

Minutes of the General Meeting of Shareholders No. 109 of KASIKORNBANK PUBLIC COMPANY LIMITED

Friday, April 9, 2021

at Samanachan Hall, 3rd Floor, KASIKORNBANK PUBLIC COMPANY LIMITED Head Office Building,  
1 Soi Rat Burana 27/1, Rat Burana Road, Rat Burana Sub-District, Rat Burana District, Bangkok

The Meeting convened at 14.00 hours.

Ms. Kobkarn Wattanavrangkul, Chairperson of the Board and Lead Independent Director, acted as Chairperson of the Meeting. Also present at the Meeting were chief executive officer, presidents, directors, executives of the Bank and its wholly-owned subsidiaries, as well as the Bank's auditor, as listed below:

Seventeen directors participated in the Meeting, accounting for 94.44 percent of the total number of directors, including:

Ms. Kobkarn Wattanavrangkul	Chairperson of the Board and Lead Independent Director
Ms. Kattiya Indaravijaya	Chief Executive Officer
Mr. Pipit Aneaknithi	President
Mr. Patchara Samalapa	President
Mr. Krit Jitjang	President
Dr. Pipatpong Poshyanonda	President
Dr. Abhijai Chandrasen	Director and Legal Adviser
Sqn. Ldr. Naline Paiboon, M.D.	Independent Director
	and Chairperson of the Corporate Governance Committee
Mr. Saravoot Yoovidhya	Independent Director
Dr. Piyasvasti Amranand	Independent Director
	and Chairman of the Risk Oversight Committee
Mr. Kalin Sarasin	Independent Director and Chairman of the Audit Committee
Mr. Wiboon Khusakul	Independent Director
Ms. Suphatee Suthumpun	Independent Director and Chairperson of the Human Resources and Remuneration Committee
Mr. Sara Lamsam	Non- Executive Director ( Participating in the Meeting via Teleconference system)
Mr. Chanin Donavanik	Independent Director
Ms. Jainnisa Kuvichkul Chakrabandhu Na Ayudhya	Independent Director
Ms. Chonchanum Soonthornsaratoon	Non-Executive Director

There were executives of the Bank and its wholly-owned subsidiaries, totaling 10 persons, present at the Meeting, namely:

Mr. Ruangroj Poonpol	Chairman of KASIKORN BUSINESS-TECHNOLOGY GROUP
Dr. Adit Laixuthai	Corporate Secretary and Senior Executive Vice President
Mr. Chongrak Rattanapian	Chief Financial Officer and Senior Executive Vice President
Mr. Surasak Dudsdeemaytha	Executive Vice President
Mr. Pattarapong Kanhasuwan	Executive Vice President
Mr. Surat Leelataviwat	Executive Vice President
Mr. Tipakorn Saiphatana	Executive Vice President
Mr. Porvarate Chetphongphan	Executive Vice President
Ms. Sansana Sukhanunth	Executive Vice President
Ms. Supaneewan Chutrakul	Executive Vice President

An auditor representing KPMG Phoomchai Audit Limited was present at the Meeting, namely:

Ms. Sureerat Thongarunsang	Certified Public Accountant Registration No. 4409
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The Chairperson of the Meeting thanked the shareholders for attending the Bank's General Meeting of Shareholders No. 109, and introduced two new Directors, who were appointed by the Board of Directors Meeting No.10/2020, namely Mr. Krit Jitjang,

who is one of KBank's Presidents. His previous position was Senior Executive Vice President, overseeing the Enterprise Risk Management Division. He has extensive knowledge and experience human resource management of KBank and KASIKORNBANK FINANCIAL CONGLOMERATE, risk management, finance and control, and data management. Next is Dr. Pipatpong Poshyanonda, who is another KBank's President. His previous position was Senior Executive Vice President, overseeing the Customer and Enterprise Service Fulfillment Division. He has extensive knowledge and experience in customer and enterprise service fulfillment, various products and services of KBank, and digital payment service strategies, enhancement of sales and service experience, and various channels to accommodate new models of business undertakings.

The Board was of the view that Mr. Krit Jitjang and Dr. Pipatpong Poshyanonda are fully qualified without any prohibited characteristics for election as a director of a financial institution in accordance with related laws. As their knowledge, competency and experience will benefit KBank's long-term operations in line with business operational and sustainable development strategies of the Bank, the Board of Directors resolved to appoint them as Directors to fill vacancies on the Board. Additionally, their appointment received concurrence from the Bank of Thailand.

The Chairperson informed the Meeting of KBank's meeting procedures that are strictly complied with the public health standards of the relevant public agencies to prevent and control the spread of COVID-19. To minimize any inconvenience that this may have caused, the Bank would keep the Meeting as concise as possible. The Chairperson invited the Corporate Secretary to announce the number of shareholders, who were in attendance at this Meeting.

The Corporate Secretary informed the Meeting that there were 79 shareholders present in person and 4,616 represented through proxies, or a total of 4,695 shareholders, holding altogether 1,269,964,515 shares, representing 53.6002 percent of total shares sold, exceeding one-third of total shares sold. A quorum was thus constituted in accordance with the Bank's Articles of Association.

The Chairperson, therefore, declared the General Meeting of Shareholders No.109 open.

During the Meeting more shareholders and proxies entered, totaling 20 and 13 persons, respectively. Thus, there were 99 shareholders attending the Meeting in person, and 4,629 shareholders represented through proxies, making up a total of 4,728 shareholders, holding altogether 1,270,059,401 shares, or 53.6042 percent of total shares sold.

The Chairperson, then, invited shareholders and proxies to listen to an explanation for voting and vote-counting procedures, as summarized below:

The voting is based on the principle of one share equals one vote. For each agenda item, each shareholder is eligible to cast his/her vote to either approve, or disapprove, or abstain from voting. Split votes in other ways are disallowed. Exceptions are made for proxy holders for foreign investors who appoint custodians in Thailand to safe-keep their clients' securities, using Proxy Form C.

In voting for each agenda item, shareholders who wish to disapprove or abstain from voting on any agenda item should indicate their votes on the ballots; then relevant officers will record and collect the votes at their seats. Shareholders who approve or do not cast votes on the ballots will be assumed to have approved the agenda item as proposed.

In the vote-counting process, a resolution will require the majority votes of shareholders who attend the Meeting and cast their votes. An exception is made for the Agenda concerning approval for remuneration of directors, wherein a resolution will require at least two-thirds of all votes from shareholders in attendance at the Meeting, and Agenda concerning approval for amendment of KBank's Articles of Association, wherein a resolution will require at least three-fourths of all votes from shareholders in attendance and are entitled to vote at the Meeting.

To count the votes in approval for each agenda item, the Bank will deduct the total votes cast in disapproval and abstentions, as well as the number of invalid ballots, from votes of all shareholders being entitled to vote at the Meeting and by proxies. Shareholders who have cast their votes in advance or entrusted the Bank's Directors as their proxies will have their votes cast according to their wishes.

After the vote counting for each agenda item, the Bank will announce the voting results.

Invalid ballots include cases as there is more than one box marked or there are spilt votes (except for custodian) or there are cancellation marks on the ballots.

Shareholders or proxies wishing to ask questions or express their opinions are requested to give their full names before doing so, so that the Bank can record their names in the Minutes of the General Meeting of Shareholders later on.

