists give SME proprietors head-to-head consulting services in matters such as brand building, listing on the stock market, accounting knowledge, etc. Other facilities in this section include Knowledge Corner, a self-access

study zone providing business-related books, magazines and analysis articles, and Online Intelligence, an online knowledge source for those who would like to search for or study business knowledge, information and research papers via the Internet from worldwide databases.

- **Business Training:** This section helps improve the potential of SME proprietors by equipping them with seminars, training courses and activities that promote learning for business people. Courses available in this section include a course for Business Start-up, a training program for those who are in the initial stage of starting up a business. This training course will provide some basic knowledge and create inspiration for business undertakings. Two other courses are a course for Business Owner, which is for all proprietors who would like to develop and expand their businesses based on business stability and sustainability, and a course for Lifestyle, a training program which will give SME proprietors know-how to balance work and life, such as techniques of gift wrapping, photography tips and the art of presentation.
- **Business Network:** This section will help all SME proprietors to build business networks which help strengthen SME businesses. Activities arranged by the K SME Care Knowledge Center will give a chance for participating SME proprietors to get together and share business experiences with other participating business people. Activities provided include SME Society and Business Matching, giving participating SME proprietors the chance to meet other trade partners. In addition, the Online Business Matching activity via www.ksmecare.com offers a new channel for building business networks

KASIKORNBANK plans to develop the K SME Care Knowledge Center to be a useful source of knowledge by providing beneficial activities and seminars throughout the year. We aim for this center to help SME businesses to overcome the present crisis and show healthy and sustainable growth. In 2009, 3,200 SME proprietors used the services provided at the knowledge center.



The Bank launched the K SME Care Knowledge Center - the first center of its kind in Thailand under the operation of a Thai commercial bank - on the second floor of the Chamchuri Square Complex

KBank Launching “Green” Loan for Wastewater Treatment with Low Interest at 1.45% per annum

KASIKORNBANK, in cooperation with the National Science and Technology Development Agency (NSTDA), offers low-interest loans to factories embarking on energy-saving wastewater treatment projects requiring low energy consumption and being able to produce biogas as a byproduct. The obtained biogas will be used as fuel for factories under the Bank’s financial support scheme, such as the agro-processing industry, which has steadily contributed to the Thai economy, as processed farm products are our key exports. However, the agro-processing industry has been plagued with a lack of efficient wastewater treatment. Several factories now rely on an open pond system, which generates air and water pollution. Some factories have employed a costly alternative system, causing them to shoulder huge financial burdens.

Recognizing this problem, KASIKORNBANK has introduced the Tech Development Fund for Biogas - a financing scheme specifically designed for SME factories in the agro-processing and food processing industries, with annual sales turnover of at least Baht 50 million and/or employing up to 200 workers. The loan

support would facilitate installation of anaerobic fixed film reactor (AFFR) technology for wastewater treatment. The Bank will lend up to Baht 30 million per borrower for a maximum period of 6 years, with interest rate equal to 1.45 percent, p.a.

The National Center for Genetic Engineering and Biotechnology (BIOTEC), the National Science and Technology Development Agency (NSTDA) and King Mongkut’s University of Technology Thonburi (KMUTT) have jointly developed the anaerobic fixed film reactor (AFFR) technology, a highly effective method of wastewater treatment that suits factories located in Thailand, because this technology is based on the closed pond system which consumes less energy without an unfavorable smell. This wastewater treatment technology can also produce methane-based biogas as a byproduct, which can replace bunker oil or LPG gas for the production of thermal energy or electricity.

The Tech Development Fund for Biogas lending scheme will not only encourage factories to embrace an efficient and eco-friendly wastewater treatment system, but will also help proprietors save energy costs thanks to the biogas byproduct.

K-Credit Card’s Smart Value Choice points redeemed as “Merit points”

KASIKORNBANK invited K-Credit Card holders to participate in a merit-making scheme called “Smart Value Choice points redeemed as Merit points”. Every 2,000 Smart Value Choice points are worth Baht 200 for donation to these participating charitable organizations:

1. The Thai Red Cross Society
2. Organ Donation Center, the Thai Red Cross Society
3. Siriraj Foundation
4. Phramongkutkiao Hospital Foundation
5. The Princess Mother’s Medical Volunteer Foundation
6. Dhammaraksa Foundation, Wat Phrabatnamphu Temple, Lop Buri
7. Hospital for Tropical Diseases Foundation (TDF)
8. Ramathibodi Foundation Under Royal Patronage
9. World Vision Foundation of Thailand
10. CCF Foundation in Thailand



