



# KASIKORNBANK Sustainability Bonds

KASIKORNBANK conducts business with the principles of a Bank of Sustainability, supported by good corporate governance principles, as well as appropriate risk and cost management. 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 issued its initial USD 100 million Sustainability bond on 30 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. In 2021, KASIKORNBANK issued its EUR 155 million Sustainability bond on 26 August 2021. The transaction was the first Sustainability bond from Thai Bank issued in Thai Domestic market.

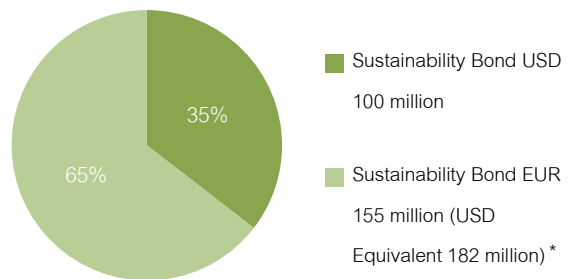
## Use of Proceeds

100% of the net proceeds of the bonds 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 projects will be available for investors.

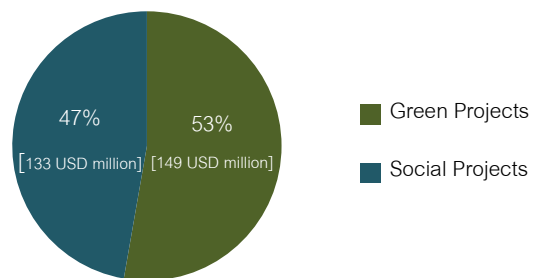
## Allocation of Proceeds

As of the end of September 2021, the entire amount of proceeds from the Sustainability bonds, was allocated in accordance with KASIKORNBANK's Sustainability Bond Framework. We allocated the fund on renewable energy, including solar energy, waste to energy, and green building for green projects. Furthermore, we also allocated the fund on employment generation and access to essential services for social projects.

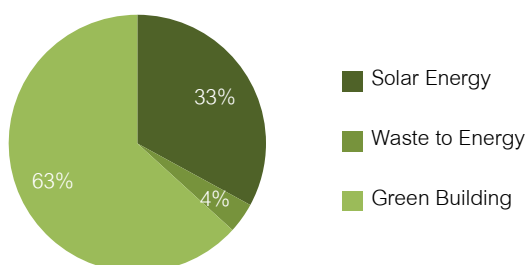
## Issuance by Currencies



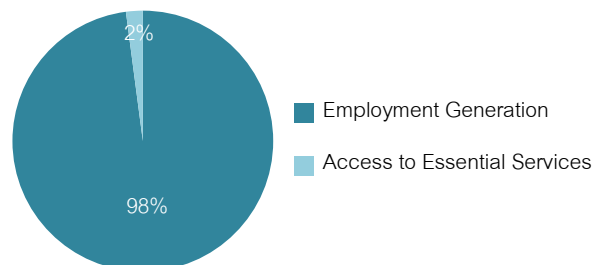
## Project Allocation



## 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 | Nonthaburi, Thailand   | 3.4  | 4,538,377        | 1.47                              |
|                                    | Project B | Tak, Thailand          | 6.3  | 7,597,000        | 1.68                              |
|                                    | Project D | Bangkok, Thailand      | 3.2  | 4,524,800        | 2.23                              |
|                                    | Project E | Saraburi, Thailand     | 8.0  | 11,290,000       | 4.27                              |
|                                    | Project O | Vietnam                | 214.0  | 355,000,000      | 39.35                             |
| Renewable Energy (Waste to Energy) | Project H | Saraburi, Thailand     | 9.4  | 56,888,000       | 5.67                              |
| Category                           | Ref.      | Location               | Description  |                  | Amount Allocated (USD in million) |
| Green Building                     | Project P | Samutprakarn, Thailand | Expected LEED certificate GOLD/Platinum and WELL certificate Platinum after construction is completed and starting operation in 2024 |                  | 94.08                             |

