

## IMPORTANT NOTICE

NOT FOR DISTRIBUTION TO ANY U.S. PERSON OR TO ANY PERSON OR ADDRESS IN THE UNITED STATES.

**IMPORTANT: You must read the following before continuing.** The following applies to the offering circular following this page, and you are therefore advised to read this carefully before reading, accessing or making any other use of the offering circular. In accessing the offering circular, you agree to be bound by the following terms and conditions, including any modifications to them any time you receive any information from us as a result of such access.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN THE UNITED STATES OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE SECURITIES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR THE SECURITIES LAWS OF ANY STATE OF THE U.S. OR OTHER JURISDICTION AND THE SECURITIES MAY NOT BE OFFERED OR SOLD WITHIN THE U.S. OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT), EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS.

THE FOLLOWING OFFERING CIRCULAR MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER, AND IN PARTICULAR, MAY NOT BE FORWARDED TO ANY U.S. PERSON OR TO ANY U.S. ADDRESS. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.

**Confirmation of your Representation:** In order to be eligible to view this offering circular or make an investment decision with respect to the securities, investors must not be a U.S. person (within the meaning of Regulation S under the Securities Act). This offering circular is being sent at your request and by accepting the e-mail and accessing this offering circular, you shall be deemed to have represented to us that you are not a U.S. person, the electronic mail address that you gave us and to which this e-mail has been delivered is not located in the U.S. and that you consent to delivery of such offering circular by electronic transmission.

You are reminded that this offering circular has been delivered to you on the basis that you are a person into whose possession this offering circular may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorised to, deliver this offering circular to any other person.

The materials relating to the offering do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that the offering be made by a licensed broker or dealer and any of the dealers or any affiliate of any of the dealers is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by such dealer or such affiliate on behalf of KASIKORNBANK PUBLIC COMPANY LIMITED in such jurisdiction.

This offering circular has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently none of KASIKORNBANK PUBLIC COMPANY LIMITED, BNP Paribas, Citigroup Global Markets Limited and Standard Chartered Bank or any person who controls any of them or any director, officer, employee or agent of any of them or affiliate of any such person accepts any liability or responsibility whatsoever in respect of any difference between the offering circular distributed to you in electronic format and the hard copy version available to you on request from KASIKORNBANK PUBLIC COMPANY LIMITED, BNP Paribas, Citigroup Global Markets Limited and Standard Chartered Bank.

Your use of this e-mail is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

**KASIKORNBANK PUBLIC COMPANY LIMITED***(incorporated with limited liability in the Kingdom of Thailand)***U.S.\$4,000,000,000**

ธนาคารกสิกรไทย  
开泰银行 KASIKORNBANK

**Euro Medium Term Note Programme**

Under the Euro Medium Term Note Programme described in this Offering Circular (the “**Programme**”), KASIKORNBANK PUBLIC COMPANY LIMITED (the “**Bank**” or the “**Issuer**”) (from time to time acting through its Hong Kong branch or any of its other branches as specified in the applicable Pricing Supplement (as defined in “*Summary of the Programme*”), subject to compliance with all relevant laws, regulations and directives, may from time to time issue Euro Medium Term Notes (the “**Notes**”). The aggregate nominal amount of Notes outstanding will not at any time exceed U.S.\$4,000,000,000 (or the equivalent in other currencies).

The Notes may be issued on a continuing basis to one or more of the Dealers appointed under the Programme from time to time by the Bank (each a “**Dealer**” and together the “**Dealers**”), which appointment may be for a specific issue or on an on-going basis. References in this Offering Circular to the “**relevant Dealer**” shall, in the case of an issue of Notes being (or intended to be) subscribed for by more than one Dealer, be to all Dealers agreeing to subscribe for such Notes.

**An investment in Notes issued under the Programme involves certain risks. In particular, subordinated notes, including Additional Tier 1 Subordinated Notes (as defined in the applicable terms and conditions) and Tier 2 Subordinated Notes (as defined in the applicable terms and conditions), are complex and high-risk. There are risks inherent in the holding of subordinated notes, including the risks in relation to their subordination, the circumstances in which subordinated notes may be written down or written off (whether in whole or in part) and the implications on subordinated noteholders (such as a substantial loss), the circumstances in which such Noteholders may suffer loss as a result of holding subordinated notes are difficult to predict and the quantum of any loss incurred by investors in subordinated notes in such circumstances is also highly uncertain. Subordinated notes may be written down in whole or in part upon the occurrence of a Trigger Event or Non-Viability Event as defined in the applicable terms and conditions and Pricing Supplement. For a discussion of these risks, see “*Investment Considerations*”.**

The Additional Tier 1 Notes are not intended to be sold and should not be sold to “**retail clients**” (as defined in Directive 2014/65/EU (as amended, “**MiFID II**”) in the European Economic Area (“**EEA**”). In addition to the above, pursuant to the United Kingdom Financial Conduct Authority Conduct of Business Sourcebook (“**COBS**”) the Additional Tier 1 Subordinated Notes are not intended to be offered, sold or otherwise made available and should not be offered, sold or otherwise made available to retail clients (as defined in COBS 3.4) in the United Kingdom. Potential investors should read the whole of this document, in particular the “*Restrictions on Marketing and Sales to Retail Investors of Additional Tier 1 Subordinated Notes*” set out on pages iii and iv and the risk factors set out on pages 12 to 41.

Application has been made to the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) for permission to deal in and for the listing and quotation for any Notes which are agreed at the time of issue to be so listed on the official list of the SGX-ST (the “**Official List**”). Such permission will be granted when a particular Series (as defined in “*Summary of the Programme*”) of Notes has been admitted to the Official List. There is no assurance that the application to the SGX-ST for the listing of the Notes will be approved. The approval in-principle, admission to the Official List and quotation of any Notes on the SGX-ST is not to be taken as an indication of the merits of the Bank, its subsidiaries and associated companies (the Bank and its subsidiaries taken as a whole hereafter, the “**Group**”), the Programme or the Notes. The SGX-ST assumes no responsibility for the correctness of any statement made or opinions expressed or reports contained herein.

Unlisted Notes may also be issued pursuant to the Programme. The applicable Pricing Supplement in respect of the issue of any Notes will specify whether or not such Notes will be listed on the SGX-ST (or any other stock exchange).

The Notes may be issued in bearer form (the “**Bearer Notes**”) or in registered form (the “**Registered Notes**”). The Notes of each Series (as defined in “*Summary of the Programme*”) to be issued in bearer form will be sold in an “**offshore transaction**” within the meaning of Regulation S (“**Regulation S**”) under the United States Securities Act of 1933, as amended (the “**Securities Act**”) and in compliance with certain U.S. tax law requirements, and will initially be represented by a temporary global note in bearer form (each a “**temporary Global Note**”). Interests in temporary Global Notes generally will be exchangeable for interests in permanent global notes (each a “**permanent Global Note**”) and, together with the temporary Global Notes, the “**Global Notes**”) or, if so stated in the relevant Pricing Supplement, definitive Notes (“**Definitive Notes**”), after the date falling 40 days after the later of the commencement of the offering and the relevant issue date of such Tranche (as defined in “*Summary of the Programme*”), upon certification as to non-U.S. beneficial ownership, interests in permanent Global Notes will be exchangeable for Definitive Notes in whole but not in part as described under “*Summary of Provisions Relating to the Notes while in Global Form*”.

The Notes of each Series to be issued in registered form and which are sold in an “**offshore transaction**” within the meaning of Regulation S (“**Unrestricted Notes**”) will initially be represented by a permanent registered global certificate (each a “**Global Certificate**”) without interest coupons, which may be deposited on the relevant issue date (a) in the case of a Series intended to be cleared through Euroclear Bank SA/NV (“**Euroclear**”) and Clearstream Banking S.A. (“**Clearstream, Luxembourg**”), with a common depository on behalf of Euroclear and Clearstream, Luxembourg and (b) in the case of a Series intended to be cleared through a clearing system other than, or in addition to, Euroclear and/or Clearstream, Luxembourg, or delivered outside a clearing system, as agreed between the Bank and the relevant Dealer. The provisions governing the exchange of interests in Global Notes for other Global Notes and Definitive Notes are described in “*Summary of Provisions Relating to the Notes while in Global Form*”.

The Notes have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States, and the Notes may include Bearer Notes that are subject to U.S. tax law requirements. Subject to certain exceptions, the Notes may not be offered, sold, or, in the case of Bearer Notes, delivered within the United States. Registered Notes are subject to certain restrictions on transfer, see “*Subscription and Sale*”.

The Bank may agree with any Dealer that Notes may be issued in a form not contemplated by the “*Terms and Conditions of the Notes Other than the Additional Tier 1 Subordinated Notes*” or the “*Terms and Conditions of the Additional Tier 1 Subordinated Notes*” herein (together, the “**Conditions**”), in which event a supplemental Offering Circular, if appropriate, will be made available which will describe the effect of the agreement reached in relation to such Notes.

Tranches of Notes to be issued under the Programme will be rated or unrated. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

*Arrangers and Dealers*

BNP PARIBAS

Citigroup

Standard Chartered Bank

The Bank accepts responsibility for the information contained in this Offering Circular. To the best of the knowledge of the Bank (having taken all reasonable care to ensure that such is the case) the information contained in this Offering Circular is in accordance with the facts and does not omit anything likely to affect the import of such information.

This Offering Circular is to be read in conjunction with all documents which are incorporated herein by reference (see “*Documents Incorporated by Reference*”). No person has been authorised to give any information or to make any representation other than those contained in this Offering Circular in connection with the issue or sale of the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Bank or any of the Arrangers, the Dealers or the Agents (as defined in “*Summary of the Programme*”).

Neither the delivery of this Offering Circular nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Bank or the Group since the date hereof or the date upon which this Offering Circular has been most recently amended or supplemented or that there has been no adverse change in the financial position of the Bank or the Group since the date hereof or the date upon which this Offering Circular has been most recently amended or supplemented or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

In the case of any Notes which are to be admitted to trading on a regulated market within the European Economic Area or offered to the public in a Member State of the European Economic Area in circumstances which require the publication of a prospectus under Regulation (EU) 2017/1129 (the “**Prospectus Regulation**”), the minimum specified denomination shall be €100,000 (or its equivalent in any other currency as at the date of issue of the Notes).

The Notes have not been, and will not be, registered with the Securities Exchange Commission of Thailand. Any public offering or distribution, as defined under Thai laws and regulations, of the Notes in Thailand is not legal without such prior registration. Documents relating to the offering of the Notes, as well as information contained therein, may not be supplied to the public in Thailand, as the offering of the Notes is not a public offering of securities in Thailand, nor may they be used in connection with any offer for subscription or sale of the Notes to the public in Thailand.

The distribution of this Offering Circular and the offering or sale of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Offering Circular comes are required by the Bank, the Arrangers and the Dealers to inform themselves about and to observe any such restriction.

This Offering Circular is an advertisement and is not a prospectus for the purposes of the Prospectus Regulation.

The Notes have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and this includes Notes in bearer form that are subject to U.S. tax law requirements. Subject to certain exceptions, the Notes may not be offered, sold or (in the case of Notes in bearer form) delivered within the United States or to, or for the account and benefit of, a United States person (as defined in the U.S. Internal Revenue Code and the regulations thereunder). For a description of certain restrictions on offers and sales of Notes and on distribution of this Offering Circular, see “*Subscription and Sale*”.

This Offering Circular does not constitute an offer of, or an invitation by or on behalf of the Bank, the Arrangers, the Dealers or the Agents to subscribe for, or purchase, any Notes.

This Offering Circular has not been registered as a prospectus with the Monetary Authority of Singapore (the “**MAS**”). Accordingly, this Offering Circular and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes may not be circulated or distributed, nor may the Notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the “**SFA**”)) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or to any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

the securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

- (1) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(c)(ii) of the SFA;
- (2) where no consideration is or will be given for the transfer;
- (3) where the transfer is by operation of law;
- (4) as specified in Section 276(7) of the SFA; or
- (5) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 of Singapore.

**Notification under Section 309B(1)(c) of the SFA:** Unless otherwise stated in the Pricing Supplement in respect of any Notes, all Notes issued or to be issued under the Program shall be prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04- N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

**MIFID II product governance / target market** – The Pricing Supplement in respect of any Notes may include a legend entitled “MIFID II Product Governance” which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the target market assessment; however, a distributor subject to **MiFID II** is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer’s target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the “**MiFID Product Governance Rules**”), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MIFID Product Governance Rules.

**UK MiFIR product governance / target market** – The Pricing Supplement in respect of any Notes may include a legend entitled “UK MiFIR Product Governance” which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the “**UK MiFIR Product Governance Rules**”) is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels. A determination will be made in relation to each issue about whether, for the purpose of the UK MiFIR Product Governance Rules, any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arrangers nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the UK MiFIR Product Governance Rules.

**IMPORTANT – EEA RETAIL INVESTORS** – If the Pricing Supplement in respect of any Notes includes a legend entitled “Prohibition of Sales to EEA Retail Investors”, the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the

**EEA.** For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the “**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Regulation. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the “**PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

**IMPORTANT – UK RETAIL INVESTORS** – If the Pricing Supplement in respect of any Notes includes a legend entitled “Prohibition of Sales to UK Retail Investors”, the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (the “**UK**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the “**EUWA**”); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000, as amended (the “**FSMA**”) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA (the “**UK Prospectus Regulation**”). Consequently, no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the “**UK PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

#### **Restrictions on Marketing and Sales to Retail Investors of Additional Tier 1 Subordinated Notes**

1. Any Additional Tier 1 Subordinated Notes (as defined in “*Terms and Conditions of the Additional Tier 1 Subordinated Notes*”) issued under the Programme are complex financial instruments. They are not a suitable or appropriate investment for all investors, especially retail investors. In some jurisdictions, regulatory authorities have adopted or published laws, regulations or guidance with respect to the offer or sale of securities such as the Additional Tier 1 Subordinated Notes. Potential investors in the Additional Tier 1 Subordinated Notes should inform themselves of, and comply with, any applicable laws, regulations or regulatory guidance with respect to any resale of the Additional Tier 1 Subordinated Notes (or any beneficial interests therein).
2.
  - a. In the UK, COBS requires, in summary, that the Additional Tier 1 Subordinated Notes should not be offered or sold to retail clients as defined in COBS 3.4 (each a “**retail client**”) in the UK.
  - b. Certain of the Dealers are required to comply with COBS.
  - c. By purchasing, or making or accepting an offer to purchase, any Additional Tier 1 Subordinated Notes (or a beneficial interest in such Additional Tier 1 Subordinated Notes) from the Issuer and/or the Dealers, each prospective investor represents, warrants, agrees with and undertakes to the Issuer and each of the Dealers that:
    - i. it is not a retail client in the UK; and
    - ii. it will not (A) sell or offer the Additional Tier 1 Subordinated Notes (or any beneficial interests therein) to retail clients in the UK or (B) communicate (including the distribution of this Offering Circular) or approve an invitation or inducement to participate in, acquire or underwrite the Additional Tier 1 Subordinated Notes (or any beneficial interests therein) where that invitation or inducement is addressed to or disseminated in such a way that it is likely to be received by a retail client in the UK.
  - d. In selling or offering the Additional Tier 1 Subordinated Notes or making or approving communications relating to the Additional Tier 1 Subordinated Notes, it may not rely on the limited exemptions set out in COBS.
3. The obligations in paragraph 2 above are in addition to the need to comply at all times with all other applicable laws, regulations and regulatory guidance (whether inside or outside the EEA or the UK) relating to the promotion, offering, distribution and/or sale of the Additional Tier 1 Subordinated Notes (or any

beneficial interests therein), whether or not specifically mentioned in this Offering Circular (including (without limitation) any requirements under MiFID II or the FCA Handbook as to determining the appropriateness and/or suitability of an investment in the Additional Tier 1 Subordinated Notes (or any beneficial interests therein) for investors in any relevant jurisdiction).

4. Where acting as agent on behalf of a disclosed or undisclosed client when purchasing, or making or accepting an offer to purchase, any Additional Tier 1 Subordinated Notes (or any beneficial interests therein) from the Issuer and/or the Dealers the foregoing representations, warranties, agreements and undertakings will be given by and be binding upon both the agent and its underlying client.

**IMPORTANT NOTICE TO PROSPECTIVE INVESTORS** – Prospective investors should be aware that certain intermediaries in the context of certain offerings of the Notes pursuant to this Programme (each such Offering a “**CMI Offering**”), including certain Dealers, may be “capital market intermediaries” (together, the “**CMIs**”) subject to Paragraph 21 of the Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission (the “**SFC Code**”). This notice to prospective investors is a summary of certain obligations the SFC Code imposes on such CMIs, which require the attention and cooperation of prospective investors. Certain CMIs may also be acting as “overall coordinators” (together, the “**OCs**”) for a CMI Offering and are subject to additional requirements under the SFC Code. The application of these obligations will depend on the role(s) undertaken by the relevant Dealer(s) in respect of each CMI Offering.

Prospective investors who are the directors, employees or major shareholders of the Issuer, a CMI or its group companies would be considered under the SFC Code as having an association (an “**Association**”) with the Issuer, the CMI or the relevant group company. Prospective investors associated with the Issuer or any CMI (including its group companies) should specifically disclose this when placing an order for the relevant Notes and should disclose, at the same time, if such orders may negatively impact the price discovery process in relation to the relevant CMI Offering. Prospective investors who do not disclose their Associations are hereby deemed not to be so associated. Where prospective investors disclose their Associations but do not disclose that such order may negatively impact the price discovery process in relation to the relevant CMI Offering, such order is hereby deemed not to negatively impact the price discovery process in relation to the relevant CMI Offering.