The Bank invited K-Credit Cardholders to join the “Smart Value Choice Points Redeemed as Merit Points” program, featuring the redemption of accumulated points under the Smart Value Choice program for donations to charitable organizations and the underprivileged



“Green” Loan for wastewater treatment with low interest at 1.45% per annum

KBank launched assistant measures for customers facing economic hardship: 40-percent reduction in housing loan installment payments, and one-year exemption from bill payment fees for water, electricity and land-line telephone service

KASIKORNBANK has launched two assistant measures for customers amid the current economic recession, the first being a 40-percent reduction in housing loan installment payments. Eligible customers were those with a housing loan of no more than Baht 2 million, because that group is the most vulnerable to the adverse effects of the recession. They were able to choose a package to cut installments by 40 percent from the normal payment for one year, from July 2009 to June 2010.

The above reduction in installment payments allowed our K-Home Loan customers to maintain sufficient cash for spending on other necessities, or to lessen their family burden caused by limited income, allowing them to keep their valued residential assets. New customers currently applying for K-Home Loan will be eligible for a reduction in their housing loan installment payments as well, in order to keep the monthly payments at a manageable level.

In addition, KASIKORNBANK announced exemption from bill payment fees for some basic utilities, i.e., water, electricity and land-line telephone service, for customers, effective from June 15, 2009 - June 30, 2010. Customers can choose any service channels at their convenience, including K-Cyber Banking, K-MOBILE BANKING, K-ATM or any KBank branch across the country.

The reduction in monthly installment payments for K-Home Loan, and exemption from bill payment fees for basic utility charges, are aimed at reducing the hefty financial burdens of our customers and society in general. These expenses are seen as necessities for all. KASIKORNBANK's assistance measures are in response to the government policy of encouraging financial institutions to help people reduce their financial burdens in any possible ways.



KBank launched two assistance measures - a reduction in housing loan installment payments and exemption of water, electricity and land-line telephone service bill payment fees - for customers amid the current economic recession

Concern and Care Project from KASIKORNBANK

As a part of the Bank's efforts to give something in return to customers, KASIKORNBANK provided bottles of K Excellence drinking water and pieces of candy to customers at more than 700 KBank branches. These complimentary gifts for clients have been offered continuously since last year. In addition, we have provided financial support for charitable activities arranged by external organizations, projects on student volunteer camps for rural development of various education institutions, and other activities of KASIKORNBANKGROUP.



KBank provided K Excellence bottled drinking water and candy to customers free of charge at KBank branches and on special occasions

Employees

KASIKORNBANKGROUP places considerable emphasis on personnel development. Thus, various learning courses have been organized for our employees to enhance their knowledge, ability and skills to be consistent with KGroup's strategic and business plans, so as to achieve optimum customer satisfaction. Among the programs launched for KGroup employees in 2009 were:

- A program to improve and develop the skill, competency, training roadmap and job qualification of each position according to our strategic plans and changing structure, duties and responsibilities of each division. A competency assessment system has also been developed to promote staff career plans and development.
- A Management Development Program (MDP) was continuously offered. In 2009, the human resource management and leadership programs were improved to match the changing circumstances. In addition, many courses were continuously provided for the Bank's executives.
- E-learning courses were developed to suit the current situation. In addition, the Bank has provided a special system to facilitate staff's e-Learning access, so they can access the e-Learning system anywhere and anytime via the Internet.
- The Bank has created knowledge management activities for the purpose of exchanging, compiling and sharing knowledge within the organization. This will help enhancing the Bank's knowledge base, which in turn will help improving the working process as well as developing staff knowledge and competency.

A number of learning courses and employees attending them in 2009 were as listed below:

Learning Courses in 2009	Number of Topics	Number of Classes	Number of Employees Attending
In-house learning courses	204	599	35,045
Outside learning courses	442	499	1,285
e-Learning	97	N/A	5,759
Total	743	1,098	42,089

Remarks:

- Each employee was allowed to attend several learning courses during the year.
- e-Learning is a self-study program, so a number of classes cannot be counted.

Plans for CSR Activities in the Future

KASIKORNBANKGROUP continues to strive to be an organization that upholds the CSR Principles, takes part in social development, and operates under the Statement of Good Corporate Governance Principles. Based on

environmental concerns, the Bank has supported activities for further development of youth and promotion of education, so as to achieve our business growth along with the nation's stable and sustainable development.