At the end of the Meeting, shareholders are requested to return the ballots to the relevant officers. For shareholders who wish to leave the Meeting early are required to return all the remaining ballots to the relevant officers for record later on. The Bank uses the barcode system for the registration process and vote counting for the convenience of shareholders.

After the report on voting and vote-counting procedures, the Chairperson asked the Corporate Secretary to inform the Meeting of best practices for the General Meeting of Shareholders of the Bank.

The Corporate Secretary informed the Meeting that, before the date of this General Meeting of Shareholders, the Bank had provided the opportunity for all shareholders to submit their views on any issues as they deemed fit for inclusion in the agenda of the General Meeting of Shareholders, as well as questions regarding the agenda of the Meeting, but there were no issues submitted for inclusion in the agenda of the General Meeting of Shareholders. However, there were some shareholders who submitted questions regarding the agenda of the General Meeting of Shareholder in advance, and the Bank had preliminarily responded to those questions. More details will be informed to the shareholders in relevant agenda items.

The Bank is concerned about health and hygiene of all shareholders during the current COVID-19 pandemic outbreak and has placed the highest priority on stringent measures to prevent and control the spread of the disease. The Bank, thus, requested cooperation from all attendees at the Meeting to strictly comply with such measures by always wearing face masks at all times while at the Meeting venue and maintaining a distance from one another by taking a seat designated by the Bank only for safety of shareholders and all parties-. The Bank reserves the right not to allow those who fail to comply with the measures from attending the Meeting for the safety of all attendees.

As for asking questions in the Meeting room, the Bank has prohibited the use of microphone to ask questions. Shareholders or proxies wishing to express their opinions regarding the agenda of the Meeting or KBank's business operations were requested to write their enquiries along with their full name and their status of either a shareholder or proxy on the paper provided and the Corporate Secretary will collect and propose them to the Chairperson. The Bank will respond to questions related to the relevant agenda. To keep the Meeting concise, if there are many questions, the Bank may consider responding some of them and record in the Minutes of the General Meeting of Shareholders or on KBank's website later on.

In addition, the Bank had invited representatives from Baker & McKenzie Limited and one shareholder from the floor to witness the vote-counting at this Meeting.

In this regard, one shareholder volunteered to witness the vote-counting throughout the Meeting.

The Chairperson informed the Meeting that the Minutes of the General Meeting of Shareholders No. 108 were posted on the Bank's website under Investor Relations section on April 15, 2020. Shareholders were also informed of such a disclosure via the Stock Exchange of Thailand. The Bank offered shareholders opportunities to revise or provide additional views related to the Minutes of the General of Shareholder Meeting by May 2, 2020. As no shareholders sought to revise or propose additional views, shareholders, therefore, were assumed to have adopted the Minutes of the General Meeting of Shareholders No. 108.

Then, the Chairperson requested that the Meeting proceed to other items on the agenda, as follows:

**1. To acknowledge the Board of Directors' Report of year 2020 operations**

The Chairperson informed the Meeting that it was considered appropriate for the Board of Directors to report the operations of year 2020 per details in the Annual Registration Statement and Annual Report 2020 (Form 56-1 One Report) and summary of the Financial Information, which had been delivered to the shareholders together with the Notice of this Meeting. As this agenda item was for acknowledgment, shareholders were not required to vote.

The Chairperson informed the Meeting that KBank was committed to operating business with transparency and adherence to Anti-Corruption Policy, which has been communicated to employees, as well as counterparties on a regular basis

Mr. Phanu Tangphunsinthana, a shareholder, said he found the meeting procedure was inconvenient for him because of the prohibition of using a microphone for asking questions.

The Corporate Secretary explained that since a microphone may be a disseminating source of virus, the prohibition of using it for asking questions was part of the measures to prevent the worsening COVID-19 pandemic for safety of all shareholders and attendees.

Mr. Phanu Tangphunsinthana, a shareholder, would like to know the reasons and remediation guidelines for the decline in KBank's income from insurance premiums for the past five consecutive years.



The Chief Executive Officer explained that income from the insurance business has declined steadily, due to the national economic slowdown over the past several years and other unfavorable factors that affected sales of insurance products. Giving priority to customers' benefits and needs, KBank has offered appropriate information and insurance products to meet their needs. However, KBank still tries its best to generate income to compensate the shortfall, while fine tuning strategies to ensure business growth and meet the customers' needs, and democratizing investment and insurance products for the untapped prospective retail customers.

Mr. Phanu Tangphunsinthana, a shareholder, would like to know details of a company that Mr. Ruangroj Poonpol, Chairman of KASIKORN BUSINESS-TECHNOLOGY GROUP, runs business related to investing in startups.

The Corporate Secretary explained that if that meant a company personally owned by Mr. Ruangroj Poonpol, that company is not related to KBank's business in any way.

Mr. Basant Kumar Dugar, a shareholder, commended KBank for having favorable operating results, as reflected by operating cash flow management and investment.

The Chairperson thanked the shareholder.

There were no more questions from the shareholders.

The Meeting duly acknowledged the Board of Directors' Report of year 2020 operations.

## **2. To consider approving the Financial Statements for the year ended December 31, 2020**

The Chairperson asked the Meeting to consider approving the Financial Statements for the year ended December 31, 2020, which had been considered by the Board of Directors and the Audit Committee, and audited by the Certified Public Accountant. Details were as presented in summary of the Financial Information Form the Annual Registration Statement and Annual Report 2020 (Form 56-1 One Report), which had been delivered to the shareholders together with the Notice of this Meeting. The Chairperson asked Ms. Kattiya Indaravijaya, Chief Executive Officer, to present a report on key details to the Meeting.

The Chief Executive Officer reported to the Meeting the Bank's Consolidated Financial Statements for the year ended December 31, 2020, as follows:

### **Statement of Financial Position**

The Bank's assets totaled approximately Baht 3.6 trillion, increasing over last year by approximately Baht 364.9 billion; total liabilities amounted to about Baht 3.1 trillion, increasing over last year by approximately Baht 327.3 billion; total equity attributable to equity holders of the Bank amounted to approximately Baht 439.6 billion, increasing over last year by approximately Baht 33.3 billion. Significant changes were seen in the following items:

- Loans and net accrued interest receivables equaled approximately Baht 2.1 trillion, an increase over last year by approximately Baht 241.7 billion. Those loans were largely commercial and home loans.
- Deposits equaled approximately Baht 2.3 trillion, increasing over last year by approximately Baht 272.9 billion, due mainly to higher savings deposits.
- Unappropriated Retained Earnings equaled approximately Baht 359.0 billion, an increase over last year by about Baht 20.0 billion, due largely to higher net income in 2020 by approximately Baht 29.4 billion, but the Bank paid approximately Baht 10.6 billion in dividend in April 2020.

### **Statement of Profit or Loss and Other Comprehensive Income**

With regard to the Bank's operating results for 2020, the Bank's consolidated net profit totaled approximately Baht 29.4 billion. Significant changes are summarized as follows:

- Net interest income totaled approximately Baht 109.0 billion, an increase over last year by about Baht 6.3 billion, due largely to the decline in interest expenses.
- Non-interest income totaled approximately Baht 45.8 billion, a decrease from last year by approximately Baht 11.9 billion, due largely to lower revenue from sales of securities and the decline in loan-related fee as the journal entry of this item has been recognized as interest income in accordance with TFRS 9.
- Other operating expenses totaled approximately Baht 69.9 billion, a decrease from last year by about Baht 2.7 billion, due mainly to a drop in estimated employee expenses, premises and equipment expenses, and marketing expenses.