Prospective investors should ensure, and by placing an order prospective investors are deemed to confirm, that orders placed are bona fide, are not inflated and do not constitute duplicated orders (i.e. two or more corresponding or identical orders placed via two or more CMIs). A rebate may be offered by the Issuer to all private banks for orders they place (other than in relation to the Notes subscribed by such private banks as principal whereby it is deploying its own balance sheet for onward selling to investors), payable upon closing of the relevant CMI Offering based on the principal amount of the Notes distributed by such private banks to investors. Private banks are deemed to be placing an order on a principal basis unless they inform the CMIs otherwise. As a result, private banks placing an order on a principal basis (including those deemed as placing an order as principal) will not be entitled to, and will not be paid, the rebate. Details of any such rebate will be set out in the applicable Pricing Supplement or otherwise notified to prospective investors. If a prospective investor is an asset management arm affiliated with any relevant Dealer, such prospective investor should indicate when placing an order if it is for a fund or portfolio where the relevant Dealer or its group company has more than 50% interest, in which case it will be classified as a “proprietary order” and subject to appropriate handling by CMIs in accordance with the SFC Code and should disclose, at the same time, if such “proprietary order” may negatively impact the price discovery process in relation to the relevant CMI Offering. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not a “proprietary order”. If a prospective investor is otherwise affiliated with any relevant Dealer, such that its order may be considered to be a “proprietary order” (pursuant to the SFC Code), such prospective investor should indicate to the relevant Dealer when placing such order. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not a “proprietary order”. Where prospective investors disclose such information but do not disclose that such “proprietary order” may negatively impact the price discovery process in relation to the relevant CMI Offering, such “proprietary order” is hereby deemed not to negatively impact the price discovery process in relation to the relevant CMI Offering.

Prospective investors should be aware that certain information may be disclosed by CMIs (including private bank(s)) which is personal and/or confidential in nature to the prospective investor. By placing an order, prospective investors are deemed to have understood and consented to the collection, disclosure, use and transfer of such information by the relevant Dealer and/or any other third parties as may be required by the SFC Code, including to the Issuer, any OC(s), relevant regulators and/or any other third parties as may be required by the SFC Code, it being understood and agreed that such information shall only be used for the purpose of complying with the SFC Code, during the bookbuilding process for this offering. Failure to provide such information may result in that order being rejected.

The Arrangers and the Dealers have not separately verified the information contained in this Offering Circular. To the fullest extent permitted by law, none of the Arrangers, the Dealers or the Agents accept any responsibility for the contents of this Offering Circular or for any other statement, made or purported to be made by the Arrangers, the Dealers or to Agents or on their behalf in connection with the Bank or the issue and offering of the Notes. Each Arranger, each Dealer and each Agent accordingly disclaims all and any liability whether arising in tort or contract or otherwise (save as referred to above) which it might otherwise have in respect of this Offering Circular or any such statement. Neither this Offering Circular nor any other financial statements contained herein or otherwise are intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Bank, the Arrangers, the Dealers or the Agents that any recipient of this Offering Circular or any other financial statements of the Bank or the Group should purchase the Notes. Each potential purchaser of Notes should determine for itself the relevance of the information contained in this Offering Circular and its purchase of Notes should be based upon such investigation as it deems necessary. None of the Arrangers, the Dealers or the Agents undertake to review the financial condition or affairs of the Bank or the Group during the life of the arrangements contemplated by this Offering Circular nor to advise any investor or potential investor in the Notes of any information coming to the attention of any of the Arrangers, the Dealers or the Agents.

From time to time, in the ordinary course of business, certain of the Dealers and their affiliates have provided advisory and investment banking services, and entered into other commercial transactions with the Bank and its affiliates, including commercial banking services, for which customary compensation has been received. It is expected that the Dealers and their affiliates will continue to provide such services to, and enter into such transactions, with the Bank and its affiliates in the future.

The Dealers or certain of their respective affiliates may purchase the Notes and be allocated Notes for asset management and/or proprietary purposes and not with a view to distribution.

In making an investment decision, each potential investor must rely on its own examination of the Bank and the terms of the Notes being offered, including the merits and risks involved. The Bank does not and the Arrangers, the Dealers, and the Agents do not make any representation regarding the legality of investment under any applicable laws.

Potential investors should be able to bear the economic risk of an investment in the Notes for an indefinite period of time.

In connection with the issue of any Tranche, the Dealer or Dealers (if any) named as the stabilising manager(s) (the “**Stabilising Manager(s)**”) (or any person acting on behalf of any Stabilising Manager(s)) in the applicable Pricing Supplement may over-allot Notes or effect transactions with a view to supporting the market price of a Tranche of Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager(s) (or any person acting on behalf of any Stabilising Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche and 60 days after the date of the allotment of the relevant Tranche. Any stabilisation action or over-allotment must be conducted by the relevant Stabilising Manager(s) (or any person acting on behalf of any Stabilising Manager(s)) in accordance with all applicable laws and rules.

## **SERVICE OF PROCESS AND ENFORCEMENT OF CIVIL LIABILITIES**

The Bank is a limited liability public company organised under the laws of Thailand. Most of the directors and officers of the Bank are residents of Thailand and a substantial portion of the assets of the Bank and of such officers and directors are located in Thailand. As a result, it may not be possible for investors to effect service of process upon the Bank or such persons outside Thailand, or to enforce judgments against them obtained in courts outside Thailand predicated upon civil liabilities of the Bank or such directors and officers under laws other than Thailand, including any judgment predicated upon United States federal securities laws. The Bank has been advised by Baker & McKenzie Ltd., its Thai counsel, that a judgment or order obtained in a court outside Thailand would not be enforced as such by the courts of Thailand, but such judgment or order in the discretion of the courts of Thailand may be admitted as evidence of any obligation in new proceedings instituted in the courts of Thailand, which would consider the issue on the evidence before it.

## **PRESENTATION OF INFORMATION**

Capitalised terms which are used but not defined in any particular section of this Offering Circular will have the meaning attributed thereto in “*Terms and Conditions of the Notes Other than the Additional Tier 1 Subordinated Notes*”, “*Terms and Conditions of the Additional Tier 1 Subordinated Notes*” or any other section of this Offering

Circular. In addition, all references to “**Thailand**” are references to the Kingdom of Thailand. All references to the “**Government**” are references to the government of Thailand. References to “**United States**”, “**U.S.A.**” or “**U.S.**”, are to the United States of America. All references to “**United Kingdom**” or “**UK**” herein are to the United Kingdom of Great Britain and Northern Ireland. References to “**Hong Kong**” are to the Hong Kong Special Administrative Region of the People’s Republic of China. References here to “**China**” or “**PRC**” are to the People’s Republic of China. References herein to “**Baht**” or “**Bt**” are to the lawful currency of Thailand, references to “**U.S. dollar**” and “**U.S.\$**” are to the lawful currency of the United States. In addition, all references to “**Sterling**” and “**£**” refer to pounds sterling, references to “**Singapore dollars**” and “**S\$**” refer to Singapore dollars and references to “**euro**” and “**€**” refer to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty establishing the European Community, as amended.

For convenience, unless otherwise specified, certain Baht amounts have been translated into U.S. dollar amounts as of 31 December 2022 based on the prevailing exchange rate of Baht 34.562 = U.S.\$1.00 and as of 30 June 2023 based on the prevailing exchange rate of Baht 35.589 = U.S.\$1.00, being the middle market spot rate of exchange for Baht against the U.S. dollar quoted by the Bank of Thailand (“**BoT**”) on 30 December 2022 and 30 June 2023, respectively.

Unless otherwise indicated, all financial information has been presented in Baht in accordance with Thai Financial Reporting Standards (“**TFRS**”). No representation is made that the Baht or U.S. dollar amounts shown herein could have been or could be converted into U.S. dollars or Baht, as the case may be, at any particular rate or at all.

Certain figures in this Offering Circular have been subject to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

## **FORWARD-LOOKING STATEMENTS**

This Offering Circular includes statements that are, or may be deemed to be, “forward-looking statements”. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms “believes”, “estimates”, “intends”, “may”, “will” or “should” or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this Offering Circular and include statements regarding the intentions, beliefs or current expectations of the Bank concerning, among other things, the results of operations, financial condition, liquidity, prospects, growth, strategies and the businesses in which the Bank operates.

By their nature, forward-looking statements are subject to numerous assumptions, risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future.

Forward-looking statements are not guarantees of future performance and the Bank’s actual results of operations, financial condition and liquidity, and the development of the businesses in which the Bank operates, may differ materially from those made in or suggested by the forward-looking statements contained in this Offering Circular. In addition, even if the results of operations, financial condition and liquidity and the development of the businesses in which the Bank operates are consistent with the forward-looking statements contained in this Offering Circular, those results or developments may not be indicative of results or developments in subsequent periods.

The cautionary statements set forth above should be considered in connection with any subsequent written or oral forward-looking statements that the Bank or persons acting on its behalf may issue. The Bank does not undertake any obligation to review or confirm analysts’ expectations or estimates or to release publicly any revisions to any forward-looking statements to reflect events or circumstances after the date of this Offering Circular.

Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed under “*Investment Considerations*”.

Any forward-looking statements that the Bank makes in this Offering Circular speak only as at the date of such statements, and the Bank undertakes no obligation to update such statements. Comparisons of results for current and any prior periods are not intended to express any future trends or indications of future performance, and should only be viewed as historical data.

## **DOCUMENTS INCORPORATED BY REFERENCE**

This Offering Circular should be read and construed in conjunction with each relevant Pricing Supplement and each Supplemental Offering Circular.



This Offering Circular should also be read and construed in conjunction with (i) the audited consolidated financial statements as of and for the years ended 31 December 2020, 2021 and 2022 published through the Stock Exchange of Thailand (“SET”); (ii) the audited consolidated financial statements as of and for the six-month periods ended 30 June 2022 and 30 June 2023 published through the SET; and (iii) the most recently published audited consolidated financial statements, any interim consolidated financial statements (whether audited or unaudited) of the Bank and the Group published through the SET from time to time after the date of this Offering Circular and their related notes, which shall be deemed to be incorporated in, and to form part of, this Offering Circular, save that any statement contained herein or in a document which is deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Offering Circular to the extent that a statement contained in any such subsequent document which is deemed to be incorporated by reference herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Offering Circular.

Any published unaudited interim consolidated financial statements which are, from time to time, deemed to be incorporated by reference in this Offering Circular will not have been audited or subject to review by the auditors of the Bank or the Group. Accordingly, there can be no assurance that, had an audit or review been conducted in respect of such financial statements, the information presented therein would not have been materially different, and investors should not place undue reliance upon them.

Copies of all such documents incorporated by reference in this Offering Circular and published through the SET may be accessed at the SET’s website at <https://www.set.or.th/> and the Bank’s website at <https://www.kasikornbank.com/en/ir>. In addition, copies of all such documents incorporated by reference in this Offering Circular may be obtained without charge during usual business hours on any weekday (except Saturdays, Sundays and public holidays) from the registered office of the Bank.

#### **SUPPLEMENTAL OFFERING CIRCULAR**

The Bank has given an undertaking to each Arranger and each Dealer that if at any time during the duration of the Programme there is a significant new factor, material mistake or inaccuracy relating to information contained in this Offering Circular which is capable of affecting the assessment of any Notes and whose inclusion in or removal from this Offering Circular is necessary for the purpose of allowing an investor to make an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of the Bank, and the rights attaching to the Notes, the Bank shall prepare an amendment or supplement to this Offering Circular or publish a replacement Offering Circular for use in connection with any subsequent offering of the Notes and shall supply to each Arranger and each Dealer such number of copies of such supplement or replacement hereto as such Arranger and Dealer may reasonably request immediately prior to its publication. References to this “Offering Circular” shall be taken to mean this document and all the documents from time to time incorporated by reference herein and forming part hereof.

## TABLE OF CONTENTS

	Page
SUMMARY OF THE PROGRAMME.....	1
SELECTED FINANCIAL INFORMATION.....	7
INVESTMENT CONSIDERATIONS .....	12
TERMS AND CONDITIONS OF THE NOTES OTHER THAN THE ADDITIONAL TIER 1 SUBORDINATED NOTES .....	42
TERMS AND CONDITIONS OF THE ADDITIONAL TIER 1 SUBORDINATED NOTES.....	88
SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM.....	113
USE OF PROCEEDS .....	117
CAPITALISATION AND INDEBTEDNESS .....	118
DESCRIPTION OF THE BANK.....	119
DESCRIPTION OF THE BANK'S HONG KONG BRANCH .....	164
RISK MANAGEMENT .....	165
DESCRIPTION OF ASSETS AND LIABILITIES .....	169
LOAN CLASSIFICATION AND PROVISIONING FOR LOAN LOSSES .....	172
CAPITAL ADEQUACY .....	178
MANAGEMENT.....	180
PRINCIPAL SHAREHOLDERS.....	191
FORM OF PRICING SUPPLEMENT RELATING TO NOTES OTHER THAN ADDITIONAL TIER 1 SUBORDINATED NOTES.....	192
FORM OF PRICING SUPPLEMENT OF THE ADDITIONAL TIER 1 SUBORDINATED NOTES ....	204
RELATED PARTY TRANSACTIONS.....	212
THE THAI BANKING INDUSTRY .....	213
SUPERVISION AND REGULATION .....	215
SUMMARY OF SIGNIFICANT DIFFERENCES BETWEEN TFRS AND IFRS.....	225
TAXATION.....	226
CLEARING AND SETTLEMENT.....	229
SUBSCRIPTION AND SALE .....	230
GENERAL INFORMATION.....	237

## SUMMARY OF THE PROGRAMME

*The following summary does not purport to be complete and is qualified in its entirety by the remainder of this Offering Circular. Words and expressions defined in “Terms and Conditions of the Notes Other than the Additional Tier 1 Subordinated Notes” and “Terms and Conditions of the Additional Tier 1 Subordinated Notes” below or elsewhere in this Offering Circular have the same meanings in this summary.*

<b>Issuer</b> .....	KASIKORNBANK PUBLIC COMPANY LIMITED (from time to time acting through its Hong Kong branch or any of its other branches as specified in the applicable Pricing Supplement).
<b>Description</b> .....	Euro Medium Term Note Programme.
<b>Size</b> .....	Up to U.S.\$4,000,000,000 (or the equivalent in other currencies at the date of issue) aggregate nominal amount of Notes outstanding at any one time.
<b>Arrangers</b> .....	BNP Paribas, Citigroup Global Markets Limited and Standard Chartered Bank.
<b>Dealers</b> .....	BNP Paribas, Citigroup Global Markets Limited and Standard Chartered Bank.

The Bank may from time to time terminate the appointment of any dealer under the Programme or appoint additional dealers either in respect of one or more Tranches or in respect of the whole Programme. References in this Offering Circular to “**Permanent Dealers**” are to the persons listed above as Dealers and to such additional persons that are appointed as dealers in respect of the whole Programme (and whose appointment has not been terminated) and references to “**Dealers**” are to all Permanent Dealers and all persons appointed as a dealer in respect of one or more Tranches.

<b>Fiscal Agent, Paying Agent, Transfer Agent and Calculation Agent</b> .....	The Bank of New York Mellon, acting through its London branch.
---	--

<b>Registrar</b> .....	The Bank of New York Mellon SA/NV, Luxembourg Branch.
------------------------	---

<b>Method of Issue</b> .....	The Notes may be issued on a syndicated or non-syndicated basis. The Notes will be issued in series (each a “ <b>Series</b> ”) having one or more issue dates and on terms otherwise identical (or identical other than in respect of the first payment of interest), the Notes of each Series being intended to be interchangeable with all other Notes of that Series. Each Series may be issued in tranches (each a “ <b>Tranche</b> ”) on the same or different issue dates. The specific terms of each Tranche (which will be supplemented, where necessary, with supplemental terms and conditions and, save in respect of the issue date, issue price, first payment of interest and nominal amount of the Tranche, which will be identical to the terms of other Tranches of the same Series) will be set out in the pricing relevant supplement (the “ <b>Pricing Supplement</b> ”).
------------------------------	---

<b>Issue Price</b> .....	Notes may be issued at their nominal amount or at a discount or premium to their nominal amount. Partly Paid Notes may be issued, the issue price of which will be payable in two or more instalments.
--------------------------	--

<b>Form of Notes</b> .....	The Notes may be issued as Bearer Notes or Registered Notes. Each Tranche of Bearer Notes will be represented on issue by a temporary Global Note if (i) definitive Notes are to be made available to Noteholders following the expiry of 40 days after their issue date or (ii) such Notes have an initial maturity of more than one year and are being issued in compliance with the D Rules (as defined in “ <i>Selling Restrictions</i> ” below), otherwise such Tranche will be represented by
----------------------------	---

a permanent Global Note. Registered Notes will be represented by Certificates, one Certificate being issued in respect of each Noteholder's entire holding of Registered Notes of one Series. Global Certificates represent Registered Notes that are registered in the name of a nominee for one or more clearing systems.

