



KASIKORNTHAI

**KASIKORNBANK:
Sustainable
Finance Allocation
and Impact Report
2025**



ธนาคารกสิกรไทย
开泰银行 KASIKORNBANK



บริการทุกระดับประทับใจ



1 Purpose

KASIKORNBANK (KBank) is committed to supporting the transition to a low-carbon economy through an integrated climate management strategy. This approach encompasses responsible business operations that emphasize efficient use of natural resources, reduction of environmental impacts, and preservation of biodiversity, to drive change and support an inclusive transition toward sustainable growth for all lives and businesses.

The Sustainable Finance Framework was established as a cornerstone of this effort, providing a robust structure for our sustainable financing activities, including Green, Social, Sustainability, Transition and Sustainability-Linked financing activities. The Green Finance Framework is designed in strict accordance with international standards, including the ICMA Green Bond Principles and the LMA Green Loan Principles. It is not merely a technical document but a strategic extension of KBank's commitment to achieve Net Zero in its own operations by 2030 and across its entire lending portfolio by 2050.

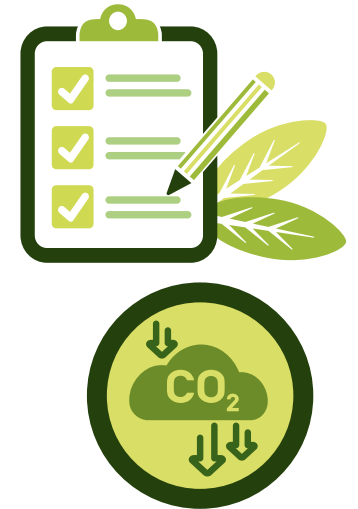
The Purpose of this Sustainable Finance Allocation and Impact Report is to ensure full transparency and accountability regarding the management of proceeds raised under the Framework. KBank commits to publishing this report annually until the total financing amount has been fully allocated to eligible projects.

1. Allocation Reporting

This section provides a detailed breakdown of how funds are distributed across Eligible Green Project categories. It identifies the amounts allocated to specific portfolios and discloses any unallocated proceeds and their temporary management.

2. Impact Reporting

This section highlights the environmental benefits generated by projects funded through the Green Finance Framework. By utilizing indicators such as renewable energy produced, KBank quantifies the positive change achieved, following the ICMA's Harmonized Framework of Impact Reporting.





Our Commitment to a Sustainable Future

As a market-leading financial institution, KBank is committed to balancing the economic, social, and environmental dimensions of our business to create lasting value for all stakeholders. Our approach is aligned with the United Nations' Sustainable Development Goals (SDGs), and we have integrated the principles of sustainable development into all our operations. To formalize this commitment, KBank has set an ambitious target to facilitate sustainable financing and investment of at least **Baht 400 - 500 billion by 2030**. This goal is not merely a financial target; it is a pledge to actively steer capital towards projects that build a resilient, inclusive, and environmentally conscious economy.





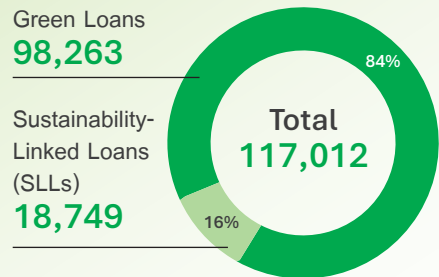
KASIKORNBANK's Sustainable Finance Framework and Portfolio

Under the KBank Sustainable Finance Framework, we offer five primary financing types to support our clients' sustainability journeys. At present, our active portfolio consists of two key instruments: Green Loans, which fund specific eligible environmental projects, and Sustainability-Linked Loans (SLLs), which incentivize broader corporate sustainability performance. As of 2025, our sustainable finance portfolio is composed of two instruments: Green Loans, which directly fund eligible environmental projects, and Sustainability-Linked Loans, which incentivize borrowers to achieve ambitious, predefined sustainability targets.

2025 Sustainable Finance Performance by Type:

Ending Outstanding Loan by Type

Loan Type Amount (Million Baht)



KBank currently maintains an ongoing Green Deposit product, released on October 22, 2025, as part of the Green Finance Framework; however, there were no deposited balances under this product as of the end of 2025, and no projects have been allocated or booked under the Green Deposit category during the reporting period.

Beyond the Green Deposit product, no other labeled instruments – including green bonds or sustainability-linked notes – were issued or outstanding under the Framework during this cycle. The green assets and SLLs listed in this report are not financed under any labeled transactions issued pursuant to the Green Finance Framework; all assets remain independent from any such instruments.