- Expected credit loss totaled approximately Baht 43.5 billion, an increase over last year by approximately Baht 9.5 billion. KBank and its wholly-owned subsidiaries have considered setting aside higher expected credit loss, adhering to a prudent financial policy because of heightened uncertainty from the COVID-19 pandemic at home and abroad, plus the government's measures requiring financial institutions to offer assistance for affected customers. The amount of provisions is at the appropriate level that can accommodate potential risks and in line with the happened situation.

From the Statement of Financial Position and Statement of Profit or Loss and Other Comprehensive Income, as above, the Chief Executive Officer requested the Meeting to approve the Financial Statements for the year ended December 31, 2020.

Mr. Phanu Tangphunsinthana, a shareholder, would like to know why there are two lines and different figures regarding issued and paid-up share capital in the equity part of the Statements of Financial Position.

The Chief Executive Officer explained that issued and paid-up share capital in 2020 was not equal to that reported in 2019. In 2020, the issued and paid-up share capital dropped slightly because the Bank implemented the share repurchase project from February 14-17, 2020, and the Bank scheduled to sell those repurchased shares from August 31 to September 16, 2020. However, since the Bank could not sell those repurchased shares, KBank's Board of Directors resolved to reduce the issued and paid-up share capital on a par with the amount of such repurchased shares. This matter was informed via the Stock Exchange of Thailand on September 18, 2020. These are the reasons why the issued and paid-up share capital in 2020 was not equal to that reported in 2019.

Mr. Phanu Tangphunsinthana, a shareholder, would like to know the meaning of loss on cash flow hedges and the reason for loss on cash flow hedges totaled Baht 1,031 million in 2020, as well as the meaning of impairment loss on loans and debt securities, and expected credit loss.

The Chief Executive Officer explained to the shareholder that the loss on cash flow hedges was a result of the Bank's attempts to prevent risks that may arise from investment. In so doing, not only expenses were taken into consideration, but a comparison must also be made with a particular risk associated with a recognized asset. Meanwhile, impairment loss on loans and debt securities in 2019 meant almost the same as expected credit loss. It is a new term for the 2020 Financial Statements under TFRS 9.

Mr. Thaprasert Phairotphamon, a shareholder, would like to know the meaning of derivative assets and derivative liabilities.

The Chief Executive Officer explained to the shareholders that a derivative is a type of financial instrument used to hedge against risks or for KBank's business management.

Mr. Staporn Khothiranurak, a shareholder and proxy from DBMT Co., Ltd., referred to Key Audit Matters in the Auditor's Report, which states expected credit loss that may arise from the new TFRS 9, and would like the auditor to elaborate on the complexity of the new credit model that has an accounting impact on the Financial Statements in the current and future accounting rounds.

Ms. Sureerat Thongarunsang, an auditor from KPMG Phoomchai Audit Limited, explained to the shareholder that in response to the new accounting standards, the Bank had to develop a prototype or model to forecast and assess borrowers or loans or various credits that had been extended. If it has been projected that there is a need to set aside a provision as of December 31, the Bank has to do so right away. Meanwhile, future events depend on servicing ability of borrowers or the amount of loans extended to each borrower. Uncertainties, therefore, rest upon the unemployment rate, or business and industrial growth rates, as well as economic risk that may arise from the COVID-19 pandemic. Detailed measures and variables must be used for the calculation and ranged from retail to related-industrial level to ensure that those variables are reflected in the model so that an adequate provision can be set aside. Therefore, it is a matter of carefulness and complexity of various variables.

Mr. Staporn Khothiranurak, a shareholder and proxy from DBMT Co., Ltd., asked further questions on guidelines introduced by the Bank of Thailand and Federation of Accounting Professions for the 2020-2021 accounting round, regarding the number of customers and the amount of non-NPLs and NPLs that meet the criteria of the restructuring of non-NPLs and NPLs into Stage 1. In addition, he also would like to know about the impact that the guidelines may have on the Financial Statements once the relaxation expires and the Bank's assistance guidelines for customers during the COVID-19 pandemic so as to prevent NPLs in the future.

The Chief Executive Officer explained to the shareholder that KBank's loans as of the year ended 2020 grew 12 percent, due primarily to assistance measures for borrowers of the Bank of Thailand and KBank. The 12 percent growth in KBank's loans was supported partly by the 4 percent growth in core business. As of December 2020, KBank's loan portfolio under such assistance

measures amounted to 19 percent of the total loans or Baht 428 billion, and some loans amounted approximately Baht 20 billion were restructured in to Stage 1, in accordance with the Bank of Thailand's guidelines. The majority of customers under relief measures was able to pay debt as usual and KBank's relief measures to assist more customers remain in place until the COVID-19 pandemic eases.

Mr. Basant Kumar Dugar, a shareholder, recommended that KBank organize more roadshows and would like to know whether the Bank can borrow more interbank and zero-money market items than interbank and market items on the part of assets and use credit insurance to extend loans.

The Chief Executive Officer explained that the Bank can do that, but the timing is not favorable because the interest rate has yet to reach zero percent as mentioned by the shareholder. The Bank can also use credit insurance to extend loans, but there is no sufficient market to do so. However, the Bank can extend loans to SMEs through the Thai Credit Guarantee Corporation (TCG).

Mr. Thawatchai Thianbunsong, a shareholder, who submitted a question via email, would like to know the reasons and criteria of remuneration payment for directors because there was an increase in remuneration payment for directors while almost all operating expenses declined, such as employee expenses, as shown in the Financial Statements in 2020, as compared to those in 2019. Additionally, he said that in classified loans and expected credit loss of loans classified in Stage 3 (non-performing), KBank set aside expected credit loss at only 40.6 percent of the total loans and accrued interest receivables of loans classified in Stage 3, thus he would like to know why the Bank did not set aside expected credit loss at higher than the mentioned level or 100 percent.

The Corporate Secretary had explained to the shareholder that in 2020 the Board of Directors received remuneration as directors, independent directors, audit committee members, corporate governance committee members, human resources and remuneration committee members, risk oversight committee members and legal advisor, including bonus at the rate of 0.5 percent of dividend payment from the 2010 operation results (the Bank-only Financial Statements), at a total of Baht 108 million, an increase of Baht 6 million compared to that in 2019, due primarily to an increase in dividend payment to Baht 5 per share (approved in 2020), from Baht 4 per share in the previous year. Regarding expected credit loss that the Bank set aside at approximately 40 percent of loans to customers and accrued interest receivables, the Bank set such provision for each classified loan in accordance with the criteria of the Bank of Thailand and TFRS 9, taking into account many factors, including economic conditions, debt servicing ability of borrowers and collateral. The fact that expected credit loss of Stage 3 is lower than 100 percent is due partly to the value of collateral that customers had pledged with the Bank.

There were no more questions from the shareholders.

The Meeting considered the matter and cast votes.

The Corporate Secretary announced the voting results, as follows:

There were 1,268,612,359 votes approving, equal to 99.9639 percent of all votes of shareholders in attendance and casting votes; 457,100 votes disapproving, equal to 0.0360 percent of all votes of shareholders in attendance and casting votes; and 937,030 votes abstaining. There were no invalid ballots.