<b>Clearing Systems</b> .....	Clearstream, Luxembourg, Euroclear and, in relation to any Tranche, such other clearing system as may be agreed between the Bank, the Fiscal Agent, and the relevant Dealer.
<b>Initial Delivery of Notes</b> .....	On or before the issue date for each Tranche, the Global Note representing Bearer Notes or the Global Certificate representing Registered Notes may be deposited with a common depositary for Euroclear and Clearstream, Luxembourg or deposited with a depositary or sub-custodian for any other clearing system or may be delivered outside any clearing system provided that the method of such delivery has been agreed in advance by the Bank, the Fiscal Agent, and the relevant Dealer. Registered Notes that are to be credited to one or more clearing systems on issue will be registered in the name of nominees or a common nominee for such clearing systems.
<b>Currencies</b> .....	Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in any currency agreed between the Bank and the relevant Dealer.
<b>Maturities</b> .....	Subject to compliance with all relevant laws, regulations and directives, any maturity as may be agreed between the Bank and the relevant Dealer.
<b>Specified Denomination</b> .....	Definitive Notes will be in such denominations as may be specified in the relevant Pricing Supplement save that (i) in the case of any Notes which are to be admitted to trading on a regulated market within the European Economic Area or offered to the public in a Member State of the European Economic Area in circumstances which require the publication of a prospectus under the Prospectus Regulation, the minimum specified denomination shall be €100,000 (or its equivalent in any other currency as at the date of issue of the Notes) and (ii) unless otherwise permitted by then current laws and regulations, Notes (including Notes denominated in sterling) which have a maturity of less than one year and in respect of which the issue proceeds are to be accepted by the Bank in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the FSMA will have a minimum denomination of £100,000 (or its equivalent in other currencies).
<b>Fixed Rate Notes</b> .....	Fixed interest will be payable in arrear on the date or dates in each year specified in the relevant Pricing Supplement.
<b>Floating Rate Notes</b> .....	Floating Rate Notes will bear interest determined separately for each Series as follows:  (i) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. as amended, supplemented or replaced; or  (ii) by reference to SOFR (or such other benchmark as may be specified in the relevant Pricing Supplement) as adjusted for any applicable margin.

	Interest periods will be specified in the relevant Pricing Supplement.
<b>Zero Coupon Notes .....</b>	Zero Coupon Notes may be issued at their nominal amount or at a discount to it and will not bear interest.
<b>Dual Currency Notes .....</b>	Payments (whether in respect of principal or interest and whether at maturity or otherwise) in respect of Dual Currency Notes will be made in such currencies, and based on such rates of exchange as may be specified in the relevant Pricing Supplement.
<b>Index Linked Notes .....</b>	Payments of principal in respect of Index Linked Redemption Notes or of interest in respect of Index Linked Interest Notes will be calculated by reference to such index and/or formula as may be specified in the relevant Pricing Supplement.
<b>Interest Periods and Interest Rates .....</b>	The length of the interest periods for the Senior Notes and Tier 2 Subordinated Notes and the applicable interest rate or its method of calculation may differ from time to time or be constant for any Series. Senior Notes and Tier 2 Subordinated Notes may have a maximum interest rate, a minimum interest rate, or both. The use of interest accrual periods permits the Senior Notes and Tier 2 Subordinated Notes to bear interest at different rates in the same interest period. All such information will be set out in the relevant Pricing Supplement.
<b>Distribution Periods and Distribution Rates .....</b>	The length of the distribution periods for the Additional Tier 1 Subordinated Notes and the applicable distribution rate or its method of calculation may differ from time to time or be constant for any Series. The use of distribution accrual periods permits the Additional Tier 1 Subordinated Notes to bear distribution at different rates in the same distribution period. All such information will be set out in the applicable Pricing Supplement.
<b>Redemption .....</b>	The relevant Pricing Supplement will specify the basis for calculating the redemption amounts payable. Unless permitted by then current laws and regulations, Notes (including Notes denominated in sterling) which have a maturity of less than one year and in respect of which the issue proceeds are to be accepted by the Bank in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the FSMA must have a minimum redemption amount of £100,000 (or its equivalent in other currencies).
<b>Redemption by Instalments .....</b>	The Pricing Supplement issued in respect of each issue of Senior Notes and Tier 2 Subordinated Notes that are redeemable in two or more instalments will set out the dates on which, and the amounts in which, such Senior Notes and Tier 2 Subordinated Notes may be redeemed.
<b>Redemption for Regulatory Reasons.....</b>	The terms of the subordinated notes will contain a redemption for regulatory reasons provision as further described in Condition 5(d) for the Additional Tier 1 Subordinated Notes and Condition 6(i) for the Tier 2 Subordinated Notes.
<b>Variation instead of Redemption of Subordinated Notes.....</b>	The Issuer may, subject to the approval of the BoT, vary the terms of the Additional Tier 1 Subordinated Notes so that they remain or, as appropriate, become Qualifying Securities, as provided in Condition 5(g) for the Additional Tier 1 Subordinated Notes.
<b>Other Notes.....</b>	Terms applicable to high interest Notes, low interest Notes, step-up Notes, step-down Notes, reverse dual currency Notes, optional dual currency Notes, Partly Paid Notes and any other type of Note that the Bank and any Dealer or Dealers may agree to issue under the

	Programme will be set out in the relevant Pricing Supplement and the Supplemental Offering Circular.
<b>Optional Redemption .....</b>	The Pricing Supplement issued in respect of each issue of Notes will state whether such Notes may be redeemed prior to their stated maturity at the option of the Bank (either in whole or in part) and/or the holders, and if so the terms applicable to such redemption.
<b>Notes that can be issued under the Programme.....</b>	The Bank may issue Senior Notes and Subordinated Notes (in the form of Additional Tier 1 Subordinated Notes or Tier 2 Subordinated Notes).
<b>Status of Senior Notes.....</b>	The Senior Notes issued by the Bank will constitute direct, unconditional, unsubordinated and (subject to Condition 4 (Negative Pledge) in the “ <i>Terms and Conditions of the Notes Other than the Additional Tier 1 Subordinated Notes</i> ”) unsecured obligations of the Bank and will at all times rank <i>pari passu</i> without any preference among themselves. The payment obligations of the Bank under the Senior Notes and the Receipts and Coupons relating to them shall, save for such exceptions as may be provided by applicable legislation, at all times rank at least equally with all other unsecured and unsubordinated indebtedness and monetary obligations of the Bank, present and future.
<b>Status of the Additional Tier 1 Subordinated Notes .....</b>	The Additional Tier 1 Subordinated Notes issued by the Bank will constitute subordinated obligations of the Bank and will rank <i>pari passu</i> without any preference among themselves. The rights of the holders of the Subordinated Notes, will, in the event of the Winding-Up of or court proceedings of bankruptcy under applicable Thai laws against the Bank, be subordinated in right of payment in the manner provided in Condition 3(a) in the “ <i>Terms and Conditions of the Additional Tier 1 Subordinated Notes</i> ”, all as further described in Condition 3(a) in the “ <i>Terms and Conditions of the Additional Tier 1 Subordinated Notes</i> ”.
<b>Status of the Tier 2 Subordinated Notes ...</b>	The Tier 2 Subordinated Notes issued by the Bank will constitute subordinated obligations of the Bank and will rank <i>pari passu</i> without any preference among themselves. The rights of the holders of the Subordinated Notes, will, in the event of the Winding-Up of or court proceedings of bankruptcy under applicable Thai laws against the Bank, be subordinated in right of payment in the manner provided in Condition 3(b) in the “ <i>Terms and Conditions of the Notes Other than the Additional Tier 1 Subordinated Notes</i> ”, all as further described in Condition 3(b) in the “ <i>Terms and Conditions of the Notes Other than the Additional Tier 1 Subordinated Notes</i> ”.
<b>Negative Pledge .....</b>	Applicable to Senior Notes only. See “ <i>Terms and Conditions of the Notes Other than the Additional Tier 1 Subordinated Notes – Negative Pledge</i> ”.
<b>Events of Default.....</b>	Applicable to Senior Notes and Subordinated Notes. See “ <i>Terms and Conditions of the Additional Tier 1 Subordinated Notes – Events of Default</i> ” and “ <i>Terms and Conditions of the Notes Other than the Additional Tier 1 Subordinated Notes – Events of Default</i> ”.
<b>Cross Default.....</b>	Applicable to Senior Notes only. See the relevant sub-condition under “ <i>Terms and Conditions of the Notes Other than the Additional Tier 1 Subordinated Notes – Events of Default</i> ”.

<b>Ratings .....</b>	<p>Tranches of Notes will be rated or unrated. Where a Tranche of Notes is to be rated, such rating will be specified in the relevant Pricing Supplement.</p> <p>A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.</p>
<b>Early Redemption .....</b>	<p>Except as provided in “<i>Optional Redemption</i>” above, Notes will be redeemable at the option of the Bank prior to maturity only for tax reasons. See “<i>Terms and Conditions of the Additional Tier 1 Subordinated Notes – Redemption, Purchase and Options</i>” and “<i>Terms and Conditions of the Notes Other than the Additional Tier 1 Subordinated Notes – Redemption, Purchase and Options</i>”.</p>
<b>Withholding Tax .....</b>	<p>All payments of principal and interest or Distributions, as the case may be, by or on behalf of the Bank in respect of the Notes, the Receipts and the Coupons shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within a Relevant Jurisdiction (as defined below), unless such withholding or deduction is required by law. In that event, the Bank shall pay such additional amounts as shall result in receipt by the Noteholders and the Couponholders of such amounts as would have been received by them had no such withholding or deduction been required, subject to certain exceptions as set out in “<i>Terms and Conditions of the Notes Other than the Additional Tier 1 Subordinated Notes – Taxation</i>” and “<i>Terms and Conditions of the Additional Tier 1 Subordinated Notes – Taxation</i>”.</p>
<b>Governing Law .....</b>	<p>English law except that the provisions of the Notes relating to subordination shall be governed by Thai law.</p>
<b>Listing and Admission to Trading.....</b>	<p>Application has been made to the SGX-ST for permission to deal in and for the listing and quotation for any Notes which are agreed at the time of issue to be so listed on the Official List. Such permission will be granted when a particular Series of Notes has been admitted to the Official List. There is no assurance that the application to the SGX-ST for the listing of the Notes will be approved. If the application to the SGX-ST to list a particular series of Notes is approved, such Notes listed on the SGX-ST will be traded on the SGX-ST in a minimum board lot size of S\$200,000 or its equivalent in other currencies. Unlisted series of Notes may also be issued pursuant to the Programme. The Notes may also be listed on such other or further stock exchange(s) as may be agreed between the Bank and the relevant Dealer in relation to each series of Notes. The Pricing Supplement relating to each series of Notes will state whether or not the Notes of such series will be listed on any stock exchange(s) and, if so, on which stock exchange(s) the Notes are to be listed.</p>
<b>Redenomination, Renominalisation and/or Consolidation .....</b>	<p>Notes denominated in a currency of a country that subsequently participates in the third stage of the European Economic and Monetary Union may be subject to redenomination, renominalisation and/or consolidation with other Notes then denominated in euro. The provisions applicable to any such redenomination, renominalisation and/or consolidation will be as specified in the relevant Pricing Supplement.</p>
<b>Selling Restrictions .....</b>	<p>The United States, the European Economic Area, the United Kingdom, Thailand, Singapore, Hong Kong, Japan and such other</p>

restrictions as may be required in connection with the offering and sale of a particular Tranche of Notes. See “*Subscription and Sale*”.

Bearer Notes will be issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(D) (the “**D Rules**”) unless (i) the relevant Pricing Supplement states that Notes are issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(C) (the “**C Rules**”) or (ii) the Notes are issued other than in compliance with the D Rules or the C Rules but in circumstances in which the Notes will not constitute “registration required obligations” under the United States Tax Equity and Fiscal Responsibility Act of 1982 (“**TEFRA**”), which circumstances will be referred to in the relevant Pricing Supplement as a transaction to which TEFRA is not applicable.



## SELECTED FINANCIAL INFORMATION

The following tables set forth the summary of (i) the audited consolidated financial information for each of the years ended 31 December 2020, 2021 and 2022 and (ii) the audited consolidated financial information for the six month periods ended 30 June 2022 and 2023. The Bank has derived its selected financial information from its audited consolidated financial statements as of and for the years ended 31 December 2020, 2021 and 2022, and the audited consolidated financial statements as of and for the six month periods ended 30 June 2022 and 2023, and should be read in conjunction with the historical financial statements of the Group and their related notes incorporated by reference in this Offering Circular. The consolidated financial statements of the Group for the years ended 31 December 2020, 2021 and 2022 and the six month periods ended 30 June 2022 and 2023 have been audited by KPMG Phoomchai Audit Ltd. Results of interim periods should not be considered indicative of results for another period or for the full financial year.

The Group's consolidated financial statements are prepared and presented in accordance with TFRS and reporting practices in Thailand and reported on by KPMG Phoomchai Audit Ltd. TFRS differs in certain significant respects from International Financial Reporting Standards ("IFRS"). For a discussion of such differences between TFRS and IFRS relevant to the Group's TFRS financial statements, see "*Summary of Significant Differences between TFRS and IFRS.*"

### Consolidated Statements of Financial Position

	As of 31 December				As of 30 June	
	2020	2021	2022		2023	
	(Baht in millions)	(Baht in millions)	(Baht in millions)	(U.S.\$ in millions)	(Baht in millions)	(U.S.\$ in millions)
<b>Assets</b>						
Cash.....	61,962	59,972	57,115	1,653	45,874	1,289
Interbank and Money Market Items - net.....	417,420	420,494	502,536	14,540	548,845	15,422
Financial Assets Measured at Fair Value						
through Profit or Loss .....	46,666	63,500	47,264	1,367	55,050	1,547
Derivative Assets.....	59,986	38,057	65,032	1,882	58,639	1,648
Investments - net.....	775,739	1,030,534	973,358	28,162	988,562	27,777
Investments in Subsidiaries, Associates and Joint Venture - net .....	2,051	3,839	8,819	255	10,863	305
Loans to Customers and Accrued Interest						
Receivables - net.....	2,121,700	2,293,640	2,377,774	68,797	2,337,090	65,669
Properties Foreclosed - net .....	28,035	42,314	51,007	1,476	50,693	1,424
Premises and Equipment - net.....	57,630	54,871	60,098	1,739	60,658	1,704
Goodwill and Other Intangible Assets - net.....	23,834	24,936	26,996	781	27,164	763
Deferred Tax Assets .....	10,256	11,130	8,536	247	8,452	237
Collateral per Credit Support Annex .....	9,956	14,589	8,622	249	17,876	502
Other Assets - net.....	43,563	45,523	59,212	1,713	58,334	1,639
Total Assets.....	<u>3,658,798</u>	<u>4,103,399</u>	<u>4,246,369</u>	<u>122,861</u>	<u>4,268,100</u>	<u>119,926</u>
<b>Liabilities and Equity</b>						
Deposits.....	2,344,999	2,598,630	2,748,685	79,529	2,709,500	76,132
Interbank and Money Market Items .....	87,797	186,449	155,240	4,492	166,502	4,678
Liabilities Payable on Demand.....	26,443	25,350	24,887	720	22,620	636
Financial Liabilities Measured at Fair Value						
through Profit or Loss .....	287	1,614	670	19	304	9
Derivative Liabilities.....	46,826	37,927	53,959	1,561	58,495	1,644
Debts Issued and Borrowings.....	69,390	103,886	67,897	1,964	98,684	2,773
Provisions.....	40,383	43,053	31,683	917	32,919	925
Deferred Tax Liabilities .....	1,695	1,576	272	8	264	7
Insurance Contract Liabilities.....	472,015	498,790	513,478	14,857	521,328	14,648
Customer Balance from Security Business.....	18,698	20,712	20,994	607	19,658	552
Other Liabilities.....	58,979	48,737	61,524	1,780	56,867	1,598

	As of 31 December				As of 30 June	
	2020	2021	2022		2023	
	(Baht in millions)	(Baht in millions)	(Baht in millions)	(U.S.\$ in millions)	(Baht in millions)	(U.S.\$ in millions)
Total Liabilities .....	3,167,512	3,566,724	3,679,289	106,454	3,687,141	103,602
Equity						
Share Capital						
Authorized Share Capital						
3,024,682,097 Common Shares, Baht 10 par value .....	30,247	30,247	30,247	875	30,247	850
Issued and Paid-Up Share Capital						
2,369,327,593 Common Shares, Baht 10 par value .....	23,693	23,693	23,693	686	23,693	666
Premium on Common Shares .....	18,103	18,103	18,103	524	18,103	509
Other Equity Instruments .....	15,549	15,549	15,549	450	15,549	437
Other Reserves .....	20,220	23,555	20,890	604	21,068	592
Retained Earnings						
Appropriated						
Legal Reserve .....	3,050	3,050	3,050	88	3,050	86
Unappropriated .....	359,055	392,764	421,985	12,209	434,890	12,219
Total Equity Attributable to Equity Holders of the Bank...	439,670	476,714	503,270	14,561	516,353	14,509
Non-Controlling Interests .....	51,616	59,961	63,810	1,846	64,606	1,815
Total Equity .....	491,286	536,675	567,080	16,407	580,959	16,324
Total Liabilities and Equity .....	3,658,798	4,103,399	4,246,369	122,861	4,268,100	119,926

