



KASIKORNBANK Sustainability Bond

KASIKORNBANK conducts business with the foundation of Bank of Sustainability, and appropriate risk management and good corporate governance principles. We strive to balance economic, social, and environmental dimensions to achieve goals and create sustainable long-term returns. The philosophy of sustainable development is instilled in all our operations as part of our Green DNA, ensuring maximum benefit for all stakeholders and paving the way for sustainable growth.

KASIKORNBANK priced its initial USD 100 million Sustainable bond on the 8th October 2018. The transaction received many firsts including; First Sustainability bond from a Thai issuer, First Sustainability bond from ASEAN financial institutions, First Thai issuer accessing the Formosa market and First Sustainability bond in the Formosa market

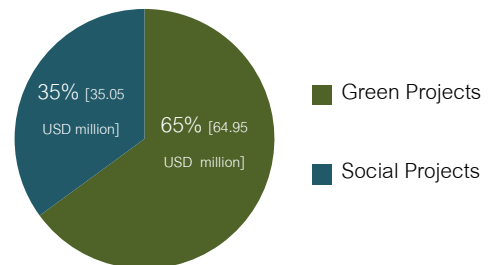
Use of Proceeds

100% of the net proceeds of the bond will be used exclusively to finance or re-finance eligible green or social projects, in part or wholly as described below, and information on green and social project will be available for investors.

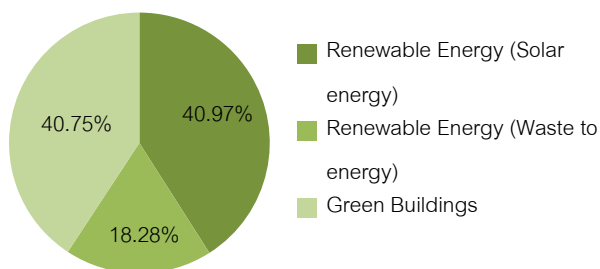
Allocation of Proceeds

As of the end of June 2019, the entire amount of proceeds from the Sustainability Bond issued in October 2018 (USD 100 million), was allocated in accordance with KASIKORNBANK's Sustainability Bond Framework. We allocated the fund on renewable energy (solar energy and waste to energy) and green buildings for green project. And we also allocated the fund on employment generation and access to essential services for social project.

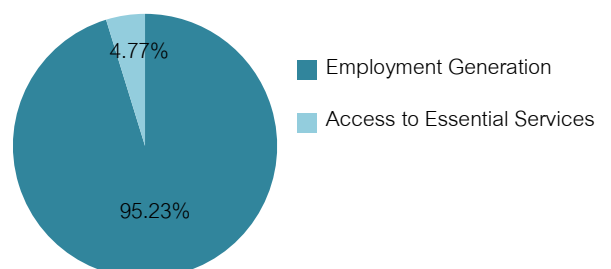
Project Allocation



Distribution of proceeds by Green Project Categories



Distribution of proceeds by Social Project Categories



Green Project Allocation and Impact

Category	Ref.	Location	Capacity (MW)	Production (kWh)	Amount Allocated (USD in million)
Renewable Energy (Solar energy)	Project A	Prachinburi & Nonthaburi, Thailand	4.6	6,240,621	3.85
	Project B	Tak, Thailand	6.3	7,597,000	6.94
	Project C	Lopburi, Thailand	5.5	7,700,000	2.27
	Project D	Bangkok, Thailand	3.2	5,176,000	3.11
	Project E	Saraburi, Thailand	8.0	11,290,000	5.69
	Project F	Kanchanaburi, Thailand	5.0	6,942,000	2.37
	Project G	Kanchanaburi, Thailand	5.0	6,898,000	2.37
Renewable Energy (Waste to energy)	Project H	Saraburi, Thailand	9.4	72,000,000	11.87

Category	Ref.	Location	Description	Amount Allocated (USD in million)
Green building	Project I	Bangkok, Thailand	Expected LEED certificate GOLD from USGBC & WELL after construction is completed and starting operation in 2023	10.64
	Project J	Bangkok, Thailand	Expected LEED certificate GOLD from USGBC after construction is completed and starting operation in 4Q2020	15.83

Green Projects

- ❖ Solar energy and waste to energy categories are included in the renewable energy projects which is the production and transmission of renewable energy, and the manufacturing of renewable energy appliances and products.
- ❖ For green building category, it is included purchasing, construction or retrofitting building that meet national/international green building standards, such as TREES (Silver and above), LEED (Silver and above), BREEAM (Good and above) and DGNB (Silver and above).