In conclusion, the Meeting, by a majority of shareholders, who attended the Meeting and cast their votes, resolved to approve the Financial Statements for the year ended December 31, 2020, as proposed.

### **3. To consider approving the appropriation of profit from 2020 operating results and dividend payment**

The Chairperson requested the Meeting to consider approving an appropriation of profit from the 2020 operating results, and dividend payment, as presented to the Meeting by Ms. Kattiya Indaravijaya, Chief Executive Officer.

The Chief Executive Officer proposed an appropriation of profit from the 2020 operating results, and dividend payment, as noted below:

- No legal reserve appropriation because KBank's legal reserve had reached the amount required by laws.
- Dividend payment from 2020 operating results to ordinary shareholders at the rate of Baht 2.50 per share, from a total of 2,369 million shares, amounting to Baht 5,923 million, which was 23.73 percent of the 2020 net profit. The record date will be set on April 21, 2021 to determine the list of shareholders entitled to receive dividend. The dividend payment shall be made on May 7, 2021. The dividend payment will be derived from retained earnings, which are subject to corporate income tax of 30 percent in the amount of Baht 1.8768 per share, 25 percent in the amount of Baht 0.0648 per share and 23 percent in the amount of Baht 0.5584 per share. Therefore, an individual shareholder may apply for tax credit on dividend



at the rate of 30/70, 25/75 and 23/77 of the dividend amount received, respectively. The Board of Directors deemed the above rate of dividend as appropriate, being in line with the Bank's dividend payment policy. The Bank's capital fund status will remain solid, enabling it to accommodate continuous growth and business expansion.

The Meeting was asked to consider approving the appropriation of profit and dividend payment, as well as the allocation of the remaining profit to KBank's capital fund.

Mr. Phanu Tangphunsinthana, a shareholder, commented that as the Bank of Thailand had issued a circular letter on dividend payment from the 2020 operation results, which states that banks must not make dividend payment greater than 50 percent of the 2020 net income and 2019 dividend payout ratio, this means that KBank can make dividend payment at the rate of Baht 3.50 per share, amounting to Baht 8,292,646,575.50, or 33.22 percent of the 2020 net income, which is not higher than the 34.43 percent in 2019, and the Bank has adequate cash flow for dividend payment. He, therefore, proposed that the Bank considers making dividend payment at the rate of Baht 3.50 per share instead of Baht 2.50 per share as proposed by the Board of Directors. Since dividend payment from accumulated profit is subject to tax at the rates of 30, 25 and 23 percent, he wanted to know what are the corporate income tax rate which the remaining retained earnings subjected to, after dividend payment in 2021.

The Chief Executive Officer explained that although the Bank of Thailand allows commercial banks to make dividend payments at the rate proposed by the shareholder, but due to uncertainties, which have affected commercial banks and their clients, it is necessary for KBank to keep a certain part of capital as reserve to ensure that its capital fund remains solid and can cope with potential downside risks ahead. Additionally, such reserve is needed to assist customers affected by the current crisis with recognition placed on operating results and long-term returns for shareholders. That reserve is also required to maintain the ratio of capital to risk-weighted assets at an appropriate level in order to facilitate the Bank's business growth and expansion on a continuous basis, including technology investment and its endeavor to become the Bank of AEC+ 3, in accordance with the Board of Directors' policy to ensure that the Bank can make dividend payments on a continuous basis, with recognition placed on offering steady returns for shareholders. The amount of remaining accumulated profit after the dividend payout in 2021 shall subject to tax at the rate of 23 percent.

Ms. Nitphada Chaisuphattanakun, a shareholder, would like to know the Bank's dividend payment guidelines in 2021 (including dividend payment in May 2021) and whether the Bank would make dividend payment twice as in the past, or not.

The Chief Executive Officer explained that the Bank tries to make both annual and interim dividend payments, however KBank had to comply with the Bank of Thailand's announcement last year that required commercial banks to suspend an interim dividend payment.

There were no more questions from the shareholders.

The Meeting considered the matter and cast votes.

The Corporate Secretary announced the voting results, as follows:

There were 1,269,855,982 votes approving, equal to 100.0000 percent of all votes of shareholders in attendance and casting votes; no votes disapproving; and 150,607 votes abstaining. There were no invalid ballots.

In conclusion, the Meeting, by a majority of shareholders, who attended the Meeting and cast their votes, resolved to approve the appropriation of profit from the 2020 operating results and dividend payment, as proposed.

#### **4. To consider the election of directors to replace those retiring by rotation**

The Chairperson informed the Meeting that, under Article 10 ter of the Bank's Articles of Association, one-third of all directors shall retire by rotation at every General Meeting of Shareholders. The directors retiring by rotation at this Meeting were:

Ms. Kobkarn Wattanavrangkul	Independent Director
Ms. Sujitpan Lamsam	Non-Executive Director
Mr. Pipit Aneaknithi	Executive Director
Dr. Pipatpong Poshyanonda	Executive Director
Dr. Abhijai Chandrasen	Non-Executive Director
Mr. Wiboon Khusakul	Independent Director

The Chairperson requested Ms. Suphajee Suthumpun, Chairperson of the Human Resources and Remuneration Committee, to present this agenda item to the Meeting.

The Chairperson of the Human Resources and Remuneration Committee reported to the Meeting that in considering the election of directors to replace those retiring by rotation under this agenda item, Dr. Abhijai Chandrasen had expressed his intent not to be nominated for re-election as a director for another term to comply with the Board of Directors Charter, which stipulated the age limit of a director. Therefore, there would be five directors, namely Ms. Kobkarn Wattanavrangkul, Ms. Sujitpan Lamsam, Mr. Pipit Aneaknithi, Dr. Pipatpong Poshyanonda and Mr. Wiboon Khusakul, to be re-elected as directors.

The Human Resources and Remuneration Committee, exclusive of the nominated directors, had thoroughly considered the directors' qualifications and suitability for the Bank business, in accordance with the nomination process and their performance assessment results, and was of the opinion that the five directors referred to earlier were fully qualified, without prohibited characteristics for appointment as directors of a financial institution in accordance with applicable laws. In addition, they had performed their duties with full responsibility, due care and integrity in compliance with the regulatory requirements, objectives, Articles of Association of the Bank, resolutions of the Board of Directors, as well as resolutions of the General Meeting of Shareholders. Ms. Kobkarn Wattanavrangkul and Mr. Wiboon Khusakul are also qualified as Independent Directors per the criteria as specified by the Bank and are able to express their independent opinions, and in compliance with relevant criteria.

The Human Resources and Remuneration Committee had presented the above comment to a Meeting of the Board of Directors. At that meeting, the Board of Directors, excluding these nominated directors, endorsed the proposal made by the Human Resources and Remuneration Committee.

The Meeting was, therefore, requested to consider approving the re-election of these five directors as directors of the Bank, each for one more term. All the proposed directors had received concurrence from the Bank of Thailand. Their biographies and experience, as well as the definition of an independent director, were presented in Annex No. 2 attached to the Notice of the current Meeting.

The Chairperson of the Human Resources and Remuneration Committee informed the Meeting that, for this agenda item, the Bank had provided the opportunity for shareholders to propose any qualified candidates for directorship election prior to the General Meeting of Shareholders. There were no shareholders proposing a candidate for the directorship election.

There were no questions from the shareholders.

The Meeting considered and cast votes to re-elect the directors on an individual basis.