## Consolidated Statements of Profit or Loss and Other Comprehensive Income

	For the year ended 31 December				For the six-month period ended		
	2020		2021		30 June		2023
	(Baht in millions)	(Baht in millions)	(Baht in millions)	(U.S.\$ in millions)	(Baht in millions)	(Baht in millions)	(U.S.\$ in millions)
Interest Income .....	127,592	135,415	151,332	4,379	72,291	87,656	2,463
Interest Expenses .....	18,570	16,024	18,334	530	8,528	16,080	452
Interest Income – net .....	109,022	119,391	132,998	3,849	63,763	71,576	2,011
Fees and Service Income .....	45,699	48,628	48,345	1,399	24,049	24,406	686
Fees and Service Expenses .....	12,695	13,312	15,463	447	7,071	8,578	241
Fees and Service Income – net .....	33,004	35,316	32,882	952	16,978	15,828	445
Gain on Financial Instrument Measured at Fair Value through Profit or Loss .....	8,119	5,539	5,053	146	235	7,196	202
Gain (loss) on Investments .....	1,308	817	(130)	(4)	(151)	(365)	(10)
Share of Profit (Loss) from Investments using Equity Method .....	(193)	(694)	115	3	101	(182)	(5)
Dividend Income .....	2,384	3,310	3,445	100	2,093	2,096	59
Net Premiums Earned .....	72,129	69,360	66,056	1,911	30,111	33,783	949
Other Operating Income .....	1,683	1,289	2,123	61	833	1,044	29
Total Operating Income .....	227,456	234,328	242,542	7,018	113,963	130,976	3,680
Underwriting Expenses .....	72,565	70,979	69,285	2,005	31,839	36,332	1,021
Total Operating Income – net .....	154,891	163,349	173,257	5,013	82,124	94,644	2,659
Other Operating Expenses							
Employee Expenses .....	32,143	34,481	34,602	1,001	17,437	20,005	562
Directors' Remuneration .....	160	146	154	4	103	110	3
Premises and Equipment Expenses .....	12,165	11,345	11,408	330	5,646	5,742	161
Taxes and Duties .....	5,088	5,443	5,968	173	2,967	3,348	94
Others .....	20,440	19,629	22,621	655	9,307	11,435	321
Total Other Operating Expenses .....	69,996	71,044	74,753	2,163	35,460	40,640	1,141
Expected Credit Loss .....	43,548	40,332	51,919	1,502	19,188	25,476	716
Operating Profit before Income Tax Expense .....	41,347	51,973	46,585	1,348	27,476	28,528	802
Income Tax Expense .....	7,657	9,729	8,632	250	5,154	5,322	150
Net Profit .....	33,690	42,244	37,953	1,098	22,322	23,206	652
Other Comprehensive Income							
Items that will be reclassified subsequently to profit or loss							
Gain (Loss) on Investments in Debt Instruments Measured at Fair Value through Other	641	(2,802)	(5,701)	(165)	(7,605)	155	4

	For the year ended 31 December				For the six-month period ended		
	2020		2021		30 June		2023
	(Baht in millions)	(Baht in millions)	(Baht in millions)	(U.S.\$ in millions)	(Baht in millions)	(Baht in millions)	(U.S.\$ in millions)
Comprehensive Income .....							
Gain (Loss) on Cash							
Flow Hedges .....	(4,657)	364	7,561	219	2,578	693	19
Gain (Loss) Arising from Translating the Financial Statements of a Foreign Operation	(477)	1,736	315	9	249	299	8
Income Taxes Relating to Components of Other Comprehensive Income .....	872	219	(526)	(15)	822	(290)	(8)
Items that will not be reclassified subsequently to profit or loss							
Changes in Revaluation Surplus .....	1,016	10	3,261	94	3,253	926	26
Gain (Loss) on Investments In Equity Instruments Designated at Fair Value through Other Comprehensive Income .....	(4,586)	9,789	(10,193)	(295)	(9,864)	(2,681)	(75)
Actuarial Gain (Loss) on Defined Benefit Plans .....	(193)	1,336	1,580	46	2,515	(968)	(27)
Income Taxes Relating to Components of Other Comprehensive Income .....	779	(2,303)	653	19	621	559	16
Total Other Comprehensive Income - net .....	(6,605)	8,349	(3,050)	(88)	(7,431)	(1,307)	(37)
Total Comprehensive Income .....	27,085	50,593	34,903	1,010	14,891	21,899	615
Net Profit Attributable to:							
Equity Holders of the Bank.	29,487	38,053	35,770	1,035	22,005	21,735	611
Non-Controlling Interests ....	4,203	4,191	2,183	63	317	1,471	41
Total Comprehensive Income Attributable to:							
Equity Holders of the Bank.	26,383	42,689	34,582	1,001	18,850	21,327	599
Non-Controlling Interests ....	702	7,904	321	9	(3,959)	572	16
Earnings Per Share of Equity Holders of the Bank							
Basic Earnings Per Share (Baht) .....	12.42	15.77	14.78	0.43	9.14	9.02	0.25

	For the year ended 31 December				For the six-month period ended		
				30 June			
	2020	2021	2022	2022	2023		
	(Baht in millions)	(Baht in millions)	(Baht in millions)	(U.S.\$ in millions)	(Baht in millions)	(Baht in millions)	(U.S.\$ in millions)
Weighted Average Number of Common Shares (Million Shares).....	2,373	2,369	2,369	69	2,369	2,369	67

## Consolidated Financial Ratios

	For the year ended 31 December			For the six-month period ended	
	(per cent.)			30 June	
	2020	2021	2022	2022	2023
Financial Ratios <sup>(1)</sup>					
Return on average assets .....	0.85	0.98	0.86	1.06	1.02
Return on average equity .....	7.10	8.44	7.38	9.27	8.65
Net interest margin .....	3.27	3.21	3.33	3.21	3.54
Loans to deposits ratio .....	95.73	93.20	90.77	93.18	90.40
Total allowance to loans .....	5.99	5.98	5.35	5.66	5.23
Cost to income ratio (efficiency ratio)....	45.19	43.49	43.15	43.18	42.94
Tier 1 capital ratio <sup>(2)</sup> .....	16.13	16.49	16.84	16.39	17.04
<i>Common Equity Tier 1 ratio</i> .....	<i>15.48</i>	<i>15.46</i>	<i>15.86</i>	<i>15.38</i>	<i>16.06</i>
Capital adequacy ratio <sup>(2)</sup> .....	18.80	18.77	18.81	18.37	19.01

Notes:

The Financial Ratios used are defined as follows:

- (1) “**Return on average assets**” means net profit (attributable to equity holders of the Bank) divided by average total assets.
  - (a) “**Return on average equity**” means net profit (attributable to equity holders of the Bank) deduct dividend from other equity instruments after income tax divided by average equity of equity excluded other equity instruments
  - (b) “**Net interest margin**” means net interest income divided by average earning assets.
  - (c) “**Loans to deposits ratio**” means loans to customers less deferred revenue divided by deposits.
  - (d) “**Total allowance to loans**” means allowance for doubtful accounts plus revaluation allowance for debt restructuring divided by loans to customers less deferred revenue.
  - (e) “**Cost to income ratio**” means total other operating expenses divided by total operating income – net.
  - (f) “**Tier 1 capital ratio**” means tier 1 capital divided by risk weighted assets.
  - (g) “**Common Equity Tier 1 ratio**” means Common Equity Tier 1 divided by risk weighted assets.
  - (h) “**Capital adequacy ratio**” means total capital divided by risk weighted assets.
- (2) KASIKORNBANK FINANCIAL CONGLOMERATE’s Capital Adequacy Ratio (CAR) has been reported in accordance with Basel III Capital Requirement from 1 January 2013 onwards.

## INVESTMENT CONSIDERATIONS

Investors should carefully consider, among other things, the risks described below, as well as the other information contained in this Offering Circular, before making an investment decision. Any of the following risks could materially and adversely affect the business, financial condition or results of operations of the Bank and, as a result, investors could lose all or part of their investment. The risks below are not the only risks the Bank faces. Additional risks and uncertainties not currently known to the Bank, or that it currently deems to be immaterial may also materially and adversely affect the business, financial condition or results of operations of the Bank. Words and expressions defined elsewhere in this Offering Circular shall have the same meanings in this section.

The Bank believes that the factors described below represent the principal risks inherent in investing in the Notes issued under the programme, but the Bank's inability to pay any amounts on or in connection with any Note may occur for other reasons which may not be considered significant risks by the Bank based on information currently available to it or which it may not currently be able to anticipate, and the Bank does not represent that the statements below regarding the risks of holding any Notes are exhaustive. Prospective investors should also read the detailed information set out elsewhere in this Offering Circular (including any document incorporated by reference) and reach their own views prior to making any investment decision. In making an investment decision, each investor must rely on its own examination of the Bank and the terms of the offering of the Notes.

### RISKS RELATING TO THE BANK

#### ***The Bank's results of operations are significantly affected by the ability of its borrowers to repay their loans and the adequacy of the Bank's loan loss reserves***

The risk of non-payment by the Bank's customers is affected by the credit profile of borrowers, as well as changes in economic and industry conditions. As of 30 June 2023, the Bank had consolidated gross non-performing loans ("NPLs") in the amount of Baht 92.9 billion (a consolidated gross NPL-to-total loans ratio ("NPL ratio") of 3.20 per cent.) compared to Baht 92.5 billion (an NPL ratio of 3.19 per cent.) as of 31 December 2022.

Volatile or adverse economic conditions in Thailand may adversely affect the ability of the Bank's borrowers to repay their indebtedness, and this may result in an increase in NPLs and provisioning, allowances for loan losses and charge-offs. In late 2020, the BoT issued a set of regulations, prescribing certain restrictions and conditions relating to a loan repayment, which include, among other things, (i) a capped default interest rate which became effective from 1 April 2021 onwards, and (ii) the order of application of loan repayment's proceeds which became effective from 1 July 2021 onwards. Such regulations, which have been implemented by the BoT with an aim to reducing the amount of NPLs in the market, may impact the Bank's overall loan interest income. There is no precise method of predicting loan and credit loss across the Bank's loan portfolio. The Bank makes no assurances that its NPLs will not increase or that its loan loss reserve is or will be sufficient to absorb actual losses. An increase in NPLs could have a material adverse effect on the Bank's business, cash flows, financial condition, results of operations and prospects.

#### ***The Bank may be unable to grow its loan portfolio***

One of the Bank's strategies for growth is to continue to expand its loan portfolio. The Bank's consolidated gross loans stood at Baht 2,449 billion as of 30 June 2023, representing a decrease of 1.84 per cent. compared to the year ended 31 December 2022. The Bank's continued ability to achieve prudent loan growth will depend, to a large extent, on the economic performance of Thailand.

Loan growth is also facing continued pressure in Thailand due to the growth of the Thai domestic bond market, which in some cases has caused the Bank's customers to refinance their outstanding loans with domestically issued and sold bonds or debentures. In addition, the Bank's stringent application of enhanced credit risk management controls may result in a reduction in loans made to its customers. A slowdown in loan growth may result in decreased revenues and income and adversely affect the Bank's business, cash flows, financial condition, results of operations and prospects.

#### ***Loan restructurings often result in the Bank receiving lower interest payments and, occasionally, lower principal payments***

Under the BoT guidelines, financial institutions may restructure loans through a reduction of interest rates and principal amounts, extension of tenors and various other methods. Although the Bank's NPL ratios may improve as more loans are restructured, it generally receives lower interest payments than originally required under the terms of such loans and, in some cases, it collects less than the original principal amount of such loans. Any future

restructuring of loans may adversely affect the Bank's business, cash flows, financial condition and results of operations.

***Restructured loans may become non-performing if the borrowers of such loans fail to adhere to the terms of such restructured loans***

In the restructuring of a number of its high risk loans, the Bank has agreed to set payments of principal and/or interest at a relatively low level for a certain timeframe followed by larger payments in later periods to match the Bank's expectation of the relevant borrower's ability to service the debt. The relatively low payments improve the likelihood that a restructured loan will be categorised as performing during the period of such payments. However, future higher payments may cause a loan to again become non-performing if the relevant borrower is unable to make such larger payments in the later periods. If the Bank's customers are unable to make larger payments for their respective restructured loans, such restructured loans may become non-performing, thereby requiring additional provisions, which may adversely affect the Bank's financial condition and results of operations.

***A decline in collateral values may result in an increase in provisions for loan losses***

A substantial portion of the Bank's loans is secured by real property, the value of which is affected by market conditions. Although it is the Bank's general practice not to lend in excess of 80.0 per cent. of the internally appraised value of real property – where real property is the sole collateral for such loans – a downturn in the real estate market could result in the principal amount of a number of loans exceeding the value of the underlying real property collateral. If real estate values deteriorate, downward adjustments to the recorded value of the collateral securing the Bank's loans will be required in future periods. Any decline in the value of the collateral securing NPLs may result in an increase in the Bank's charges for bad debts and doubtful accounts and a reduction in the recovery from collateral realisation, which may reduce the Bank's net profit and capital and may adversely affect its financial condition and results of operations.

***In addition, uncertainty about the financial stability of several countries in the European Union ("EU") and the PRC could have a significant adverse effect on the Bank's business, financial condition and results of operations***

In 2010, a financial crisis emerged in Europe, triggered by high budget deficits and rising direct and contingent sovereign debt in Greece, Ireland, Italy, Portugal and Spain, which created concerns about the ability of these EU nations to continue to service their sovereign debt obligations. In January 2012, S&P lowered its long-term sovereign credit rating for France, Italy, Spain and six other European countries, which has negatively impacted global markets and economic conditions. In addition, in April 2012, S&P further lowered its long-term sovereign credit rating for Spain. These conditions impacted financial markets and resulted in high and volatile bond yields on the sovereign debt of many EU nations. Certain European nations continue to experience degrees of financial stress and uncertainty over the outcome of the EU governments' financial support programmes and worries about sovereign finances persist. Several EU countries have been obliged to severely reduce their public expenditures due to their high indebtedness, which has severely affected the Eurozone's economic growth. The ability of governments and companies in certain countries, such as Greece, Italy, Portugal and Spain, to repay their debt obligations or remain in the euro currency system remains uncertain. Market and economic disruptions have affected, and may continue to affect, consumer confidence levels and spending, personal bankruptcy rates, levels of incurrence and default on consumer debt and home prices, among other factors. Moreover, since 2022, European countries have been particularly exposed to the economic consequences of the ongoing military conflict between Russia and Ukraine. The events above may have a significant impact on the Bank's customers and counterparties. There can be no assurance that the market disruptions in Europe, including the increased cost of funding for certain governments and financial institutions, will not spread, nor can there be any assurance that future assistance packages will be available or, even if provided, will be sufficient to stabilise the affected countries and markets in Europe or elsewhere. To the extent uncertainty regarding the economic recovery in Europe continues to negatively impact consumer confidence and consumer credit factors globally, the Bank's business and results of operations could be adversely affected.

In addition, in the second quarter of 2015, stock prices in the PRC experienced significant volatility primarily from continued sell-off of shares trading in the PRC markets. Further, in August 2015, Chinese government authorities expanded the Renminbi's trading band and the Renminbi was significantly devalued. China's economic growth may slow down due to weakened exports and nationwide structural reforms. While most cities in the PRC gradually lifted the public health restrictions from time to time, recurring COVID-19 outbreaks led to the re-introduction of stringent COVID-19 control measures in several regions throughout 2021 and 2022. Despite the ongoing spread of new COVID-19 variants, the PRC government announced the re-opening of its borders with effect from 8 January 2023. However, the impact of the easing of COVID-19 related restrictions and re-opening of the China border on the PRC and global economy, in particular the global supply chain, consumption, commercial activities and industrial production, remains uncertain. These market developments have adversely affected the financial and credit markets

in the PRC. There can be no assurance that future fluctuations of the economic or business cycle in the PRC, especially fluctuations that impact the property sector, will not have an adverse effect on the Bank's business, financial condition, and operating results.

***The ratings of third-party rating agencies could adversely impact the Bank's ability to obtain, renew or extend credit facilities, or otherwise raise funds***

Rating agencies from time to time review prior corporate and specific transaction ratings in light of changes in ratings criteria. If rating agencies were to downgrade the Bank's credit ratings, the Bank's ability to raise funds on favourable terms, or at all, and the Bank's liquidity, financial condition and results of operations could be adversely affected. In addition, if rating agencies further downgraded their original ratings on the Bank's outstanding debt securities, holders of such debt securities may be required to sell bonds in the marketplace, and such sales could occur at a discount, which could impact the perceived value of the bonds and the Bank's ability to sell future bonds on favourable terms or at all. While the Bank is not currently aware of any reasonably likely further downgrades to its corporate credit rating or the ratings of its debt securities, such rating changes may occur without advance notice.

***The Bank is subject to counterparty risks***

Like most financial institutions, the Bank acts as an intermediary, primarily in domestic and international foreign exchange and derivative markets, and the Bank currently has foreign currency forward and swap arrangements with a number of domestic and international banks, financial institutions and other entities including those in Asian countries. In addition, the Bank has a number of interest rate swap arrangements. As a result of such arrangements, the Bank is subject to credit risk from a number of different counterparties. Although the Bank believes that the overall credit quality of its counterparties is adequate, there can be no assurance that parties with significant exposure will not face difficulties in paying amounts on derivative contracts when due, which may adversely affect the financial condition and results of operations of the Bank.

***Sources of funding***

The Bank's primary source of funding is deposits, including interbank and money market deposits. As of 30 June 2023, total deposits decreased by Baht 39.2 billion, or 1.4 per cent., to Baht 2,709.5 billion, as compared to Baht 2,748.7 billion as of 31 December 2022. A significant percentage of the Bank's Baht funding requirements is satisfied through savings accounts. As of 30 June 2023, 80.2 per cent. of the Bank's consolidated total deposits were current and savings accounts and deposits accounted for 63.5 per cent. of the Bank's source of funding. In the Bank's experience, a substantial portion of deposits is rolled over upon maturity and has been in the past a stable source of long-term funding. However, no assurances can be given that this will continue to be the case. If a substantial number of depositors do not roll over deposited funds upon maturity, or if the Bank is unable to secure sufficient foreign currency-denominated borrowings, its liquidity position would be adversely affected and it could be required to seek more expensive sources of short-term or long-term funding to finance its operations. To the extent the Bank is unable to obtain sufficient funding on acceptable terms, its financial condition and results of operations may be adversely affected.