2025 Sustainable Finance Performance by Segment:

This reflects KBank's diversified support across customer segments, demonstrating how sustainable financing is deployed across a broad range of client needs and industry activities.

Ending Outstanding Loan by Segment

(Million Baht)

Sustainable Finance by Segment	Corporate	SME	Retail	Total
Green Loans	40,393	5,051	52,819	98,263
Sustainability-Linked Loans	18,749	-	-	18,749
Total	59,142	5,051	52,819	117,012



3.1 GREEN FINANCE FRAMEWORK

Our Green Finance Framework is the operational backbone of the bank's green financing activities. It provides a systematic, transparent, and credible methodology for managing green assets, from project selection and evaluation to the management of proceeds and impact reporting. This Framework ensures our approach is consistent with international best practices, including the Green Bond Principles issued by the International Capital Market Association (ICMA), reinforcing the integrity and accountability of our sustainable finance portfolio.

The workflow of our green financing is organized into four core components, ensuring a disciplined and transparent process from start to finish.





The following table provides a consolidated view of the outstanding sustainable finance portfolio which is diversified across seven environmental categories. The distribution is heavily weighted towards Green Building, Clean Transportation, and Renewable Energy, which collectively represent over 94 percent of the portfolio and reflect Thailand's most critical areas for climate action and sustainable development.

Green Loans by Project Distribution

Ending Outstanding Loan by Eligible Category

Eligible Category	Amount (Million Baht)	% of Green Loan Portfolio
1. Renewable energy	22,640	23.0%
2. Energy efficiency	177	0.2%
3. Pollution prevention and control	311	0.3%
4. Environmentally sustainable management of living natural resources and land use	-	-
5. Terrestrial and aquatic biodiversity conservation	-	-
6. Clean transportation	28,147	28.6%
7. Sustainable water and wastewater management	829	0.8%
8. Climate change adaptation	-	-
9. Circular economy adapted products, production technologies and processes	4,449	4.5%
10. Green building	41,710	42.4%
11. Green technologies	-	-
Total	98,263	100.0%

3.2 SUSTAINABILITY-LINKED LOANS

While our Green Finance Framework focuses on specific project-based lending, KBank also utilizes Sustainability-Linked Loans (SLLs) to support our corporate clients in their broader transition toward sustainable business models.

A key feature of SLLs is the financial link between the loan's margin and the client's sustainability performance. Achievement of the Sustainability Performance Targets (SPTs) results in a pricing adjustment (such as a margin discount), providing a direct economic incentive for the client to improve their sustainability performance.

By integrating SLLs into our product suite, KBank moves beyond project-specific funding to support the wholesale transition of industries toward a low-carbon and socially responsible future.

2025 Sustainability-Linked Loans Performance:

Ending Outstanding Loan

Sustainability-Linked Loans (SLLs)

(Million Baht)

18,749





4 Environmental Impact



This section outlines the intended environmental objectives for the largest allocated green categories under the Green Finance Framework. While detailed project-specific impact metrics will continue to be reported through KBank's ongoing disclosure processes, the objectives presented here highlight the positive environmental outcomes our financed activities aim to support and our contribution to a more sustainable, resource-efficient economy.

The impact-related information in this section is derived from data allocated after the implementation of the Green Finance Framework (March 2025) and aligns with established indicator impact data collection standards. KBank has established an ESG management process to assess and evaluate projects eligible for green classification.

KBank will make every effort to report on the environmental impact. For the selected indicators in this report, KBank will utilise the Handbook – Harmonised Framework for Impact Reporting and base analyses on customer-provided data. Where data is insufficient, KBank will employ proxies or reasonable assumptions for calculations.

Additionally, these net proceeds will be properly monitored and verified through a formal internal procedure.

4.1 GREEN BUILDING

Under the Green Building category, proceeds were allocated to projects that meet recognized green building standards.

Proceeds have been allocated to green buildings and post-financing activities, including support for individual homebuyers who purchase houses with the certified green building credentials and green home mortgage program¹.

In the selection of indicators, **the recognized standard for green building** is employed as a principal metric for evaluating Green Building category.

Objective: To finance the construction of buildings or the purchases of home that are environmentally friendly and resource-efficient across their lifecycle, meeting recognized standards for environmental performance and significantly reducing energy consumption.

Type	Loan outstanding (Million Baht)	Impacts
Corporate loan	12,677	1.1 percent of the loan outstanding is attributed to green building construction projects that have achieved EDGE (Excellence in Design for Greater Efficiencies) certification
Home mortgage loan	29,033	47 percent of the loan outstanding relates to 1,577 housing units that qualify under the Green Home Mortgage criteria
Total	41,710	

Note: The impacts reported in the table are based only on eligible loans financed after the Green Finance Framework was implemented and that remained outstanding as of year-end.