The Corporate Secretary announced the voting results, as follows:

1. Ms. Kobkarn Wattanavrangkul: - Approved by shareholders representing 1,243,468,881 votes, equal to 98.2838 percent of all votes of shareholders in attendance and casting votes;  
- Disapproved by shareholders representing 21,712,198 votes, equal to 1.7161 percent of all votes of shareholders in attendance and casting votes;  
- Abstentions totaled 4,827,610 votes;  
- No invalid ballots.
2. Ms. Sujitpan Lamsam: - Approved by shareholders representing 1,183,337,191 votes, equal to 93.5291 percent of all votes of shareholders in attendance and casting votes;  
- Disapproved by shareholders representing 81,869,768 votes, equal to 6.4708 percent of all votes of shareholders in attendance and casting votes;  
- Abstentions totaled 4,801,730 votes;  
- No invalid ballots.
3. Mr. Pipit Aneaknithi: - Approved by shareholders representing 1,228,090,198 votes, equal to 96.7119 percent of all votes of shareholders in attendance and casting votes;  
- Disapproved by shareholders representing 41,752,741 votes, equal to 3.2880 percent of all votes of shareholders in attendance and casting votes;  
- Abstentions totaled 165,750 votes;  
- No invalid ballots.



4. Dr. Pipatpong Poshyanonda:
- Approved by shareholders representing 1,227,518,928 votes, equal to 96.6669 percent of all votes of shareholders in attendance and casting votes;
  - Disapproved by shareholders representing 42,324,011 votes, equal to 3.3330 percent of all votes of shareholders in attendance and casting votes;
  - Abstentions totaled 165,750 votes;
  - No invalid ballots.
5. Mr. Wiboon Khusakul:
- Approved by shareholders representing 1,254,109,184 votes, equal to 98.7617 percent of all votes of shareholders in attendance and casting votes;
  - Disapproved by shareholders representing 15,723,938 votes, equal to 1.2382 percent of all votes of shareholders in attendance and casting votes;
  - Abstentions totaled 175,567 votes;
  - No invalid ballots.

In conclusion, the Meeting, by a majority of the shareholders, who attended the Meeting and cast their votes, resolved to re-elect all five directors as the Bank's directors for another term and acknowledged that Dr. Abhijai Chandrasen had retired from the position of a director of the Bank.

#### **5. To consider the election of a new director**

The Chairperson informed the Meeting that, under Article 9, paragraph 1, of the Bank's Articles of Association stipulates that the Bank must have at least 7, but not exceeding 18 directors. The Board of Directors had prudently screened and concurred with the proposal of the Human Resources and Remuneration Committee to propose that the General Meeting of Shareholders elect one more director, namely Mr. Suroj Lamsam. his biography and experience were presented in the Annex No. 3 attached to the Notice of the General Meeting of Shareholders. The Chairperson requested Ms. Suphajee Suthumpun, Chairperson of the Human Resources and Remuneration Committee, to present this agenda item to the Meeting.

The Chairperson of the Human Resources and Remuneration Committee proposed that the Meeting consider electing Mr. Suroj Lamsam as a Non-Executive Director of KBank. Mr. Suroj Lamsam graduated with a Master's Degree in management from Sasin Graduate Institute of Business Administration and a Master's Degree in communications from New York University, USA. Currently, he is Chief Executive Officer and President of LOXLEY PCL and Director of subsidiaries of LOXLEY PCL.

The Human Resources and Remuneration Committee deemed that Mr. Suroj Lamsam was fully qualified and suitable for the banking business without any prohibited characteristics for appointment as a director of a financial institution in accordance with applicable laws. His qualifications, skills, knowledge, competency and experience would also benefit the Bank, under concurrence by the Bank of Thailand.

It was deemed appropriate, therefore, to propose the Meeting to approve the election of Mr. Suroj Lamsam as the Bank's Director.

There were no questions from the shareholders.

The Meeting considered the matter and cast votes.

The Corporate Secretary announced the voting results, as follows:

There were 1,066,544,601 votes approving, equal to 83.9881 percent of all votes of shareholders in attendance and casting votes; 203,331,098 votes disapproving, equal to 16.0118 percent of all votes of shareholders in attendance and casting votes; and 125,490 votes abstaining. There were no invalid ballots.

In conclusion, the Meeting, by a majority of shareholders, who attended the Meeting and cast votes, resolved to elect Mr. Suroj Lamsam as a director of the Bank.

#### **6. To consider the designation of names and number of directors with signatory authority**

The Chairperson reported to the Meeting that Pursuant to Article 17 of the Bank's Articles of Association, which stipulates that the directors shall have power to conduct all kinds of business of the Company, two directors shall be authorized to sign and affix the common seal of the Company. As the Bank of Thailand concurred with the appointment of Mr. Krit Jitjang and

Mr. Pipatpong Poshyanonda as Directors and President, the Meeting is therefore requested to consider the change of names and number of directors with signatory authority, as follows:

“Ms. Kattiya Indaravijaya, Mr. Pipit Aneaknithi, Mr. Patchara Samalapa, Mr. Krit Jitjang, Mr. Pipatpong Poshyanonda: two out of these five directors shall co-sign with the Company's seal affixed”

The Chairperson further reported to the Meeting that, in this agenda item, parties with an interest in the matter, notably the directors with signatory authority, were not eligible to vote.

A shareholder, who had asked not to be named, would like to know the definition of non-executive director.

The Corporate Secretary explained that a non-executive director is a director, who is not appointed as an executive director of the Bank and does not have all qualifications as an independent director, as defined by the Bank.

There were no more questions from the shareholders.

The Meeting considered the matter and cast votes.

The Corporate Secretary announced the voting results, as follows:

There were 1,269,828,794 votes approving, equal to 99.9997 percent of all votes of shareholders in attendance and casting votes; 3,300 votes disapproving, equal to 0.0002 percent of all votes of shareholders in attendance and casting votes; and 168,350 votes abstaining. There were no invalid ballots and 955 votes not entitled to votes.

In conclusion, the Meeting, by a majority of shareholders, who attended the Meeting and cast their votes, resolved to approve the designation of names and number of directors with signatory authority as proposed.

#### 7. To consider approving the remuneration of directors

The Chairperson notified the Meeting that for voting on this agenda item, parties with an interest in the matter – notably the directors, who are also shareholders of the Bank – were not eligible to vote. The Chairperson requested that Ms. Suphaje Suthumpun, Chairperson of the Human Resources and Remuneration Committee, to present the agenda item to the Meeting.