The Bank has several policies in place to manage its liquidity to ensure that even under adverse conditions it has access to necessary funds at a reasonable cost. Although the Bank's policy is to maintain prudent liquidity risk management, as well as diversified and stable sources of funding, there can be no assurance that there will not be a liquidity crisis which might affect the Bank. Failure by the Bank to maintain and ensure adequate sources of funding may adversely affect the financial condition and results of operations of the Bank.

***Interest rate volatility could significantly affect the Bank's financial condition and results of operations***

A significant portion of the Bank's assets consists of, and a significant portion of its revenue is derived from, assets that are monetary in nature. Although the Bank engages only in limited trading activities through positions in fixed-income instruments and, to some extent, in financial derivative instruments, which are mostly to facilitate other banking services to its customers, these assets are subject to the normal risks associated with investing activities, including the risk that a change in market prices, rates, indices, volatility, correlations, liquidity or other factors may result in losses for a specific position or portfolio. Thailand's policy rate increased from 1.25 per cent. as of 31 December 2022 to 2.00 per cent. as of 31 May 2023 and increased to 2.25 per cent. on 2 August 2023. In response to growing inflation, the BoT may increase the policy rate in the future. Similarly, in light of elevated inflation levels and supply and demand imbalances brought about by the COVID-19 pandemic and the ongoing Russia-Ukraine military conflict, the U.S. Federal Reserve raised the benchmark federal-funds rate seven times in 2022 from near-zero in March 2022 to 4.50 per cent. in December 2022 and further to 4.75 per cent. in February 2023. On 22 March 2023, the U.S. Federal Reserve increased the target federal-funds rate to a range of 4.75 per cent. to 5.00 per cent.



and on 26 July 2023, the U.S. Federal Reserve increased the target federal-funds rate to a range of 5.25 per cent. to 5.5 per cent. The European Central Bank (“ECB”) also raised its three key ECB interest rates four times in 2022 and five times since January 2023 to July 2023. The latest hike was on 27 July 2023, the ECB raised the interest rates on main refinancing operations, the marginal lending facility and the deposit facility by 25 basis points to 4.25 per cent., 4.50 per cent. and 3.75 per cent., respectively, with effect from 2 August 2023, and indicated that in view of the underlying inflation pressures, it decided to raise interest rates by another 25 basis points, in line with its determination to ensure the timely return of inflation to the 2 per cent. medium-term target and it will then evaluate the subsequent path of its monetary policy.

During a period of increasing interest rates, the value of the Bank’s portfolio of fixed-rate investments may decrease, and this may require the Bank to recognize a loss for financial accounting purposes. An increase in interest rates would raise the Bank’s funding costs while reducing loan demand, especially among consumers. Rising interest rates would require the Bank to try to re-balance its assets and liabilities in order to minimize the risk of potential mismatches and maintain its profitability. Rising interest rates may also adversely affect the Thai economy and the financial condition and repayment ability of its corporate and retail borrowers, which in turn may lead to a deterioration in the Bank’s credit portfolio. However, interest rates may also decrease in the future. During a period of decreasing interest rates, the value of fixed-rate investment of the Bank’s portfolio may increase. Banks may reduce both lending and fixed deposit rates in order to be in line with the policy rate cut. This may negatively affect the Bank’s net interest margin.

The Bank’s profitability depends to a large extent on its net interest income, which represented 75.6 per cent. of its consolidated net operating income for the six-month period ended 30 June 2023, and 70.4 per cent., 73.1 per cent. and 76.8 per cent. of its consolidated net operating income for the years ended 31 December 2020, 2021 and 2022, respectively. Changes in interest rates, changes in the relationship between short-term and long-term interest rates, or changes in the relationship between different types of interest rates can affect the interest rate charged on interest-earning assets differently from the interest rate paid on interest-bearing liabilities. Changes in interest rate levels, yield curves and spreads affect greatly the interest rate margin between lending and borrowing costs. Higher interest rates generally dampen credit demand and potentially lead to weaker asset quality. The Bank may need to compete more aggressively to attract deposits and this may in turn lead to higher costs and may potentially hurt the Bank’s net interest margins. The impact of changing interest rates on the Bank may increase if the Bank is unable to adjust to the rate changes with respect to the fixed rate portion of its portfolio. How the Bank manages interest rate volatility will generally determine, to a certain extent, the impact of such volatility on the Bank’s net interest, and there can be no assurance that it will be able to manage such volatility in a manner that does not adversely affect its results of operations.

***The Bank’s business is inherently subject to the risk of market fluctuations***

The Bank’s business is inherently subject to risks in the financial markets and in the wider economy, including changes in, and increased volatility of, exchange rates, interest rates, inflation rates, credit spreads, commodity, equity, bond and property prices and the risk that its customers act in a manner which is inconsistent with business, pricing and hedging assumptions. Market movements may have an impact on the Bank in a number of key areas. For example, changes in interest rate levels, yield curves and spreads affect the interest rate margin realised between lending and borrowing costs. Historically, there have been periods of high and volatile interbank lending margins over official rates (to the extent banks have been willing to lend at all), which have exacerbated such risks. Competitive pressures on fixed rates or product terms in existing loans and deposits sometimes restrict the Bank in its ability to change interest rates applying to customers in response to changes in official and wholesale market rates.

Any failure by the Bank to implement, or consistently follow, its risk management systems may adversely affect its financial condition and results of operations, and there can be no assurance that the Bank’s risk management systems will be effective. In addition, the Bank’s risk management systems may not be fully effective in mitigating risk exposure in all market environments or against all types of risks, including risks that are unidentified or unanticipated. Some methods of managing risk are based upon observed historical market behaviour. As a result, these methods may not predict future risk exposures, which could be significantly greater than the historical measures indicated.

***The Bank may not be successful in implementing new business strategies or penetrating new markets***

The Bank’s business strategy includes increasing the availability and scale of its existing products as well as developing new products to expand the Bank’s business activities. The expansion of the Bank’s business activities may expose it to a number of risks and challenges including, among other things, the following:

- new and expanded business activities may have less growth or profit potential than the Bank anticipates, and there can be no assurance that new business activities will become profitable at the level the Bank desires or at all;
- the new business strategy may alter the risk profile of the Bank's portfolio;
- the Bank may fail to identify and offer attractive new services in a timely fashion, putting it at a disadvantage with competitors;
- the Bank's competitors may have substantially more experience and resources for the new and expanded business activities and so the Bank may not be able to attract customers from its competitors; and
- economic conditions, such as changes in interest rates or inflation, could hinder the Bank's expansion.

The Bank's inability to implement its business strategy could have a material adverse effect on its business, cash flows, financial condition, results of operations and prospects.

***The Bank's focus on the SME segment may expose it to a high degree of credit risk and may result in a deterioration of its asset quality***

The Bank's core franchise is SME lending and the Bank's SME loans amounted to Baht 751.0 billion as of 30 June 2023. Compared to loans to large corporations, which tend to be better capitalised and able to weather business downturns, or loans to individuals and households, which tend to be secured with homes such that borrowers are less willing to default, loans to SMEs, a majority of which are collateralised, have historically had a relatively higher delinquency ratio. Many SMEs represent sole proprietorships or very small businesses dependent on a relatively limited number of suppliers or customers and tend to be affected to a greater extent than large corporate borrowers by fluctuations in the Thai and global economies. In addition, SMEs often maintain less sophisticated financial records than large corporate borrowers. Therefore, it is generally more difficult for the Bank to assess the level of risk inherent in lending to these enterprises, as compared to large corporations. In addition, many SMEs may have close business relationships with large corporations, primarily as suppliers, and any difficulties encountered by those large corporations would likely affect the liquidity and financial condition of related SMEs, including those to which the Bank may have exposure, thus impairing their ability to repay loans.

Competition among banks to lend to this segment in recent years has been intense which could lead to a deterioration in the asset quality of the Bank's and other Thai banks' loans to this segment. Any inability on the part of the Bank to manage the risks associated with this customer segment could materially and adversely affect the Bank's business, liquidity, financial condition and results of operations.

***Any substantial failure to carry out planned improvements to the Bank's information technology infrastructure and its management information systems properly or in a timely manner, as well as any damage to its data centres, could adversely affect the Bank's competitiveness, financial condition and results of operations***

The Bank has made and may in the future be required to make significant investments and improvements in its IT infrastructure in order to remain competitive. See "*Description of the Bank – Information Technology*". The information available to and received by the Bank's management through its current information systems may not be timely and sufficient for the Bank's management to manage risks and plan for, and respond to, market and other developments in the future. As a result, the Bank may be required to further upgrade its IT infrastructure and management information systems. Any substantial failure to improve or upgrade the Bank's IT infrastructure and management information systems properly or on a timely basis could adversely affect the Bank's competitiveness, financial condition and results of operations.

The Bank's business could be harmed if it experiences any significant system delays, failure or loss of data. The Bank aims to improve data centre facilities by implementing two tier-3 Active-Active data centers that are expected to be completed in August 2023. The Bank's disaster recovery site is intended to act as a back-up facility in case of a massive failure of the main data centre. The occurrence of a major catastrophic event or other system failure at these data centres could interrupt the Bank's data processing capabilities or result in the loss of stored data.

***The Bank's risk management controls may not be effective***

The Bank is exposed to a variety of risks, including credit risk, market risk, liquidity risk, strategic risk, operational risk, digital risk and reputational risk. The effectiveness of the Bank's risk management is limited by the quality, timeliness and availability of data to the Bank in relation to factors such as the credit history of proposed borrowers

and the loan exposure borrowers have with other financial institutions. In order to facilitate all aspects of the Bank's risk management, the Bank has in place what it deems to be a comprehensive set of risk management policies and procedures. In addition, the Bank follows standardised regulations on risk management policies and procedures. For example, the Bank has implemented Basel III pursuant to a set of regulations issued by the BoT, including the BoT Notification No. Sor.Nor.Sor. 12/2555 Re: Rules on the Supervision of Capital Funds of Commercial Banks ("BoT Notification No. 12/2555") implementing Basel III: A global regulatory framework for more resilient banks and banking systems (Revised version: June 2011) ("**Basel III**"). While the Bank believes that these policies and procedures will result in improvements in risk management, there can be no assurance that this will be the case or that these policies and procedures will operate in the way that the Bank has anticipated or keep pace with the Bank's changing risk exposures. In addition, the resources available to the Bank in its risk management operations may not be the same as those available in jurisdictions with more developed financial infrastructures. The Bank may also have developed credit screening standards in response to such inadequacies in quality of credit information that may be different from the standards used by its international competitors. As a result, the Bank's ability to assess, monitor and manage risks inherent in its business may not be the same as the standards of its counterparts in jurisdictions with more developed financial infrastructures and could have a material adverse effect on the Bank's ability to manage these risks. Failures to appropriately manage risk can adversely affect the Bank's business, cash flows, financial condition, results of operations and prospects.

#### ***The Bank engages in transactions with related parties***

The Bank makes loans to its key management personnel and its subsidiaries and companies controlled by or affiliated with the Bank. As of 30 June 2023, the Bank had outstanding loans to officers and such companies totalling Baht 26,847 million on a consolidated basis, which amounted to 1.09 per cent. of its total loan portfolio (on a consolidated basis), as well as other contingent liabilities to officers and affiliates totalling Baht 5,546 million on a consolidated basis. There can be no assurance that such loans have been granted on identical or less favourable terms or conditions than a third-party bank would have extended.

#### ***The Bank prepares its financial statements on the basis of TFRS***

The financial information included in this Offering Circular was prepared in accordance with TFRS, guidelines promulgated by the Thailand Federation of Accounting Professions, applicable rules and regulations of the Thai Securities and Exchange Commission (the "**Thai SEC**") and the Stock Exchange of Thailand and presented as prescribed by the BoT, detailed guidance of these information can be referred in "*Summary of Significant Differences Between TFRS and IFRS*". This Offering Circular does not include a reconciliation of the Bank's financial statements to IFRS, and there can be no assurance that such reconciliation would identify material quantitative differences. If the Bank's financial statements and the other financial information were prepared in accordance with IFRS, the Bank's results of operations and financial condition could be materially different.

#### ***Adverse conditions in the global financial markets and the general economy may adversely affect the Bank's business, cash flows, financial condition, results of operations and prospects***

The Bank is affected by challenging conditions in the financial markets, the economy of Thailand, and the global macro-economy. As the Thai economy mainly depends on tourism and private consumption, an exports slowdown in the global economy may have a negative impact on the Thai economy. While inflation has declined, a risk of passing on business costs to consumers remains. High household debt and policy rate hikes could affect debt serviceability. In addition, the Thai business sector is under pressure to adapt to more stringent environmental standards and tax measures, in line with major countries. These factors may lead to a deterioration in the quality of the Bank's assets, as well as larger provisioning and allowances for loan losses.

In addition, the Bank is exposed to a downturn in certain industries. The manufacturing and commerce sectors accounted for 42.11 per cent. of the Bank's consolidated loan portfolio as of 31 December 2022, as compared to 40.5 per cent. as of 31 December 2021. The Bank is therefore particularly exposed to any changes in the market conditions in this sector.

There are also a number of uncertainties ahead in the global markets. Elevated inflation rates and the U.S. Federal Reserve's continued tightening of its monetary policy, including rising interest rates, in response to rising inflation levels, energy costs, geopolitical issues, the availability and cost of credit, declining asset values, strains on government finances, capital market volatility and liquidity issues have resulted in adverse market conditions and concerns of a global recession. The reduced commercial activities since 2020 as a result of the COVID-19 pandemic and mitigating measures have impacted economic activity worldwide and have caused significant mismatches in supply and demand contributing towards a global economic slowdown in the second half of 2022. In August 2023, Fitch downgraded the U.S. credit rating to AA+ from its top level of AAA citing fiscal deterioration and debt ceiling

and budget deficit concerns. The downgrade of the U.S. credit rating could have a material adverse effect on the financial markets and economic conditions in the U.S. and throughout the world. Although the Bank had no significant impact on investment from the downgrade of the U.S. debt rating, the outlook for the world economy, financial markets and the macroeconomic, trade and regulatory environment have become increasingly uncertain and fragmented.

Global commodity prices and supply chains have been disrupted as a consequence of both the COVID-19 pandemic and the ongoing military conflict between Russia and Ukraine. The resulting impact on supply chains and the global supply of oil and gas as well as agricultural products has resulted in shortages around the world and rising costs of goods. This is expected to hurt consumer purchasing power globally, with developing markets and low-income households particularly vulnerable. Against this backdrop, central banks around the world, including the United States and several large emerging markets, have tightened their monetary policy in order to help curb inflationary pressures, global equities have declined in 2022 and fixed income assets have also come under pressure as central banks raised interest rates and removed accommodative policies.

The political unrest in various countries in the Middle East, Eastern Europe and Africa continues to deepen the risks of global economic, financial and political instability. Trade tensions between the U.S. and major trading partners, most notably China, remain heightened following the introduction of a series of tariff measures in both the U.S. and China. In March 2022, the Office of the United States Trade Representative reinstated 352 previously granted and extended product exclusions in the China Section 301 Investigation with effect from 12 October 2021 until 31 December 2022. The reinstated tariff exclusions cover certain types of machinery, motors, electrical equipment, chemicals, plastics, textiles, bicycles, motorcycles, and automotive parts, among other items. In December 2022, the Office of the United States Trade Representative further extended the term of such 352 product exclusions in the China Section 301 Investigation by nine months. Diplomatic tensions between China and the U.S., and extending to the United Kingdom, the EU and other countries, may also weaken exports and impact China's economic growth negatively. The U.S., the United Kingdom, the EU, Canada and other countries have imposed various sanctions and trade restrictions on Chinese individuals and companies. In response, China has announced sanctions, trade restrictions and laws that could further escalate tensions across the geopolitical landscape and adversely impact global political and economic conditions. The policies and priorities of the U.S. administration remain uncertain, and may or may not result in new trade restrictions and tariffs, quotas and embargoes, or an increase in tension between the U.S. and the PRC. As such, the Bank cannot accurately determine and predict how such policy changes might affect its business in the future. In addition, a rise in global trade protectionism will negatively impact the trade-dependent economies in Asia, including Thailand.

In addition, recently, concerns have arisen with respect to the financial condition of a number of banking organizations, in particular those with exposure to certain types of depositors and large portfolios of investment securities. On 10 March 2023, Silicon Valley Bank ("SVB") was closed by the California Department of Financial Protection and Innovation, which appointed the Federal Deposit Insurance Corporation ("FDIC") as receiver. Subsequently, Signature Bank was swept into receivership and Silvergate Capital Corp. closed its operations and went into voluntary liquidation supervised by the state of California. Additionally, on 15 March 2023, Credit Suisse announced that it would borrow up to 50 billion Swiss francs, or \$53.7 billion, from the Swiss National Bank to address its liquidity concerns. These developments have imposed severe pressure on and deterioration of the financial conditions of banking institutions in the first quarter of 2023, driven by bank runs or simultaneous withdrawals by depositors due to various reasons, including lack of confidence in the banking system. As a result, the global credit and equity markets have experienced substantial dislocations, liquidity disruptions and market corrections. Although the Bank has no significant exposure relating to SVB, Signature, Credit Suisse or any other financial institution currently in receivership, a loss of investor confidence in the financial systems of other markets may cause increased volatility in the financial markets in Thailand and, more generally, in the Thai economy.

There can be no assurance that the global economic downturn will not result in a material increase in the Bank's NPL levels in the future. In the event of such a global economic downturn, the Bank may be forced to scale back some of its core lending activities and other operations, borrow money at a higher funding cost or face a tightening in its net interest margin, any of which may have a negative impact on its earnings and profitability. While there are signs that the financial markets and economies in Thailand, other countries in Asia and the global economy may be improving, uncertainties remain in terms of the nature, extent, sustainability and pace of recovery of the markets in which the Bank operates, which may have a material effect on the Bank's business, cash flows, financial condition, results of operations and prospects.