### 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).

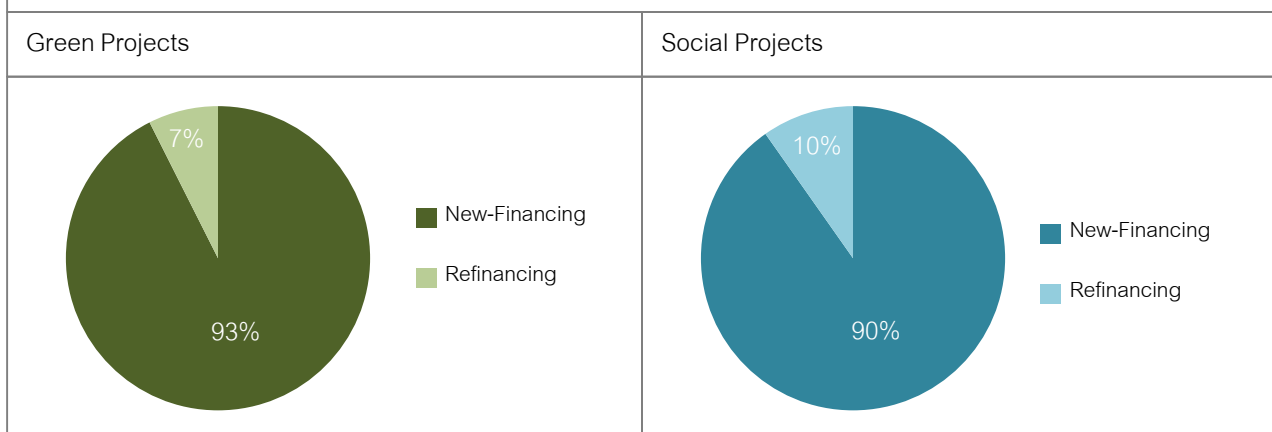
## Social Project Allocation and Impact

| Category                     | Ref.      | Location | Description                            | Number of Projects/Beneficiaries | Amount Allocated (USD in million) |
|------------------------------|-----------|----------|--|----------------------------------|-----------------------------------|
| Employment Generation        | Project K | Thailand | Overdraft for SMEs payroll program     | 940                              | 32.97                             |
|                              | Project M | Thailand | Overdraft program for SME retail shops | 7,585                            | 97.51                             |
| Access to Essential Services | Project N | Thailand | K-Personal loan for pensioners         | 287                              | 2.77                              |

### 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 SME 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



### 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 4,524,800 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 56,888,000 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>

## Sustainability Bond USD 100 million Issued on 30 October 2018

| Name                    | Amount<br>(USD in million) | Maturity                | Interest Rate (p.a.) |
|-------------------------|----------------------------|-------------------------|----------------------|
| USD Sustainability Bond | 100                        | 5 Years<br>(30/10/2023) | 3m Libor+0.95%       |