The Chairperson of the Human Resources and Remuneration Committee stated that the General Meeting of Shareholders No. 108, on April 2, 2020, resolved to approve directors' remuneration and bonuses, which shall remain in effect until the Meeting of Shareholders shall determine otherwise. Within this year, the Human Resources and Remuneration Committee has considered the remuneration of directors for the year 2021 and proposed their recommendation to the Board of Directors. The Board of Directors concurred with the proposal of the Human Resources and Remuneration Committee and it was considered appropriate to propose for the Meeting to approve remuneration of Directors, Independent Directors, Board Committee members, and Directors' bonus for 2021, to remain at the same rate that of 2020, as approved by the General Meeting of Shareholders No. 108, and to adjust the remuneration for the Legal Advisor from Baht 330,000 to Baht 300,000 a month for a new Legal Adviser, as follows:

1) Remuneration for directors for the Board of Directors Meeting			
Chairperson of the Board	Baht	250,000	Per month
Vice Chairperson	Baht	200,000	Per person/month
Director	Baht	150,000	Per person/month
2) Remuneration for Independent Directors			
Lead Independent Director	Baht	100,000	Per month
Member	Baht	70,000	Per person/month
3) Remuneration for Audit Committee			
Chairman	Baht	90,000	Per month
Member	Baht	60,000	Per person/month
4) Remuneration for Corporate Governance Committee			
Chairperson	Baht	50,000	Per month
Member	Baht	36,000	Per person/month
5) Remuneration for Human Resources and Remuneration Committee			
Chairperson	Baht	50,000	Per month
Member	Baht	36,000	Per person/month

6) Remuneration for Risk Oversight Committee (Executive Director do not receive remuneration)

Chairperson	Baht	50,000	Per month
Member	Baht	36,000	Per person/month

7) Remuneration for Legal Adviser Baht 300,000 Per month

8) Directors' Bonus at the rate of 0.5 percent of total dividend, payable at the time of dividend payments

9) Other privileges – None -

Such remuneration shall remain effective until resolved otherwise by the General Meeting of Shareholders.

Regarding the Directors' Bonus, because the General Meeting of Shareholders' approval of the dividend payment for the year 2020, totaling Baht 5,923,318,982.50, the Meeting is, therefore, requested to consider approving the bonus payment to the Board of Directors at 0.5 percent of total dividend payment, totaling Baht 29,616,594.91 payable with the dividend payment.

For this Agenda, there were questions submitted in advance by Fidelity International, an institutional shareholder. Fidelity International would like to know the reasons for offering bonus to Independent Directors at the rate of 0.5 percent of dividend payment because this may affect the dependency of such directors. KBank explained to the shareholder that remuneration payment to all members of KBank's Board of Directors is comparable to that of other commercial banks and companies in Thailand. Such payment is in accordance with the resolution of the General Meeting of Shareholders since 1990 prior to the establishment of the Independent Directors Committee in 2013 and disclosed in a transparent and complete manner. All members of KBank's Board of Directors have performed their tasks with caution and honesty, with the aim of maintaining the benefit of shareholders. The Independent Directors Committee holds a meeting every month to consider important matters and can refuse or provide additional recommendations, regarding matters to be proposed for the Board of Directors' consideration. Such remuneration payment does not prevent the Independent Directors Committee from exercising their independent discretion, but helps the Board of Directors achieve their operational targets in line with the benefit of shareholders to ensure that the Bank can attain sustainable goals over the long term.

Mr. Kraiwan Khotwanit, a shareholder, would like to know why remuneration for the Legal Adviser, who is also a member of KBank's Board of Directors, includes remuneration for legal advisory services because the Legal Adviser's tasks are part of his directorship. Since the Legal Adviser is also the Bank's Director, this agenda should not be proposed for the Meeting's consideration, and the Bank can still employ him as a legal adviser.

The Chairperson of the Human Resources and Remuneration Committee explained that the Public Limited Companies Act, B.E.2535 (1992) prohibits listed companies to make any remuneration payment to directors unless it is in accordance with the regulations or resolution of the General Meeting of Shareholders. Therefore, remuneration for Legal Adviser must be proposed for the General Meeting of Shareholders' approval.

Mr. Basant Kumar Dugar, a shareholder, recommended that KBank can increase the variable high performance bonus at the rate of income growth in order to provide incentive to the Board of Directors. Such bonus is tax deductible and can help promote competitiveness. Additionally, the Bank may offer the longevity package for vital life to extend the term of office of directors and enhance their efficiency. He further recommended that the Chairperson and Presidents attend training on business competitiveness enhancement at the IMD Business School, Lausanne, Switzerland.

The Chairperson thanked the shareholder for his suggestions.

There were no more questions from the shareholders.

The Meeting considered the matter and cast votes.

The Corporate Secretary announced the voting results, as follows:

There were 1,204,036,963 votes approving, equal to 94,8055 percent of all votes of shareholders in attendance; 61,835,437 votes disapproving, equal to 4.8689 percent of all votes of shareholders in attendance; and 146,544 votes abstaining, equal to 0.0115 percent of all votes of shareholders in attendance. There were no invalid ballots. A total of 3,987,955 votes were not entitled to vote, equal to 0.3140 percent of all votes of shareholders in attendance at the Meeting.

In conclusion, the Meeting, by the votes of not less than two-thirds of all shareholders, who attended the Meeting, resolved to approve the directors' remuneration and bonuses, as proposed.



**8. To consider approving the appointment and the fixing of remuneration of auditor**

The Chairperson asked the Meeting to consider approving the appointment and the fixing remuneration of auditor for 2020, as proposed by the Audit Committee. The Chairperson asked Mr. Kalin Sarasin, Chairman of the Audit Committee, to present a report on key details to the Meeting.

The Chairman of the Audit Committee presented to the Meeting that the Audit Committee had considered the agenda, and deemed it appropriate to propose the appointment of the three certified public accountants of KPMG Phoomchai Audit Limited, as the Bank's auditors, comprising:

- |                               |              |
|-------------------------------|--------------|
| 1. Ms. Sureerat Thongarunsang | CPA No. 4409 |
| 2. Mr. Chanchai Sakulkoedsin  | CPA No. 6827 |
| 3. Mr. Charoen Phosamritlert  | CPA No. 4068 |

Any of them shall be empowered to audit, perform and sign on the auditors' reports. All of the above auditors were under concurrence by the Bank of Thailand as auditors of the Bank.

With regard to the audit fees, KPMG Phoomchai Audit Limited had proposed a total fee of Baht 13,884,000, which was higher than last year by Baht 238,000 or approximately 1.74 percent, because of the increase of audit task in accordance with business growth and new products of overseas branches. Details of the audit fees are as follows:

1. Audit fees for the annual and half-year audit for the Bank's financial statements and its consolidated financial statements total Baht 9,036,000.
2. Audit fees for quarterly review of the Bank's financial statements and its consolidated financial statements total Baht 3,130,000.
3. Audit fees for overseas branch audits, expressed in Baht terms, total Baht 1,718,000.

Other audit fees that may additionally be incurred under the regulatory requirements shall be under the discretion of the Management Committee.

In addition, to ensure a uniform accounting policy and audit standards between the Bank and its subsidiaries, KPMG Phoomchai Audit Limited or KPMG in other countries where KBank's subsidiaries are located, are assigned to audit 39 subsidiaries of the Bank, as shown in Annex No. 5 attached to the Notice of this Meeting. The audit fees for the Bank's subsidiaries for 2021 totaled Baht 20,340,000, increasing over last year by Baht 1,092,000, or approximately 5.67 percent. The increase was mainly due to the increase of audit task and business growth of overseas subsidiaries.

Mr. Phanu Tangphunsinthana, a shareholder, would like to know whether auditing for overseas branches includes overseas traveling or document dispatch or both, and whether the auditors traveled aboard amid the COVID-19 pandemic in 2020, or not. If not, the audit fee for overseas branches should decline, however there is an increase in the audit fee in 2021.

The Chairman of the Audit Committee explained that there are KPMG in many countries, which offer audit services to KBank's subsidiaries and branches in those countries, such as the People's Republic of China; therefore, the auditors do not need to travel abroad.

Mr. Staporn Khothiranurak, a shareholder and proxy from DBMT Co., Ltd., would like to know the auditor appointment process of KBank, such as whether it is based on a comparison with other audit companies, or not.