## RISKS RELATING TO THAILAND

### *Economic, political, legal and regulatory conditions in Thailand may materially and adversely affect the Bank's business, cash flows, financial condition, results of operations and prospects*

The Bank is subject to political, legal and regulatory conditions in Thailand that differ in certain significant respects from those prevailing in other countries with more developed economies. The Bank's business and operations are subject to the changing economic and political conditions prevailing from time to time in Thailand. The Government has frequently intervened in the Thai economy and occasionally made significant changes in policy. The Government's policies have included, among other things, wage and price controls, capital controls and limits on imports. The Bank's business, cash flows, financial condition, results of operations and prospects may be adversely affected by changes in Government policies.

In 2020, Thailand's GDP decreased at a fast pace by 6.1 per cent. due to the COVID-19 pandemic, which severely dampened both domestic and external demand, and significantly affected Thailand's tourism. In 2021, Thailand's GDP recovered slightly by 1.5 per cent. amidst the outbreaks of the Delta and Omicron variants, which led to strict containment measures and travel restrictions in Thailand. In 2022, the impact of COVID-19 subsided and thus Thailand's GDP grew by 2.6 per cent., due to a strong rebound in foreign tourist arrivals and consumer spending after the COVID restrictions eased, despite rising inflation that reduced consumers' purchasing power. Meanwhile, exports remained relatively strong, but began to decelerate in the second half of 2022 due to the waning global economic momentum that resulted from China's zero-COVID policy and the tightening of monetary policies by central banks around the world. The Thai economy is expected to continue to recover in 2023, mainly driven by a rebound in the tourism sector. Nonetheless, the Thai economy still faces several challenges, including waning global economic momentum, ongoing geopolitical tensions, rising interest rates, high household debt levels, severe weather conditions and domestic political instability. The Thai economic outlook in the medium-term remains highly unpredictable. There is also no assurance that current or future governments will adopt economic policies conducive to sustaining economic growth.

Factors that may adversely affect the Thai economy include:

- political uncertainty in Thailand;
- recessions or potential economic downturns in the United States, Europe, China or elsewhere in the world;
- a prolonged period of inflation or change in regional interest rates;
- high food and energy prices;
- mismatches in supply and demand, shortage of goods, and increasing prices of goods;
- fluctuations in world oil prices and other commodity prices;
- exchange rate fluctuations;
- geopolitical tensions, such as the Russia-Ukraine war;
- international trade policy change or global trade war;
- changes in demographics and consumer behaviour due to fast-changing technology;
- climate change;
- changes in taxation;
- natural disasters, including tsunamis, earthquakes, fires, floods, drought and similar events;
- scarcity of credit or other financing, resulting in lower demand for products and services provided by companies in the region;
- other regulatory, political or economic developments in or affecting Thailand;
- recent and threatened terrorist activities in Southeast Asia;

- a potential recurrence or outbreak of avian influenza, severe acute respiratory syndrome (SARS), the H1N1 virus, COVID-19 or other contagious diseases in Thailand or other countries.

The Bank's results and those of most of its corporate customers may be influenced in part by the political situation in Thailand, which has been unstable from time to time in the past. Changes in government, recent political unrest and protests, as well as the failure of any coalition to develop, could result in the delay or curtailment of economic reforms in Thailand and decrease confidence in the Government, the Thai economy and the performance of Thai companies generally. Deteriorating economic conditions also increased delinquencies in the Bank's loan portfolio, which increased the Bank's NPLs. Higher levels of delinquencies in the Bank's loan portfolio would require the Bank to increase its loan loss provisions and charge-offs. There can be no assurance that the current or any future political instability in Thailand or any changes in the Government's policies or in Thailand's political environment will not have a material adverse effect on the Bank's business, cash flows, financial condition, results of operations and prospects. See "*Political conditions and continued conflict in Thailand may have a direct impact on the Bank's business*" below.

***Political conditions and continued conflict in Thailand may have a direct impact on the Bank's business***

The Bank's business, financial condition, results of operations and prospects may be influenced in part by the political situation in Thailand, which has been unstable from time to time.

No assurances can be made regarding political disruptions in the future. After the election was held on 14 May 2023, Pheu Thai party announced a 11-party coalition to form a new government. Pheu Thai's candidate Srettha Thavisin was approved by the Thai Parliament as the new prime minister on 22 August 2023. The effects of this election on political conditions in Thailand remain uncertain and may affect investments in Thailand. Any change to the political situation may affect the legal and regulatory framework under which the Bank operates. Any changes in the legal and regulatory environment in Thailand may materially and adversely affect the Bank's business, financial condition, results of operations and prospects.

Since the middle of August 2020, a number of political demonstrations have taken place in Thailand. As a response to protests at a number of governmental buildings and public spaces in Bangkok as well as in other provinces, authorities have increased security presence in Bangkok and elsewhere in Thailand, which resulted in multiple civilian casualties when the police attempted to disperse the demonstrations. Following the May 2023 election, there have been protests and demonstrations from time to time. There can be no assurance that there will be no further political demonstrations or that the political environment in Thailand will be stable. The political environment in Thailand may become unstable and any future instability in Thailand may materially and adversely affect the Bank's business, financial condition, results of operations and prospects.

***Uncertainty in the Thai economy will likely increase the Bank's NPLs***

The Bank's consolidated NPL ratio decreased from 3.76 per cent. in the year ended 31 December 2021 to 3.19 per cent. in the year ended 31 December 2022, and remained stable at 3.20 per cent. in the six-month period ended 30 June 2023.

The Bank closely and regularly monitors and reviews the quality of its assets and provides support to customers affected by the COVID-19 situation and global economic outlook. Relief measures help limit short-term impact on asset quality, while focusing more on comprehensive debt restructuring, which is more in line with customers' debt repayment capabilities and business feasibility. However, the Bank cannot assure you that its NPL ratio will not increase.

Any downturn in the Thai economy will likely lead to an increase in the Bank's NPLs, which would require the Bank to make substantial additional provisions for loan losses and may adversely affect its results of operations, financial condition and capital adequacy. There can be no assurance that the Bank's provisions for loan losses are or will be sufficient to absorb actual losses.

***Downgrades of credit ratings of the Government and Thai banks and companies and recent disruptions in the international capital markets could adversely affect the Bank's business***

Beginning in 1998, various international credit rating agencies downgraded Thailand's sovereign credit rating and the ratings of a large number of Thai banks and companies. As of 24 July 2023, Thailand's sovereign foreign currency long-term debt was rated "Baa1" with stable outlook by Moody's, "BBB+" with stable outlook by Fitch and "BBB+" with stable outlook by S&P and its short-term foreign currency debt was rated "P-2" by Moody's, "F1" by Fitch and "A-2" by S&P. In addition, the outlook of some large commercial banks were downgraded to negative by S&P. In the past, certain credit rating agencies have warned that Thailand's credit rating may be downgraded due to political

uncertainties and the weakening of the fiscal economic condition. These credit ratings reflect an assessment of the Government's overall financial capacity to meet its payment obligations and its ability or willingness to meet its financial commitments as they become due. There can be no assurance that international credit rating agencies will not downgrade the credit ratings of Thailand or Thai companies, including the Bank, in the future. Any such downgrade could have an adverse impact on the ability of the Government, the Bank or other Thai companies to raise additional financing, interest rates and other commercial terms at which such additional financing is available.

In addition, the availability of credit to entities operating within the emerging markets is significantly influenced by levels of investor confidence in such markets as a whole and so any factors that impact market confidence (for example, a decrease in credit ratings or state or central bank intervention in one market) could affect the price or availability of funding for entities within any of these markets.

All these factors may have an adverse impact on the Bank's business, cash flows, financial condition, results of operations and prospects and could adversely affect its level of competitiveness.

***Material changes in the regulations that govern the Bank and its business activities may adversely affect its business and future financial performance***

The Bank operates under a heavily regulated environment under the supervision of the BoT. The Bank is also subject to the banking, corporate and other laws in effect in Thailand from time to time. The regulatory and legal frameworks governing the Bank differs in certain material respects from those in effect in other jurisdictions and may continue to change as the Thai economy and commercial and financial markets evolve. If additional rules or regulations are introduced, the Bank may incur substantial compliance and monitoring costs. The Bank's business could also be directly affected by any changes in the BoT's policies, including in the areas of specific lending activities, loan loss provisioning, capital adequacy and liquidity requirements. In addition, there are fees payable to the FIDF and the Deposit Protection Agency. The fees comprise a fee charged to compensate FIDF losses in an amount equal to 0.46 per cent. of total deposits and other public-borrowed money obligations as prescribed by the BoT and a guarantee fee of 0.01 per cent. of the total guaranteed deposits payable to the Deposit Protection Agency. There can be no assurance that future changes in the regulatory environment for banks in Thailand will not adversely affect the Bank's business, financial condition and financial performance. Failure by the Bank to comply with applicable rules and regulations could result in penalties, loss of regulatory permits and reputational damage, which could have a material adverse effect on the Bank's business, cash flows, financial condition, results of operations and prospects.

With effect from 1 January 2013, the Bank became subject to the BoT's Basel III capital adequacy requirements, which require the Bank to maintain a minimum ratio of total capital to risk weighted assets of 8.5 per cent., provided that the common equity Tier 1 ratio, as defined under Basel III ("Common Equity Tier 1") is not less than 4.5 per cent., and the minimum Tier 1 ratio to risk weighted assets (which consists of Common Equity Tier 1 and additional Tier 1, as defined under Basel III ("Additional Tier 1")) is at least 6.0 per cent.

Additionally, the BoT required the Bank to maintain capital conservation buffer of more than 2.5 per cent. since 2019. Moreover, the BoT may require banks to maintain additional countercyclical capital buffer at a maximum rate of 2.5 per cent. As of 30 June 2023, the Bank's capital adequacy ratio, Tier 1 capital ratio, and CET1 capital ratio were 18.18 per cent., 16.12 per cent., and 15.08 per cent, respectively. While the Bank is currently in compliance with the capital adequacy requirements of the BoT, there can be no assurance that it will continue to be able to comply with such requirements. The Bank's failure to comply with minimum capital adequacy requirements under current or future regulations would have a material adverse effect on the Bank's business, cash flows, financial condition, results of operations and prospects.

Basel III also requires Tier 1 and Tier 2 capital instruments to be more loss-absorbing on a going concern basis and, from 1 January 2013, include a "non-viability" clause. The broad package of amendments under Basel III therefore increases the minimum quantity and quality of capital, which a bank is obliged to maintain. There can be no assurances made with respect to the availability or cost of such capital.

Moreover, the BoT issued the BoT Notification No. Sor.Nor.Sor. 9/2558 Re: Rules on the Maintenance of Liquidity Coverage Ratio dated 27 May 2015 (the "BoT Notification No. 9/2558"). The BoT Notification No. 9/2558, which took effect on 1 January 2016, introduced the Liquidity Coverage Ratio ("LCR") requirement to implement Basel III: The Liquidity Coverage Ratio and liquidity risk monitoring tools (January 2013). Under the BoT Notification No. 9/2558, a Thai commercial bank must have an adequate stock of unencumbered high quality liquid assets ("HQLA") to meet its liquidity needs for a 30-day period under the prescribed stress scenario. To ensure that the LCR is introduced without disruption to the banking systems, the minimum requirement began on 1 January 2016 at 60.0 per cent., and it will increase in equal annual steps of 10.0 percentage points to reach 100.0 per cent. on 1 January 2020. As of 30 June 2023, the Bank was well-positioned to meet the LCR requirement. In addition, the BoT

announced the BoT Notification No. Sor.Nor.Sor. 2/2561 which requires commercial banks to disclose their LCR, total liquid assets and the amount of net cash outflow within 30 days on a half-year basis, starting from June 2018, in order to meet international standards and to increase the awareness and understanding of stakeholders.

Apart from the regulatory capital and LCR requirements, the BoT also issued the BoT Notification No. Sor.Nor.Sor. 1/2561 Re: The Net Stable Funding Ratio (“NSFR”) Requirements dated 12 January 2018 (the “BoT Notification No. 1/2561”), which came into effect on 1 July 2018. Under the BoT Notification No. 1/2561, a Thai commercial bank must maintain stable sources of funds that match the assets to be funded, with an NSFR of at least 100.0 per cent. The commercial banks must submit reports on their NSFRs to the BoT on a quarterly basis. As of 30 June 2023, the Bank was well-positioned to meet the NSFR requirements. The BoT may require any commercial bank to maintain a high NSFR if it believes that the bank’s prevailing NSFR is insufficient to cover its liquidity risk.

The approach and local implementation of Basel III in Thailand will depend on the BoT’s response to the minimum standards set by the Basel Committee on Banking Supervision (“BCBS”). However, there can be no assurance that BCBS will not amend the package of reforms described above. Further, the BoT may implement the package of reforms in a manner that is different from that which is currently envisaged.

It has also been agreed at the global level that in the event of a failure of systemically important financial institutions (“SIFIs”) which pose greater systemic risks to the economy, the SIFIs should face higher capital requirements and be subject to more stringent regulatory requirements than banks not falling within the SIFI category. In 2022, a group of 30 banks was identified as systemically important on a global basis and would be subject to additional Common Equity Tier 1 capital requirements of between 1.0 per cent. and 2.5 per cent. While no banks in Thailand are amongst this group, the Bank may face additional capital and regulatory requirements and potentially other additional restrictions on its activities.

Adopting the SIFI framework, the BoT designated the Bank as one of domestic systemically important banks (each a “D-SIB” and collectively, “D-SIBs”) on 31 August 2017. Pursuant to the BoT regulation, from 1 January 2020, a D-SIB must maintain its Common Equity Tier 1 capital ratio at least one per cent. higher than the minimum capital ratio, including the conservation buffer and countercyclical buffer (if any). Additionally, D-SIBs are subject to more rigorous supervisory measures, such as additional reporting requirements. Should the BoT introduce other aspects of the SIFI framework to banks in Thailand, the Bank would face stricter capital requirements or liquidity standards or other additional and unpredictable restrictions on its activities as compared to its less regulated competitors. This could affect the Bank’s ability to implement its strategy and conduct its operations, which could have a material adverse effect on the Bank’s business, cash flows, financial condition, results of operations and prospects.

There is no assurance that the Bank will not face increased pressure on its capital and liquidity in the future under the Basel III standards. If the regulatory capital requirements, liquidity restrictions or ratios applied to the Bank are increased in the future, any failure of the Bank to maintain such increased regulatory capital ratios could result in administrative actions or sanctions, which may have an adverse effect on the Bank’s results of operations.

The impact of such additional regulations, reforms and restrictions may place the Bank at a competitive disadvantage compared to its less regulated competitors.

#### ***Future changes in laws, regulations or enforcement policies in Thailand could adversely affect the Bank***

Laws, regulations and enforcement policies in Thailand, including those regulating the Bank and the banking industry generally, are evolving and are subject to future changes. Following the military coup on 22 May 2014, there have been unprecedented levels of government and regulatory intervention and changes to laws and regulations including those directly governing commercial banks and the conduct of business. Interpretations and enforcement practices among different regulatory authorities may differ. Changes in laws, regulations, policies or the government’s attitude towards the Bank’s industry could have adverse effects on the Bank’s business, financial condition, results of operations and prospects.

If there is any future change in applicable laws or regulations, or interpretations of applicable laws or regulations, the Bank may be required to obtain further approvals or meet additional regulatory requirements. Compliance with revised requirements could impose substantial additional costs to the Bank which could have a material adverse effect on the Bank’s business, financial condition, results of operations and prospects.



***Fluctuations in foreign currencies against the Baht may adversely affect the Bank's business, results of operations and financial condition***

During the past decade, the Thai economy has, from time to time, experienced volatility in the Baht and limited availability of foreign exchange. Recent volatility in the foreign exchange market was caused by both internal factors like the BoT's easing monetary policy and external factors like global uncertainties. From the beginning of 2022 to June 2023, the value of the Baht against the U.S. dollar fluctuated between a high of Baht 38.40 to a low of Baht 32.12. There can be no assurance that the value of the Baht will not fluctuate significantly against the U.S. dollar or other currencies in the future. In addition, there can be no assurance that the Government will not adopt policies that adversely affect the value of the Baht.

Depreciation in the value of the Baht would increase, in Baht terms, the outstanding foreign currency debt of the Bank's customers. Such increased debt burden could negatively affect the creditworthiness of some or all of such customers and may result in more customers being unable to repay their debts as they come due. Appreciation of the value of the Baht could also have an adverse effect on the Bank's financial condition by making the price of Thai exports more expensive, which could have a negative impact on the financial condition of certain of the Bank's borrowers. Accordingly, the volatility of the Baht may adversely affect the Bank's business.

Separately, currency translation risks may also negatively affect the Bank's results of operations. Although the Bank's reporting currency is the Baht, it conducts business in the local currencies of the foreign countries in which it operates. Notwithstanding the Bank's policy to hedge against foreign exchange risks, it remains subject to currency translation risks arising from fluctuations in the value of these foreign currencies against the Baht, which may result in foreign currency translation losses.

The Bank may also have foreign currency exposure on its trading book that is held on a proprietary basis and may not be hedged. Any unfavourable movements in foreign exchange rates under such positions may negatively affect the Bank's position.