¹The criteria for KBank Green Home Mortgage are detailed in the Green Finance Framework, dated March 2025.



4.2 CLEAN TRANSPORTATION


Proceeds were directed toward clean transportation initiatives, encompassing zero-emission vehicles and plug-in hybrid electric vehicles (PHEVs) with emissions below 75 gCO₂/km, with the goal of reducing transport-related emissions and advancing sustainable mobility.

The Clean Transportation category mainly includes retail loans that support individual purchases of eligible clean vehicles.

In the selection of indicators, **the number of deployed EVs** is employed as a principal metric for evaluating Clean Transportation category.

Objective: To support the transition to low-carbon mobility by financing electric, hybrid, and other non-fossil fuel transportation modes and their enabling infrastructure.

Type	Loan outstanding (Million Baht)	Impacts
Auto loan	28,147	Total of 18,343 EV cars have been deployed: <ul style="list-style-type: none"> • Battery Electric Vehicles (BEVs): 16,541 cars • Plug-in Hybrid Electric Vehicles (PHEVs) and Hybrid Electric Vehicles (HEVs) with CO₂ intensity below 75gCO₂/km: 1,802 cars



4.3 RENEWABLE ENERGY

Proceeds from this initiative are dedicated to expanding renewable energy capacity through solar rooftops and solar farm projects, helping reduce greenhouse gas emissions and strengthen our transition toward low-carbon energy sources.

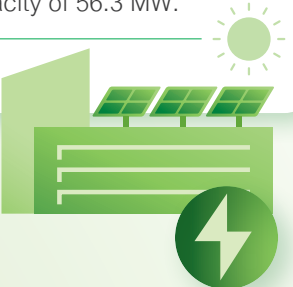
In Thailand, solar farms and rooftop solar panels remain the most prevalent forms of renewable energy, especially as the cost of solar roofs has significantly decreased.

In the selection of indicators, **installed renewable electricity capacity (MW)** is employed as a principal metric for evaluating renewable energy performance.

Objective: To accelerate the shift to a clean energy system by financing the generation, transmission, and storage of energy from renewable sources.

Type	Loan outstanding (Million Baht)	Impacts
Commercial loan	22,640	14 percent of loan outstanding has supported the development of solar power generation projects encompassing both solar rooftop and solar farm initiatives with a combined capacity of 56.3 MW.

Note: The impacts reported in the table are based only on eligible loans financed after the Green Finance Framework was implemented and that remained outstanding as of year-end.





4.4 CIRCULAR ECONOMY

Under the Circular Economy category, the facilities prioritize reuse and recycling activities by recovering water and materials from operations, treating them to meet regulatory standards, and reusing them wherever possible. This approach decreases waste disposal and conserves natural resources.

Thailand's agro-industrial sectors such as sugarcane, ethanol, and alcohol show strong potential through product reuse, value-added by-products, and closed-loop biomass cycles, aligning with the country's Bio-Circular-Green (BCG) Economy Model.

Since Thailand is facing challenges with overwhelmed landfills due to a decrease in available landfill space. Waste-to-energy power plants were developed in response to government initiatives focused on the expansion of alternative energy sources and reduced fossil dependency. Additionally, certain types of waste are specifically excluded, such as radioactive waste. Modern facilities sort out recyclable and hazardous materials before burning, ensuring only suitable fuel enters the furnace.

In the selection of indicators, **installed capacity of electricity generated from waste (MW)** is employed as a principal metric for evaluating Circular Economy category.

Objective: To foster sustainable production and consumption patterns by financing projects that focus on waste reduction, resource recovery, and the extension of product lifecycles.

Type	Loan outstanding (Million Baht)	Impacts
Commercial loan	4,449	4 percent of total loan outstanding relates to two wastes to electricity projects with a combined installed capacity of electricity generated from waste 19.8 MW. These projects support circular economy principles by converting waste into electricity, reducing landfill dependency while contributing to resilience in the power system.

Note: The impacts reported in the table are based only on eligible loans financed after the Green Finance Framework was implemented and that remained outstanding as of year-end.





4.5 POLLUTION PREVENTION AND CONTROL

Proceeds from this category are allocated to pollution control initiatives and waste-handling systems, thereby reinforcing our commitment to reducing environmental impacts relating to pollution control and waste management.

Certain industries, such as food manufacturing, experience significant pollution during operations, that may affect nearby communities as well as the workplace environment. The implementation of a comprehensive treatment system is recommended for effective management of pollution.

In the selection of indicators, the **% reduction of pollutants** is employed as a principal metric for evaluating air pollution control system under Pollution Prevention and Control category.