The Chairman of the Audit Committee explained that KBank has the external auditor assessment process to assess auditor every year, based on the qualifications both auditor and audit firm, including the previous performances. KPMG Phoomchai Audit Limited has an international standards and KPMG has offices in countries where KBank branches are located.

Mr. Staporn Khothiranurak, a shareholder and proxy from DBMT Co., Ltd., would like to know how the audit fee reflects the amount of auditors' workload, following the decline in the number of KBank branches.

The Chairman of the Audit Committee explained that such audit fee takes into account the declines in transactions and activities at branches.

Mr. Staporn Khothiranurak, a shareholder and proxy from DBMT Co., Ltd., would like to know the amount of audit fee for KBank and its subsidiaries for 2021, and how much it has declined or increased as compared to the previous year.

The Chairman of the Audit Committee explained that the audit fee proposed for the General Meeting of Shareholders' approval includes that of KBank and its overseas branches at a total of Baht 13.88 million. If this amount is combined with the mentioned audit fee for KBank's subsidiaries of Baht 20.34 million, the total audit fee is Baht 34.22 million, a slight increase over the previous year, due to increased audit tasks of auditors and business expansion of KBank in other countries.

Mr. Basant Kumar Dugar, a shareholder, would like to know whether auditors can obtain the ASEAN CPA License to perform their audit tasks for subsidiaries in ASEAN at the same fee, or not.

The Chairman of the Audit Committee explained that ASEAN CPA means ASEAN Chartered Professional Accountants that hold a nationality of ASEAN member countries, which are not allowed to sign audit reports unless they have obtained a CPA license from a respective country. Each ASEAN member country has their own regulations.

There were no more questions from the shareholders.

The Meeting considered the matter and cast votes.

The Corporate Secretary announced the voting results, as follows:

There were 1,244,388,552 votes approving, equal to 98.0007 percent of all shareholders in attendance and casting votes; 25,385,819 votes disapproving, equal to 1.9992 percent of all votes of shareholders in attendance and casting votes; plus 131,490 votes in abstention. There were no invalid ballots.

In conclusion, the Meeting, by a majority of shareholders, who attended the Meeting and cast their votes, resolved to appoint the auditors and fix the remuneration for auditors as proposed, and to authorize the Management Committee to consider other audit fees that may additionally be incurred under the regulatory requirements.

#### **9. To consider approving the amendment of Article 19 bis of the Bank's Articles of Association**

The Chairperson asked the Meeting to consider approving the amendment of Article 19 bis of the Bank's Articles of Association. The Article 19 bis stipulates that, "The Board of Directors may appoint no more than five directors or persons that the Board of Directors deems appropriate, as Advisors to the Management Committee who shall give advice as deemed appropriate by the Board of Directors"

However, currently no one has been appointed to such position, it is considering appropriate for the Meeting to approve the amendment of the Bank's Articles of Association by deleting Article 19 bis.

Mr. Kraiwan Khotwanit, a shareholder, would like to know why KBank has to amend Article 19 bis of the Bank's Articles of Association, which may lessen flexibility in the recruitment of specialists or experts in the future. Additionally, in the existing Article, the word 'may' already exists and if this Article 19 bis is deleted, the Bank will not be able to appoint directors as Advisors to the Management Committee instantly, because an approval from the General Meeting of Shareholders is needed. He also would like to know whether the Bank has a policy of not using this structure in the future.

The Corporate Secretary explained that the Board of Directors considers reviewing various Articles of KBank's Articles of Association every year to ensure that the Bank's practices are up to date. Therefore, if Advisors to the Management Committee is no longer stated in the current organizational structure, this is unnecessarily stated in any Articles of Association either.

There were no more questions from the shareholders.

The Meeting considered the matter and cast votes.

The Corporate Secretary announced the voting results, as follows:

There were 1,268,444,172 votes approving, equal to 99.8846 percent of all shareholders who are in attendance and having the right to vote; 864,300 votes disapproving, equal to 0.0680 percent of all shareholders who are in attendance and having the right to vote; plus 600,390 votes in abstention, equal to 0.0472 percent of all votes of shareholders in attendance and having the right to vote. There were no invalid ballots.

In conclusion, the Meeting, by the votes of not less than three-fourth of the shareholders in attendance at the Meeting and having the right to vote, resolved to approve the amendment of Article 19 bis, as proposed.

**10. Other business (if any)**

The Chairperson invited shareholders to express their opinions or ask questions regarding the business operations of the Bank.

Mr. Phanu Tangphunsinthana, a shareholder, would like to know the amount of budget used for the BLACKPINK campaign, the contract term and the amount of marketing budget for 2020.

The Chief Executive Officer explained to the shareholder that the contract entered into with BLACKPINK was a short-term contract that expired in 2020. The budget for the BLACKPINK campaign was moderate. For the safety of artists and KBank's customers in the wake of the COVID-19 crisis, BLACKPINK artists did not come to Thailand and there were not any activities. The expenses that should have incurred from those activities were used to produce gifts at value comparable to that anticipated by customers, where KBank did its best to maintain customer satisfaction. Therefore, the Bank did not use as much budget for the BLACKPINK campaign as projected. The overall budget for marketing was approximately Baht 4,000 million and it was not fully used either.

Mr. Phanu Tangphunsinthana, a shareholder, recommended that KBank implement environmental and social projects in other provinces in addition to Nan, such as Phetchabun, due to the substantial degradation of forest resources there. He also stated that the letters in the Notice of the General Meeting of Shareholders and summary of the Financial Information in the Annual Registration Statement and Annual Report 2020 (Form 56-1 One Report) sent to shareholders were small to read.

The Corporate Secretary thanked the shareholders and accept those matters for consideration.

Mr. Staporn Khothiranurak, a shareholder and proxy from DBMT Co., Ltd., would like to know the Bank's policy regarding the downsizing of branches and personnel management at each branch.

The Chief Executive Officer explained that all branches and sales and service channels of KBank have in place appropriate management in response to customers' needs. If customers continue to use services that cannot be replaced by digital or electronic services, those services will continue to be available at branches. Based on customer behavior analysis during the COVID-19 pandemic, it was found that customers have increasingly used services via other channels instead of branches. Branches that were located within the same area have been merged to offer customers convenience in using services at a branch. Such branch consolidation has been carried out based on an appropriate consideration and the Bank's strategy to combine branch services with the ATM channel or mobile banking. Regarding personnel management at branches, the Bank has a skill enhancement program and training in place, while essential skills to be required in the future have also been included in staff training plan.

Mr. Staporn Khothiranurak, a shareholder and proxy from DBMT Co., Ltd., asked for the Bank's views on the future use of Artificial Intelligence (AI) technology.

The Chief Executive Officer explained that there are numerous technologies available at the moment. AI is a very useful technology as it helps the Bank to offer better and more secure services to customers, which is already part of the Bank's plan.

Mr. Basant Kumar Dugar, a shareholder, would like to know if the Bank can offer 'Blue loans' or 'Blue deposits', namely IDB and ADB, or not, because they carry low borrowing costs.

The Chief Executive Officer explained that the Bank has always sought sources of funds and deposits, including the issuance of sustainability bonds and green bonds or borrowings from international organizations or banks, which have the policies to conserve or improve the environment. The Chief Executive Officer thanked the shareholder for his recommendation.