***Continued violence globally, terrorist attacks and international and regional instability could adversely affect the Bank's business, financial condition, results of operations and prospects***

Since January 2004, there have been a large number of casualties and injuries arising from violence, particularly in southern Thailand, including most recently the fatal attacks in March 2012 in Yala and Hat Yai, as well as other fatal attacks in Bangkok and elsewhere. Continued violence could lead to widespread unrest in Thailand or a major terrorist incident in Thailand. If the security condition deteriorates and violence breaks out across Thailand, the Bank's business, financial condition, results of operations and prospects may be materially and adversely affected.

In addition, political events in the Middle East, including future terrorist attacks against targets in the Middle East, Southeast Asia or other regions, rumours or threats of terrorist attacks or war, actual conflicts involving the Middle East and trade disruptions, may affect the Bank's customers and the Bank's operations. Furthermore, geopolitical events such as the ongoing Russia-Ukraine conflict could lead to adverse conditions in the global financial markets. Consequently, political or economic developments related to these crises could adversely affect the Thai economy and the global economy and could have a material adverse effect on the Bank's business, financial condition, results of operations and prospects.

***The Bank faces risks related to public health epidemics in Thailand or elsewhere***

The Bank's business could be materially and adversely affected by the outbreak of public health epidemics, or the fear of such an outbreak, in Thailand or elsewhere. In April 2009, an outbreak of the H1N1 virus, commonly referred to as "swine flu," occurred in Mexico and spread to other countries, including Thailand. In 2004, an outbreak of the H5N1 viruses, also known as "bird flu," occurred in Southeast Asia and other regions, resulting in hundreds of deaths worldwide and significantly affecting Southeast Asia's economy. Vietnam, a regional neighbour of Thailand, reported two human fatalities caused by bird flu in January 2012. Since the beginning of 2012, there have been reports on the outbreak of the viral hand, foot and mouth disease in Thailand and other neighbouring countries, including several confirmed human cases and deaths, particularly among children.

In December 2019, an outbreak of COVID-19 occurred in China and spread to other countries, including Thailand. In 2023, the risks of reimposition of tight border controls and restrictions on movement and economic activities are lower as most parts of the world are moving from a pandemic into an endemic state of COVID-19. Nevertheless, the emergence of new COVID-19 variants leading to resurgence in infection rates continue to create economic and business uncertainties that could affect Thailand's economic recovery. To mitigate the severe economic impact of the pandemic, stabilize and provide liquidity to the markets, the governments and central banks around the globe, including the Government and BoT launched a series of financial and fiscal relief measures from 2020 to 2022 to

help businesses and individuals to get through the crisis, such as fiscal and monetary stimulus measures, including tax cuts, direct subsidies, rate cuts, loan moratoriums and restructuring, bond repurchase programs and suspension or relaxation of prudential bank capital requirements.

Following the gradual economic recovery from the COVID-19 pandemic, some fiscal accommodative measures provided by the Government and the BoT to help businesses withstand the impact of the COVID-19 pandemic have expired or been gradually removed. The expected impacts of the COVID-19 pandemic on the general banking sector are potentially higher credit costs to accommodate economic and business uncertainties resulting from the COVID-19 pandemic as well as potential risks arising from the emergence of new COVID-19 variants and increase in reinfection rates. There can be no assurance that the Bank will not face increased pressure as a result of any policies and/or interventions undertaken by the governments to deal with the impact of the COVID-19 pandemic on global economies.

If the outbreak of COVID-19 or any of these viruses or other severe viruses, including severe acute respiratory syndrome, or “SARS,” were to occur again and become widespread in Thailand or increase in severity, it could have an adverse effect on economic activity in Thailand, and could materially and adversely affect the Bank’s business, financial condition and results of operations. Any future public health epidemics in Thailand or elsewhere could materially and adversely affect the Bank’s business, financial condition, results of operations and prospects.

***Extreme weather and natural disasters may adversely affect the Bank’s business***

Natural disasters, such as the flooding experienced in parts of Thailand in 2011, could adversely affect the operations of the Bank’s branches and profitability. As a result of the flooding in 2011, the Bank extended the grace period for repayment of loans and offered new loans for the renovation of damaged property to some of its existing customers. While the Bank has contingency plans and insurance coverage in place to cope with flooding, the property damage and business interruption caused by any future flooding could materially and adversely affect the Bank’s business and results of operations.

***Enforcement difficulties may prevent lenders from recovering the assessed value of collateral when the Bank’s borrowers default on their obligations in Thailand***

Thai banks may not be able to fully recover collateral or enforce any guarantees due, in part, to the legal uncertainties in enforcing such rights in Thailand. Although Thai law currently provides for expedited procedures for the enforcement of certain types of collateral, in practice lenders generally submit a petition to a Thai court or face challenges by borrowers, which could result in delays that can last several years and lead to deterioration in the physical condition and market value of the collateral, particularly where the collateral is in the form of inventory or receivables. In addition, such collateral may not be insured. Moreover, a new Thai law which became effective in February 2015 provides for additional protection for mortgagors and any contractual provisions that are contrary to the protective mechanism are void. See “–*The new law on guarantee and mortgage and other legislation governing the Bank’s products and services could adversely affect the Bank’s business and could require significant implementation costs or changes to the Bank’s business strategy*”. In the past, these factors have exposed, and continue to expose, lenders in Thailand to legal liability while in possession of collateral. The current difficulty of bringing enforcement actions in the Thai legal system significantly reduces the ability of lenders to realise the value of collateral located in Thailand and therefore the effectiveness of taking a secured position on loans to Thai borrowers. In addition, there can be no assurance that lenders will be able to realise the full value, or any value, of any collateral located in Thailand in a bankruptcy or foreclosure proceeding or otherwise, especially as the value of secured assets such as real property and inventory has been, and may continue to be, negatively affected by the current political, economic and social conditions in Thailand.

Thai commercial banks must dispose of foreclosed property (including property surrendered in settlement) within a specific period set by the BoT. There can be no assurance that the Bank will be able to dispose of any particular seized property for a value acceptable to the Bank within such periods. In addition, the Bank may incur significant administrative costs in maintaining and disposing of seized properties. The Bank may also be subject to any additional provision or fines or legal proceedings to be taken by the BoT or may have to set aside provision if the Bank cannot dispose of such real estate within the time frame prescribed by the BoT.

**RISKS RELATING TO THE THAI BANKING INDUSTRY**

***The Thai banking industry is very competitive, and the Bank’s growth strategy depends on its ability to compete effectively***

The Thai banking sector remains very competitive. The Bank’s primary competitors are major domestic and foreign banks operating in Thailand, including government-owned or affiliated entities or banks. In recent years, the

Government has implemented a policy of deregulating domestic financial and banking markets by allowing banks and financial institutions to provide a wider range of services, by permitting increased competition from foreign banks and other financial institutions and by broadening the range of investment instruments, such as mutual funds, available to the public.

The Bank may also face increased competition in the future from financial institutions (including non-bank institutions) and financial technology companies (FinTech) that offer a wider array of commercial banking and financial services and products than the Bank and that have larger lending limits, greater financial resources and stronger statements of financial position than the Bank. Increased competition may result from:

- foreign banks, due to, among other things, relaxed regulations potentially permitting large foreign banks to open additional branch offices and acquire control of Thai banks;
- domestic banks entering into strategic alliances with foreign banks with significant financial and management resources;
- financial services companies specialising in products that the Bank offers directly or through strategic alliances;
- multi-finance companies and securities houses that offer products the Bank does not have licences to offer, such as mutual fund management and the underwriting of equity shares;
- banking agents by non-bank companies with points of services nationwide;
- entities owned by or affiliated with the Government that provide industrial development funding and export and import lending and services, retail and residential mortgage lending as well as lending to farms and farming cooperatives;
- state-owned banks and other Thai banks that have established relationships with the Government and large corporate groups;
- continued consolidation, both with and without Government assistance, in the banking sector involving domestic and foreign banks, driven in part by the liberalisation of foreign ownership restrictions, heightened competition among financial institutions and a possible change in future laws and regulations; or
- an increasing number of competitors, both existing and new, particularly virtual banks, international banks, banks and non-bank financial companies with technological expertise, such as those with expertise in e-commerce, telecommunications, retail and wholesale trade, as well as the emergence of financial technology companies (FinTech) that have played a greater role in the financial sector.

There can be no assurance that the Bank will be able to compete effectively. Increased competition may make it difficult for the Bank to increase the size of its loan portfolio and deposit base, which could have a material adverse effect on the Bank's growth plans, business, cash flows, financial condition, results of operations and prospects.

***The Bank may not be able to optimally utilise customer deposits in order to generate income to repay its depositors or generate sufficient profit to fund its growth***

Deposits in Thai commercial banks were guaranteed by the FIDF until 11 August 2008, which was the date on which the Deposit Protection Agency Act B.E. 2551 (2008) (the "Deposit Protection Agency Act") became effective. The Deposit Protection Agency Act was passed to replace the FIDF guarantee of the full amount of deposits. The Deposit Protection Agency protects those deposits in Thai resident Baht accounts of financial institutions in Thailand. The Royal Decree on Coverage of Insured Deposits B.E. 2559 (2016), which came into effect on 11 August 2016 and the Royal Decree on Coverage of Insured Deposits B.E. 2563 (2020), which came into effect on 11 August 2020 (collectively, the "Deposit Royal Decree"), set out the amount of deposits covered by the Deposit Protection Agency. Under the Deposit Royal Decree, the amount of deposits covered by the Deposit Protection Agency will be an amount equal to the lesser of (a) the aggregate of deposit amounts in all accounts of a depositor and (b) the following amounts:

- during 11 August 2019 to 10 August 2021, Baht 5 million; and
- on 11 August 2021 and thereafter, Baht 1 million.

Financial institutions are required to make mandatory contributions to the Deposit Protection Fund twice a year, by the last business day of July for the period from January to June and by the last business day of January for the period from July to December of the previous year. The mandatory contributions from financial institutions equal 0.01 per cent. of the total domestic deposits as of the end of the daily average total domestic deposit within the relevant half-year period. The effect of the limitation of the deposit guarantee (which will eventually be Baht one million for the aggregate amount of all accounts of a depositor) may lead to customers placing their deposits with large banks like the Bank which have a strong financial position. There can be no assurance that the Bank will be able to on-lend such deposits to its customers, or otherwise make use of such deposits, in order to generate income to repay its depositors or generate sufficient profit for the growth of the Bank. If not, the Bank may need to reduce its interest rates for deposits in order to lower its costs of funding, which may lead the Bank's customers to place their deposits with the Bank's competitors. This may have an adverse impact on the Bank's business, cash flows, financial condition, results of operations and prospects and could adversely affect its level of competitiveness.

***Guidelines for NPL classifications and provisioning in Thailand may be less stringent than those in other countries***

The BoT's regulations with respect to loan classifications and provisioning, in certain circumstances, may be less stringent than those applicable to banks in the United States and other countries. This may result in the Bank's classifying particular loans as non-performing at a later time or in a category reflecting a lower degree of risk than might be expected in such countries. As a result, the amount of the Bank's NPLs may be lower than would be reported if it were located in such countries.

***Thai rules and regulations do not require the Bank to provide as much corporate disclosure as banks in some other countries***

The Bank is required by the SET to publish annual and semi-annual audited and quarterly unaudited financial results. The BoT also requires the Bank to disclose a monthly summary statement of assets and liabilities, and quarterly NPL and allowance amounts, which are made publicly available on the BoT's website and SET's website. Certain types of statistical and financial information published by banks in certain other countries are not published by Thai banks. Accordingly, direct comparisons with banking institutions in such countries may not be possible. In addition, potential investors should not rely on such monthly summary statements of assets and liabilities when making an investment decision.

***Thai financial markets lack advanced risk management tools***

The Thai financial markets lack advanced instruments to manage credit, interest and foreign exchange risks. For example, there are limited national credit bureau databases in Thailand as well as a lower corporate credit rating penetration compared to jurisdictions with more advanced financial infrastructures. Accordingly, the Bank is not always able to change its pricing strategy and reshape its portfolio in a timely manner in response to market conditions. This lack of sophistication in the local market may hinder the Bank in managing its risks, which may adversely affect its results of operations.

**RISKS RELATING TO THE STRUCTURE OF A PARTICULAR ISSUE OF NOTES**

A wide range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential investors. Set out below is a description of certain such features and associated risks:

***Notes subject to optional redemption by the Bank***

An optional redemption feature is likely to limit the market value of the Notes. During any period when the Bank may elect to redeem certain Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The Bank may be expected to redeem certain Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

***Partly-Paid Notes***

The Bank may issue Notes where the issue price is payable in more than one instalment. Failure to pay any subsequent instalment on a Partly-Paid Note could result in an investor losing all of its investment.

### ***Variable rate Notes with a multiplier or other leverage factors***

Notes with variable interest rates can be volatile investments. If they are structured to include multipliers or other leverage factors, or caps or floors, or any combination of those features or other similar related features, their market values may be even more volatile than those of securities that do not include those features.

### ***Inverse Floating Rate Notes***

Inverse Floating Rate Notes have an interest rate equal to a fixed rate minus a rate based upon a reference rate such as SOFR. The market values of those Notes are typically more volatile than the market values of other conventional floating rate debt securities based on the same reference rate (and with otherwise comparable terms). Inverse Floating Rate Notes are more volatile because an increase in the reference rate not only decreases the interest rate of the Notes, but may also reflect an increase in prevailing interest rates, which further adversely affects the market value of these Notes.

### ***Fixed/Floating Rate Notes***

Fixed/Floating Rate Notes may bear interest at a rate that the Bank may elect to convert from a fixed rate to a floating rate, or vice versa. The Bank's ability to convert the interest rate will affect the secondary market and the market value of such Notes since the Bank may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the Bank converts from a fixed rate to a floating rate in such circumstances, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If the Bank converts from a floating rate to a fixed rate in such circumstances, the fixed rate may be lower than then prevailing rates on its Notes.

### ***Notes issued at a substantial discount or premium***

The market values of securities issued at a substantial discount or premium to their nominal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

### ***Index Linked Notes and Dual Currency Notes***

The Bank may issue Notes with principal or interest determined by reference to an index or formula, to changes in the prices of securities or commodities, to movements in currency exchange rates or other factors (each a "**Relevant Factor**"). In addition, it may issue Notes with principal or interest payable in one or more currencies which may be different from the currency in which the Notes are denominated.

### ***Notes issued as Additional Tier 1 Subordinated Notes***

Additional Tier 1 Subordinated Notes bear Distribution, in respect of the period from, and including, the Issue Date to, but excluding, the First Call Date (as specified in the applicable Pricing Supplement), at an Initial Distribution Rate (as specified in the applicable Pricing Supplement) and thereafter, in respect of a Reset Distribution Period, at the relevant Reset Distribution Rate. The relevant Reset Distribution Rate is calculated based on the Relevant Rate (as specified in the applicable Pricing Supplement) plus an Initial Spread (as specified in the applicable Pricing Supplement). Accordingly, the Additional Tier 1 Subordinated Noteholder is exposed to the risk of fluctuating Distribution Rates (including a decline from one Reset Distribution Period to another) and uncertain distribution income, if any. Fluctuations in the Distribution Rate make it impossible to determine the yield of the Additional Tier 1 Subordinated Notes with respect to each reset period in advance.

### ***Potential investors should be aware that:***

- (i) the market price of such Notes may be volatile;
- (ii) they may receive no interest;
- (iii) the payment of principal or interest may occur at a different time or in a different currency than expected;
- (iv) the amount of principal payable at redemption may be less than the nominal amount of such Notes or even zero;

- (v) a Relevant Factor may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices;
- (vi) if a Relevant Factor is applied to Notes in conjunction with a multiplier greater than one or contains some other leverage factor, the effect of changes in the Relevant Factor on principal or interest payable will likely be magnified; and
- (vii) the timing of changes in a Relevant Factor may affect the actual yield to investors, even if the average level is consistent with their expectations. In general, the earlier the change in the Relevant Factor, the greater the effect on yield.

The historical experience of an index should not be viewed as an indication of the future performance of such index during the term of any Index Linked Notes. Accordingly, each potential investor should consult its own financial and legal advisers about the risk entailed by an investment in any Index Linked Notes and the suitability of such Notes in light of its particular circumstances.

## **RISKS RELATING TO THE NOTES GENERALLY**

### ***Notes may not be a suitable investment for all investors***

Each potential investor in any Notes must determine the suitability of that investment in light of such potential investor's own circumstances. In particular, each potential investor should:

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the relevant Notes, the merits and risks of investing in the relevant Notes and the information contained or incorporated by reference in this Offering Circular or any applicable supplement;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the relevant Notes and the impact such investment will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant Notes, including where principal, interest or Distribution is payable in one or more currencies, or where the currency for principal, interest or Distribution payments is different from the potential investor's currency;
- (iv) understand thoroughly the terms of the relevant Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Some Notes are complex financial instruments. Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured and appropriate addition of risk to their overall portfolios. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with the help of a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of such Notes and the impact this investment will have on the potential investor's overall investment portfolio.

### ***Investors should pay attention to any modification and waivers***

The relevant Conditions contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders, including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

### ***Bearer Notes where denominations involve integral multiples: definitive bearer Notes***

In relation to any issue of Notes in bearer form that have denominations consisting of a minimum Specified Denomination (as specified in the applicable Pricing Supplement) plus one or more higher integral multiples of another smaller amount, it is possible that such Notes may be traded in amounts that are not integral multiples of such minimum Specified Denomination. In such a case, a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in his account with the relevant clearing system at the relevant time may not receive a definitive Note in bearer form in respect of such holding (should such Notes be

printed) and would need to purchase a principal amount of Notes such that its holding amounts to a Specified Denomination.