4.6 ENERGY EFFICIENCY

The proceeds are allocated to energy efficiency initiatives, including upgrades to high-efficiency equipment, optimization of production processes, and improvements to building systems that reduce overall energy consumption.

The K-Energy Saving Guarantee Program¹ supports investment in energy efficiency projects by providing services through an energy management company. Energy performance is guaranteed by an Energy Service Company (ESCO), ensuring that the expected energy savings will be at least 20 percent.

Objective: To mitigate environmental degradation by financing activities that reduce, manage, or treat emissions and waste at their source.

Type	Loan outstanding (Million Baht)	Impacts
Commercial loan	177	-

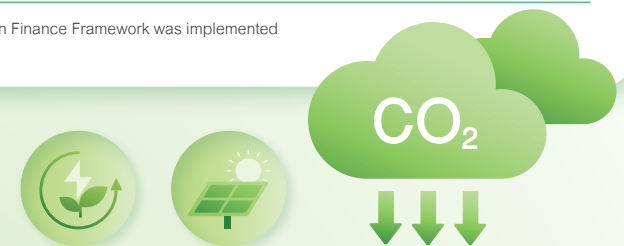
Note: The impacts reported in the table are based only on eligible loans financed after the Green Finance Framework was implemented and that remained outstanding as of year-end.



Objective: To reduce overall energy demand and greenhouse gas emissions by upgrading infrastructure and technology to more efficient standards. The activities are included but not limited to deployment of smart lighting, high-efficiency HVAC systems, and automated energy management systems for industrial and commercial use.

Type	Loan outstanding (Million Baht)	Impacts
Commercial loan	177	-

Note: The impacts reported in the table are based only on eligible loans financed after the Green Finance Framework was implemented and that remained outstanding as of year-end.



¹The detail of The K-Energy Saving Guarantee Program, <https://www.kasikornbank.com/en/business/sme/loan/special-loan/pages/k-energy-saving-guarantee-program.aspx>



4.7 SUSTAINABLE WATER AND WASTEWATER MANAGEMENT

The proceeds directly finance sustainable water management measures, including water reduction programs, enhanced wastewater treatment, and water-reuse systems, resulting in measurable improvements in water efficiency and environmental performance.

In the selection of indicators, **volume of wastewater treated** is employed as a principal metric for evaluating Sustainable Water and Wastewater Management.

Objective: To ensure water security and ecosystem health by financing sustainable water sourcing, treatment, and distribution systems.

Type	Loan outstanding (Million Baht)	Impacts
Commercial loan	829	85 percent of total loan outstanding relates to two wastewater treatment plants with a combined capacity of 200,000 cubic meter/day. These projects contribute to enhancing sustainable water, wastewater, and environmental infrastructure.

Note: The impacts reported in the table are based only on eligible loans financed after the Green Finance Framework was implemented and that remained outstanding as of year-end.





5

Reporting, Transparency, and Verification

KBank is dedicated to maintaining the highest standards of accountability and transparency in our sustainable finance operations. To ensure the integrity of our green portfolio and provide stakeholders with clear, credible, and consistent information, we have established a robust set of reporting and verification mechanisms.

Allocation Report

This report provides a detailed breakdown of the Source of Funds – including proceeds raised from proceeds such as Green Deposits, Green Structured Notes, and etc. – and the Use of Funds which are allocated amounts by eligible green project category. It also specifies the amount of any unallocated proceeds and how those funds are being managed.

Impact Report

This report quantifies the environmental benefits of our financed projects using relevant impact indicators. The metrics are derived from established international standards, such as the ICMA's Harmonized Framework of Impact Reporting, to ensure consistency and comparability.

External Review

KBank engages an independent external reviewer, ISS Corporate Solutions (ICS), to provide third-party assurance on our Green Finance Framework. Our annual allocation and impact reports are also subject to external review, and the resulting second-party opinion is made publicly available to reinforce credibility.

KBank confirms that the assets listed in this Allocation and Impact Report are strictly independent. These assets are not booked under any labeled transaction issued under the Framework, meaning they represent KBank's sustainable finance activities that have not been allocated to, or obligated by any specific green or sustainability-labeled instruments.

This report reaffirms KBank's unwavering commitment to sustainable development, evidenced by a total portfolio of Baht 117,111 million. Our disciplined approach, governed by a rigorous Green Finance Framework, ensures that every baht is directed with the purpose to support meaningful environmental and social outcomes across diverse sectors. KBank's financing contributes to broader progress toward a resilient, low-carbon, and sustainable economy. Through transparency, strategic allocation, and a forward-looking vision, KBank will continue to play a leading role in advancing sustainable prosperity.



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



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