Social Project Allocation and Impact

Category	Ref.	Location	Description	Number of Projects/Beneficiaries	Amount Allocated (USD in million)
Employment Generation	Project K	Thailand	Overdraft for SMEs payroll program	590	23.78
	Project L	Thailand	Franchise credit program	62	8.81
Access to Essential Services	Project M	Thailand	Overdraft program for retail shops	55	0.78
	Project N	Thailand	K-Personal loan for pensioners	193	1.67

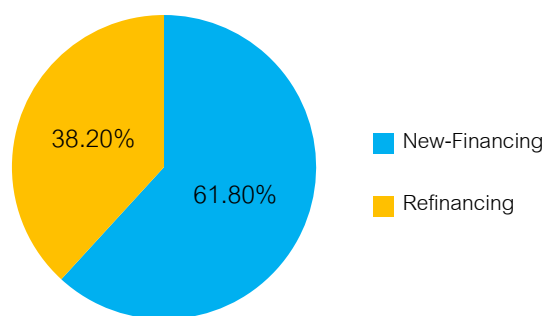
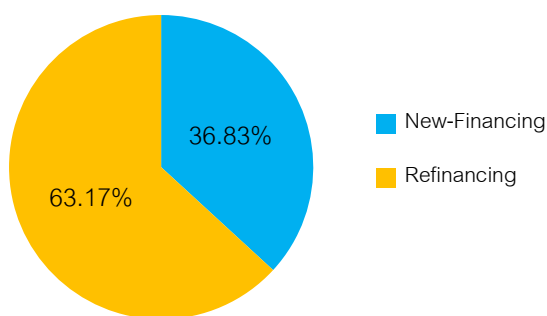
Social Projects

- ❖ These social projects provide or promote employment generation through the potential effect of SME financing and microfinance such as Special Rate Overdraft for SMEs payroll program, Overdraft or Loan program for Small SMEs, Franchise Credit program and Overdraft program for retail shops.
- ❖ K-Personal Loan for Pensioners is under access to essential services category to help government retirees receiving monthly pensions. This helps retirees gain access to bank loans, helping them meet their urgent liquidity needs, while benefiting from long-term, fixed rate amortized loan products.

Proportion of new-financing and refinancing

Green Projects

Social Projects



Examples of Eligible Projects

Project D Description

KASIKORNBANK Public Company Limited provided THB 165 million of bilateral project finance loan to the group of 4 megawatts of grid-tied solar rooftops in 2014. The project is among the first wave of grid-tied rooftop program, utilize approx. 32,000 square meter of usable roof area covering 5 commercial warehouses in throughout Bangkok metro area to produce 5,176,000 kilowatts-hour of clean energy per year.



Project H Description

KASIKORNBANK Public Company Limited participated in a syndication loan to provide project finance to the first 9.4 megawatts industrial waste to energy project in Thailand with an aggregated financing amount of THB 1,000 million in 2015.

The project is located approximately 100 km North of Bangkok. It already achieved commercial operation in 2017. The project is designed to convert 131,400 tons of industrial waste e.g, scrap plastic, scrap textile and wood into Refuse Derived Fuel (RDF) and supply it to the power plant for producing electricity of 72,000,000 kilowatts-hour per year.



Disclosure and Reporting

KASIKORNBANK has engaged Sustainalytics US Inc. to provide assurance and to perform as an external reviewer of this Sustainability Bond Framework. This Framework was reviewed to be in line with the Green Bond Principles 2018, Social Bond Principles 2018 and Sustainability Bond Guidelines 2018 by ICMA.

The Second Party Opinions by Sustainalytics US Inc. are publicly available on KASIKORNBANK website <https://www.kasikornbank.com/en/sustainable-development/Sustainability-Bond>