## Green Project Allocation and Impact

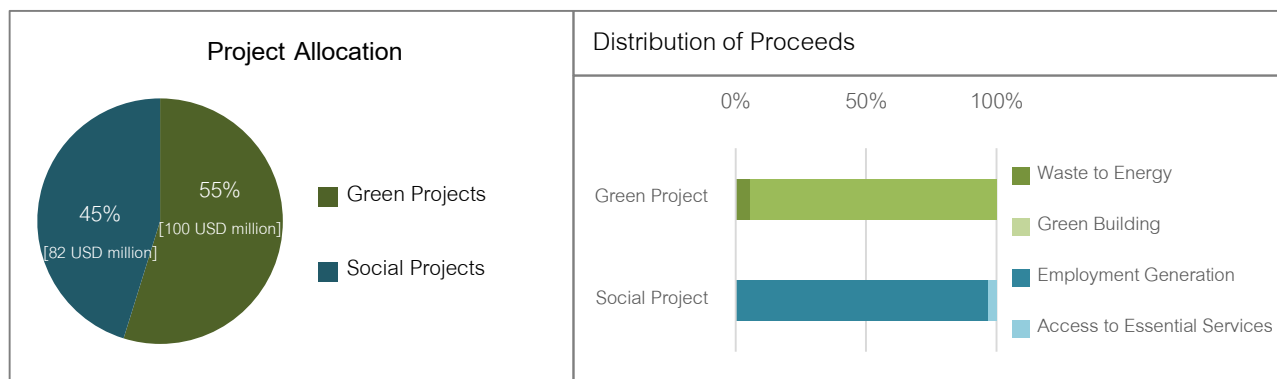
| Category                           | Ref.      | Location             | Capacity (MW) | Production (kWh) | Amount Allocated<br>(USD in million) |
|------------------------------------|-----------|----------------------|---------------|------------------|--------------------------------------|
| Renewable Energy<br>(Solar Energy) | Project A | Nonthaburi, Thailand | 3.4           | 4,538,377        | 1.47                                 |
|                                    | Project B | Tak, Thailand        | 6.3           | 7,597,000        | 1.68                                 |
|                                    | Project D | Bangkok, Thailand    | 3.2           | 4,524,800        | 2.23                                 |
|                                    | Project E | Saraburi, Thailand   | 8.0           | 11,290,000       | 4.27                                 |
|                                    | Project O | Vietnam              | 214.0         | 355,000,000      | 39.35                                |
| <b>Total</b>                       |           |                      |               |                  | <b>49</b>                            |

## Social Project Allocation and Impact

| Category                 | Ref.      | Location | Description                            | Number of<br>Projects/Beneficiaries | Amount Allocated<br>(USD in million) |
|--------------------------|-----------|----------|--|-------------------------------------|--------------------------------------|
| Employment<br>Generation | Project K | Thailand | Overdraft for SMEs payroll program     | 940                                 | 32.97                                |
|                          | Project M | Thailand | Overdraft program for SME retail shops | 1,402                               | 18.03                                |
| <b>Total</b>             |           |          |  |                                     | <b>51</b>                            |

## Sustainability Bond EUR 155 million Issued on 26 August 2021

| Name                    | Amount<br>(EUR in million) | Exchange Rate* | Amount<br>(USD in million) | Maturity                 | Interest Rate (p.a.) |
|-------------------------|----------------------------|----------------|----------------------------|--------------------------|----------------------|
| EUR Sustainability Bond | 155                        | 1.1762         | 182                        | 183 Days<br>(25/02/2022) | -0.26%               |



## Green Project Allocation and Impact

| Category                              | Ref.      | Location               | Capacity (MW)  | Production (kWh) | Amount Allocated<br>(USD in million) |
|---------------------------------------|-----------|------------------------|--|------------------|--------------------------------------|
| Renewable Energy<br>(Waste to Energy) | Project H | Saraburi, Thailand     | 9.4  | 56,888,000       | 5.67                                 |
| Category                              | Ref.      | Location               | Description  |                  | Amount Allocated<br>(USD in million) |
| Green Building                        | Project P | Samutprakarn, Thailand | Expected LEED certificate GOLD/Platinum and WELL certificate Platinum after construction is completed and starting operation in 2024 |                  | 94.08                                |
|                                       |           |                        |  | <b>Total</b>     | <b>99.75</b>                         |

## Social Project Allocation and Impact

| Category                        | Ref.      | Location | Description                            | Number of<br>Projects/Beneficiaries | Amount Allocated<br>(USD in million) |
|---------------------------------|-----------|----------|--|-------------------------------------|--------------------------------------|
| Employment<br>Generation        | Project M | Thailand | Overdraft program for SME retail shops | 6,183                               | 79.48                                |
| Access to Essential<br>Services | Project N | Thailand | K-Personal loan for pensioners         | 287                                 | 2.77                                 |
|                                 |           |          |  | <b>Total</b>                        | <b>82.25</b>                         |

\* Calculated from mid-market rates, namely EUR/THB of 38.5431 and USD/THB 32.7695, acquired from Bank of Thailand "FM FX 001 S3 Rates of Exchange of Commercial Banks in Bangkok Metropolis" Report on 26 August 2021.