Mr. Basant Kumar Dugar, a shareholder, asked whether the Bank can generate more income to bolster the net interest margin (NIM) and net margin of safety, as well as using the income bearing asset ratio to increase return on assets (ROA), or not.

The Chief Executive Officer explained that seeking new income sources is the main goal of KBank, in particular by extending retail or consumer loans. KBank has attempted to penetrate new customer segments in line with the Bank's strategies this year and later years, which should help increase NIM somewhat once more loans have been extended. Using the income bearing asset ratio is relatively difficult during the current challenging time, but the Bank accepted this matter for consideration. There are some assets that have not generated favorable returns, and the Bank tries to focus more on assets that generate income. The Chief Executive Officer thanked the shareholder for his recommendation.



Mr. Basant Kumar Dugar, a shareholder, would like to know details of the names and countries of KBank's top ten foreign shareholders.

The Corporate Secretary informed that such details are available on KBank's website and Annual Report. Top shareholders are presented by custodians, therefore details of the ultimate shareholders could not be known.

Mr. Thanat Kupradit, a shareholder, would like to know the Bank's views on cryptocurrency in Thailand.

The Chief Executive Officer explained that KBank, as a financial institution, has a role in cryptocurrency. KBank has continuously cooperated with the Bank of Thailand in the development of cryptocurrency in Thailand under the Inthanon Project. Cryptocurrency has a value chain for creation, not only for trading in order to get profit or profit speculation. However, whether its value chain or cryptocurrency itself will benefit the Thai economy or not, hinges on the Bank's roles and application. The Bank can be custodians or any identity, depending on measures to be worked out jointly by all commercial banks and the Bank of Thailand.

Mr. Suraphong Chaitrongrak, a shareholder, would like to know the advantages and disadvantages of blockchain technology for KBank.

The Chief Executive Officer explained that all technologies are useful, including AI, blockchain, cryptocurrency and other technologies of the future. KBank has conducted studies on these technologies for use to respond to customers' needs for convenient, flexible and secure financial transactions, with low costs.

Moreover, the Corporate Secretary reported to the Meeting that there were questions submitted via KBank email. Mr. Thawatchai Thianbunsong, a shareholder, would like to know the Bank's views on the impacts that may arise from technological changes, such as fintech, and the emerging financial conglomerates that can extend loans with lower interest rates through their own platforms without the need for customers to conduct financial transactions through banks. He also would like to know the Bank's guidelines to ensure business growth.

The Corporate Secretary explained to the shareholder that amid the increased use of digital financial services, the Bank's key strategy is to focus on creating the most satisfying service experience for customers. In so doing, emphasis has been placed on the development of new digital services, including payment, loan and investment. K PLUS application will continue to serve as a seamless online platform along with other channels. In addition, to ensure that KBank is embedded in customers' ecosystem, the Bank have collaborated with its strategic partners in offering customers convenient and easy access to both financial and lifestyle services anytime and anywhere. This endeavor is to maintain its competitiveness and leadership in digital banking. For lending, KBank places emphasis on data analytics and uses digital lending channels to penetrate the retail customer segment. Additionally, interest rates have been set in accordance with the risk levels of customers (risk-based pricing), with the aim of bolstering income under appropriate risk appetite. Collaboration has been made with strategic partners, for example, in 2020, the Bank starts to offer services under KASIKORN LINE Co., Ltd. via the LINE BK platform, including deposit, debit card and digital lending.

Mr. Thawatchai Thianbunsong, a shareholder, would also like to know the key challenges of KBank's business growth and whether the Bank has any guidelines to address such issues.

The Corporate Secretary explained that the COVID-19 pandemic has affected the Thai economy and overall financial health of KBank's customers. KBank has provided a broad-based assistance to customers in accordance with the Bank of Thailand's policy under proactive risk management through close monitoring of asset quality and credit risk assessment. The Bank has increasingly become more prudent in extending new loans as part of its efficient debt quality management to brace for heightened uncertainty. A provision for expected credit loss has been set aside at an appropriate level. In addition, intense competition from non-bank financial institutions and other financial service providers whose core businesses are not financial services, particularly in the online market and digital platform, is another challenge. In spite of this, KBank has plans in place to cope with these challenges in order to maintain its competitiveness and leadership in digital banking. Among these include competitiveness enhancement and an upgrade in operational risk management and control, covering cyber and technology risks.

Mr. Thawatchai Thianbunsong, a shareholder, further asked about the future growth directions of KBank and whether the Bank will engage in any non-bank business.

The Corporate Secretary explained that KBank will continue to engage in the banking business, in line with the principles of a Bank of Sustainability and the Customer Centricity philosophy, with the aim of empowering every customer's life and

business. Moreover, the Bank has redefined its strategies to ensure business growth, meet customers' needs, dominate digital payment services, reimagine commercial and consumer lending, democratize investment and insurance to the retail segment, and penetrate regional AEC+ 3 markets, along with strengthen harmonized sales and services experience and improve value-based productivity. Concurrently, KBank will collaborate with its subsidiaries within the KASIKORNBANK FINANCIAL CONGLOMERATE, startups, business partners and KASIKORN BUSINESS-TECHNOLOGY GROUP in developing technologies and innovations in order to bring happiness and betterment of every customer's life and business while also creating new business opportunities, thus maintaining its competitiveness and position at the forefront as a digital banking service provider. In parallel, KBank prioritizes effective risk management, cyber security, and data analytics for enhancement of its strategic capabilities with the aim of becoming a Regional Digital Bank.

There were no more questions from the shareholders.

The Chairperson reported to the Meeting that as today was the last day that Dr. Abhijai Chandrasen would perform his duty as a director of KBank, she, on behalf of the Board of Directors, would like to take this opportunity to express sincere appreciation to Dr. Abhijai Chandrasen for his dedication to KBank.

Throughout Dr. Abhijai Chandrasen directorship at KBank from April 4, 2000 until today for a total of 21 years, Dr. Abhijai Chandrasen has used his valuable knowledge and experience in the operations of KBank. He has also provided the Bank in-depth and comprehensive advice on laws and regulation while also protecting KBank's interest. He upholds righteousness and responsibility towards society. He is, therefore, an exemplary person. On this occasion, the Board of Directors and executives of KBank would like to express appreciation to Dr. Abhijai Chandrasen.

Dr. Abhijai Chandrasen, Director and Legal Advisor, stated that on the occasion of the end of his term of office due to the age limit, he would like to express his appreciation to all shareholders for their trust in him as a director and legal advisor throughout the past 21 years.

The Corporate Secretary informed the Meeting that the Bank would post the minutes of the General Meeting of Shareholders No. 109 on KBank website within 14 days after the Meeting today and would notify all shareholders through the Stock Exchange of Thailand. If shareholders wish to make any correction after reviewing the minutes, please inform KBank within 30 days after the Meeting date. More inquiries could be sent to the Investor Relations Unit of the Office of Corporate Secretary and shareholders were requested to submit the remaining ballots to the Bank's officer in front of the meeting room.

The Chairperson declared the Meeting closed, and expressed her appreciation to all shareholders for attending the Meeting and sharing their valuable views with the Bank.

The Meeting was adjourned at 16.03 hours.

(Signed) Kobkarn Wattanavrangkul  
(Ms. Kobkarn Wattanavrangkul)  
Chairperson of the Meeting

(Signed) Adit Laixuthai  
(Dr. Adit Laixuthai)  
Corporate Secretary