If definitive Notes in bearer form are issued, holders should be aware that definitive Notes which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

#### ***Performance of contractual obligations***

The ability of the Bank to make payments in respect of the Notes may depend upon the due performance by the other parties to the transaction documents of the obligations thereunder including the performance by the Fiscal Agent, Transfer Agent, Registrar, and/or the Calculation Agent of their respective obligations. Whilst the non-performance of any relevant parties will not relieve the Bank of its obligations to make payments in respect of the Notes, the Bank may not, in such circumstances, be able to fulfil its obligations to the Noteholders and the Couponholders.

#### ***Noteholders are exposed to financial risk***

Interest payment, where applicable, and principal repayment for debts occur at specified periods regardless of the performance of the Bank. The Bank may be unable to make interest payments, where applicable, or principal repayments, under a series of Notes should they suffer serious decline in net operating cash flows.

#### ***Legal investment considerations may restrict certain investments***

The investment activities of certain investors are subject to legal investment laws and regulations or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) Notes are legal investments for its circumstances, (2) Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

#### ***U.S. Foreign Account Tax Compliance Act Withholding and Section 871(m) Withholding***

Pursuant to the U.S. Foreign Account Tax Compliance Act (“**FATCA**”), all or a portion of payments made in respect of any Notes issued on or after the date that is six months after the date on which the final regulations applicable to “foreign passthru payments” are published in the Federal Register may be subject to FATCA withholding at a rate of 30.0 per cent. However, this withholding would not apply to payments on or with respect to the Notes prior to the later of (i) 1 January 2019 or (ii) the date on which the final regulations applicable to “foreign passthru payments” are published in the Federal Register. In addition, all or a portion of payments made on certain Index-Linked Notes may be subject to U.S. tax withholding under Section 871(m) of the U.S. Internal Revenue Code (“**871(m) Withholding**”) if they reference U.S. corporate equity. If an amount in respect of U.S. federal withholding tax were to be deducted or withheld from Distribution, interest, principal or other payments on the Notes as a result of FATCA or 871(m) Withholding, none of the Issuer, any paying agent or any other person would, pursuant to the Conditions, be required to pay additional amounts as a result of the deduction or withholding of such tax. As a result, investors may receive less Distribution, interest or principal than expected. Holders of the Notes should consult their own tax advisers to obtain more detailed explanation of FATCA and 871(m) Withholding and how these rules may apply to payments they receive under the Notes.

The application of FATCA and 871(m) Withholding to Notes may be further addressed in the relevant Pricing Supplement or a supplementary offering circular to this Offering Circular, as applicable.

The application of FATCA to the Notes may be modified or supplemented by an intergovernmental agreement in respect of FATCA between the U.S. government and another jurisdiction (“**IGA**”). Thailand and the United States signed an IGA under Model I to improve international tax compliance with respect to FATCA on 4 March 2016. FATCA IS PARTICULARLY COMPLEX AND ITS APPLICATION TO THE ISSUER, THE NOTES AND THE HOLDERS IS UNCERTAIN AT THIS TIME. EACH HOLDER OF NOTES SHOULD CONSULT ITS OWN TAX ADVISER TO OBTAIN A MORE DETAILED EXPLANATION OF FATCA AND TO LEARN HOW THIS LEGISLATION MIGHT AFFECT EACH HOLDER IN ITS PARTICULAR CIRCUMSTANCE.

***Global financial turmoil has led to volatility in international capital markets which may adversely affect the market price of any Series of Notes***

Global financial turmoil has resulted in substantial and continuing volatility in international capital markets. Any further deterioration in global financial conditions could have a material adverse effect on worldwide financial markets, which may adversely affect the market price of any Series of Notes.

***Limited rights of enforcement and subordination of the Subordinated Notes could impair an investor's ability to enforce its rights or realise any claims on the Subordinated Notes***

In most circumstances, the sole remedy against the Bank available to the holders of Subordinated Notes to recover any amounts owing in respect of the principal or Distribution or interest on the Subordinated Notes will be to institute proceedings for the winding-up of the Bank in Thailand or to prove in the winding-up proceedings the amounts owed to them. See Condition 10(a) of the “*Terms and Conditions of the Notes Other than the Additional Tier 1 Subordinated Notes*” and Condition 9 of the “*Terms and Conditions of the Additional Tier 1 Subordinated Notes*”.

If the Bank defaults on the payment of principal, Distribution or interest on the Subordinated Notes, the holders of the Subordinated Notes will only institute a proceeding in Thailand for the winding-up of the Bank if it is so contractually obliged. The holders of the Subordinated Notes will have no right to accelerate payment of the Subordinated Notes in the case of default in payment or failure to perform a covenant except as they may be so permitted under the relevant Conditions.

The Additional Tier 1 Subordinated Notes will be unsecured and subordinated obligations of the Bank and will rank junior in priority to all claims in respect of the Senior Obligations (as defined in the “*Terms and Conditions of the Additional Tier 1 Subordinated Notes*”). Upon the occurrence of any winding-up, liquidation, or bankruptcy proceeding, the rights of the holders of the Additional Tier 1 Subordinated Notes to payments on such Additional Tier 1 Subordinated Notes will, by way of contractual obligations or by operation of law, be subordinated in right of payment to the prior payment in full of all deposits and other obligations of the Bank, as applicable, except those obligations which rank equally with or junior to the Additional Tier 1 Subordinated Notes. In any such proceeding, according to Condition 3(a) of the “*Terms and Conditions of the Additional Tier 1 Subordinated Notes*,” the holders of the Additional Tier 1 Subordinated Notes may recover less than the holders of Tier 2 Subordinated Notes, the holders of deposit liabilities or the holders of other unsubordinated obligations of the Bank, as applicable. As there is no precedent for a winding-up, liquidation, or bankruptcy proceeding of a major financial institution in Thailand, there is uncertainty as to the manner in which such a proceeding would occur and the results thereof (including, but not limited to, the recognition or treatment between the holders of the Tier 2 Subordinated Notes and the Additional Tier 1 Subordinated Notes in terms of their status and rights to receive payments under their Notes). There is a real risk that an investor in Additional Tier 1 Subordinated Notes will lose all or some of its investment should the Bank become insolvent, bankrupt or be liquidated. If a winding-up, liquidation, or bankruptcy proceeding should occur, Additional Tier 1 Subordinated Noteholders may recover less ratably than the creditors of the Senior Obligations. To the extent that Additional Tier 1 Subordinated Noteholders are entitled to any recovery with respect to the Additional Tier 1 Subordinated Notes in any Thai proceedings, such holders may not be entitled in such proceedings to a recovery in currency of denomination of the Notes and may be entitled only to a recovery in Thai Baht.

The Tier 2 Subordinated Notes will be unsecured and subordinated obligations of the Bank and will rank junior in priority to the claims of the Senior Creditors (as defined in the “*Terms and Conditions of the Notes Other than the Additional Tier 1 Subordinated Notes*”). Upon the occurrence of any winding-up, liquidation, or bankruptcy proceeding, the rights of the holders of the Tier 2 Subordinated Notes to payments on such Tier 2 Subordinated Notes will, by way of contractual obligations or by operation of law, be subordinated in right of payment to the prior payment in full of all deposits and other obligations of the Bank, as applicable, except those obligations which rank equally with or junior to the Tier 2 Subordinated Notes. In any such proceeding, according to Condition 3(b) of the “*Terms and Conditions of the Notes Other than the Additional Tier 1 Subordinated Notes*,” the holders of the Tier 2 Subordinated Notes may recover less than the holders of deposit liabilities or the holders of other unsubordinated obligations of the Bank, as applicable. As there is no precedent for a winding-up, liquidation, or bankruptcy of a major financial institution in Thailand, there is uncertainty as to the manner in which such a proceeding would occur and the results thereof. Although Tier 2 Subordinated Notes may pay a higher rate of interest than comparable Notes which are not subordinated, there is a real risk that an investor in Tier 2 Subordinated Notes will lose all or some of its investment should the Bank become insolvent, bankrupt or be liquidated. If a winding-up, liquidation, or bankruptcy proceeding should occur, Tier 2 Subordinated Noteholders may recover less ratably than the Senior Creditors. To the extent that Tier 2 Subordinated Noteholders are entitled to any recovery with respect to the Tier 2 Subordinated Notes in any Thai proceedings, such holders may not be entitled in such proceedings to a recovery in currency of denomination of the Tier 2 Subordinated Notes and may be entitled only to a recovery in Thai Baht.



The Bank believes that all of these deposit liabilities rank senior to the Bank's obligations under the Subordinated Notes. The amount of the liabilities ranking senior is not limited by any Subordinated Notes or the relevant Conditions to the Subordinated Notes which may be hereafter incurred or assumed by the Bank.

There is also no restriction on the amount of securities or instruments that the Bank may issue and which rank *pari passu* with the Subordinated Notes. The issue of any such securities or instruments ranking senior to or *pari passu* with the Subordinated Notes may reduce the amount recoverable by the holders of the Subordinated Notes on a winding-up of the Bank. Given such, holders of Additional Tier 1 Subordinated Notes may recover even less than the holders of Tier 2 Subordinated Notes. Upon the winding-up of the Bank and after payment of the claims of senior creditors and of depositors, there may not be a sufficient amount to satisfy the amounts owing to the holders of the Subordinated Notes.

***The Subordinated Notes may not qualify to be included in the Additional Tier 1 capital or Tier 2 capital, as the case may be***

There is no guarantee that the Notes designated as Subordinated Notes will qualify to be included in the Additional Tier 1 capital or Tier 2 capital, as the case may be, under the capital requirements published by the BoT. See "*Supervision and Regulation – Capital Adequacy Requirements*". The failure of such Subordinated Notes (whether in whole or in part) to qualify to be included in Additional Tier 1 capital or Tier 2 capital of the Bank, as the case may be, due to any reason (including changes in law, regulations or interpretations of the BoT or other competent government authorities) would adversely affect the Bank's capital adequacy ratio and give rise to the Bank having to redeem those Subordinated Notes which are not qualified to be included in the Additional Tier 1 or Tier 2 capital, as the case may be, prior to the maturity date or the relevant call date (as applicable) thereof. See "*– The Subordinated Notes may be redeemed upon certain events*" below.

***Subordinated Notes may become subject to loss absorption provisions as a consequence of regulatory requirements***

The press release of the BCBS dated 13 January 2011 entitled "Minimum requirements to ensure loss absorbency at the point of non-viability" (the "Press Release") included the following statements:

"The terms and conditions of all non-common Tier 1 and Tier 2 instruments issued by an internationally active bank must have a provision that requires such instruments, at the option of the relevant authority, to either be written off or converted into common equity upon the occurrence of the trigger event unless:

- (a) the governing jurisdiction of the bank has in place laws that (i) require such Tier 1 and Tier 2 instruments to be written off upon such event, or (ii) otherwise require such instruments to fully absorb losses before tax payers are exposed to loss;
- (b) a peer group review confirms that the jurisdiction conforms with clause (a); and
- (c) it is disclosed by the relevant regulator and by the issuing bank, in issuance documents going forward, that such instruments are subject to loss under clause (a) in this paragraph."

The Press Release also states as follows:

"The trigger event is the earlier of: (1) a decision that a write-off, without which the firm would become non-viable, is necessary, as determined by the relevant authority; and (2) the decision to make a public sector injection of capital, or equivalent support, without which the firm would have become non-viable, as determined by the relevant authority" (for the purposes of this Offering Circular, each a "Non-Viability Event").

The BoT issued the BoT Notification No. Sor.Nor.Sor. 22/2563 Re: Capital Funds of Commercial Banks Incorporated in Thailand (No. 2) on 24 November 2020 (the "BoT Notification No. 22/2563") and effective on 25 November 2020 and setting out certain loss absorption measures under Basel III. For the purposes of the BoT Notification No. 22/2563, a non-viability event includes events where (i) a commercial bank does not have sufficient assets to repay depositors and creditors, (ii) the capital of a commercial bank has been reduced to the level which may affect depositors and creditors, and (iii) a commercial bank cannot increase its own capital. Therefore, commercial banks wishing to issue Additional Tier 1 or Tier 2 capital instruments should ensure that the terms and conditions of these instruments include loss absorption provisions at the point of non-viability to be eligible for full capital recognition.

If the BoT or other authorities having oversight of the Bank at the relevant time (the “Relevant Authority”) (i) discloses that a peer group review has confirmed that the capital rules, howsoever described, applicable to the Bank conforms with clause (a) above and (ii) discloses that they do not require a change to the terms and conditions of any non-common outstanding Additional Tier 1 and Tier 2 instruments to include a provision that requires either that they be written off or converted into equity upon the occurrence of a trigger event (to the extent not already envisaged within the terms of any outstanding series of Subordinated Notes (which they may require even if Thai legislation is deemed by a peer group review to conform with clause (a) above)), then the Bank will notify holders of any affected Subordinated Notes in accordance with applicable disclosure rules that, going forward, such instruments are confirmed as subject to write-off or loss in accordance with such provision. This may have an adverse effect on the position of holders of Subordinated Notes.

Furthermore, the authorities in Thailand may implement the package of reforms, including the terms which capital securities are required to contain, in a manner that is different from that which is currently envisaged, or may impose more onerous requirements on Thai authorised institutions.

***The terms of Subordinated Notes may contain loss absorption provisions***

Upon the occurrence of a Non-Viability Event (as defined in the relevant Conditions) of the Bank as determined by the Relevant Authority, the Bank may be required, subject to the terms of the relevant series of Subordinated Notes, irrevocably (without the need for the consent of the holders of such Subordinated Notes) to effect either a full write-off of the outstanding principal and accrued and unpaid interest in respect of such Subordinated Notes, or a conversion of such Subordinated Notes into the ordinary shares of the Bank. To the extent relevant in the event that Subordinated Notes are written off, any written-off amount shall be irrevocably lost and holders of such Subordinated Notes will cease to have any claims for any principal amount and accrued but unpaid interest or Distribution in respect of such Subordinated Notes.

Upon the occurrence of a Trigger Event (as defined in the “*Terms and Conditions of the Additional Tier 1 Subordinated Notes*” and applicable to the Additional Tier 1 Subordinated Notes only), which is the occurrence of the Common Equity Tier 1 Ratio of the Issuer on either a standalone or consolidated basis being less than the Trigger Level (as defined in the “*Terms and Conditions of the Additional Tier 1 Subordinated Notes*”), the Bank may be required, subject to the terms of the relevant series of the Additional Tier 1 Subordinated Notes, irrevocably (without the need for the consent of the holders of such Additional Tier 1 Subordinated Notes) to effect either a full or a partial write-off of the outstanding principal and accrued but unpaid Distribution in respect of such Additional Tier 1 Subordinated Notes.

In the event of a partial write-off, the sequence and the amount of write-off between different subordinated obligations of the Bank that are capable of being written off or converted is at the discretion of the Bank (as notified and acknowledged by the Relevant Authority). The write-off will be effected in full in the event that the amount written off or converted is not sufficient for the Trigger Event (which is applicable to only Additional Tier 1 Subordinated Notes) or the Non-Viability Event (which is applicable to both Additional Tier 1 Subordinated Notes and Tier 2 Subordinated Notes) to cease to continue. To the extent relevant in the event that Subordinated Notes are written off, any written-off amount shall be irrevocably lost and holders of such Subordinated Notes will cease to have any claims for any principal amount, accrued but unpaid interest or accrued but unpaid Distribution, which are subject to write-off.

Upon the occurrence of a Trigger Event or Non-Viability Event, potential investors can expect a Suspension Period to be imposed on holders of a series of Subordinated Notes that contains provisions relating to loss absorption, during which holders will not be able to settle any transfers of such Subordinated Notes. Where such Subordinated Notes are represented by one or more Global Notes or Global Certificates, any sale or other transfer of the Subordinated Notes that has been initiated by a holder prior to the occurrence of a Trigger Event or a Non-Viability Event and is scheduled to settle through Euroclear and Clearstream from the time of notification of the Trigger Event or the Non-Viability Event to the clearing systems to the end of such Suspension Period, may be rejected, and may not be settled, by Euroclear and Clearstream.

While a Series of Subordinated Notes that contains loss absorption provisions is represented by one or more Global Notes or Global Certificates and a Trigger Event or a Non-Viability Event occurs, the records of Euroclear and Clearstream or any other clearing system of their respective participants’ position held in such Series of Subordinated Notes may not be immediately updated to reflect the amount of write-off and may continue to reflect the nominal amount of such Subordinated Notes prior to the write-off as being outstanding, for a period of time. The update process of the relevant clearing system may only be completed after the date on which the write-off will occur. Notwithstanding such delay, holders of such Subordinated Notes may lose the entire value of their investment in such Subordinated Notes on the date on which the write-off occurs. No assurance can be given as to the period of time required by the relevant clearing system to complete the update of their records. Further, the conveyance of

notices and other communications by the relevant clearing system to their respective participants, by those participants to their respective indirect participants, and by the participants and indirect participants to beneficial owners of interests in the Global Note or Global Certificate will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

***Upon the occurrence of a Trigger Event or a Non-Viability Event, Subordinated Notes may be partially or fully written down, irrespective of the reduction of the registered capital of the Bank***

In respect of the Additional Tier 1 Subordinated Notes, by virtue of the loss absorption provisions under the “*Terms and Conditions of the Additional Tier 1 Subordinated Notes*,” holders of Additional Tier 1 Subordinated Notes agree that the Bank is entitled to partially or fully write down the principal and Distribution under such Notes upon the occurrence of a Trigger Event or a Non-Viability Event, on the basis specified in the relevant Conditions. For example, in March 2023, as part of the proposed restructuring of Credit Suisse Group AG, the Swiss banking regulators exercised their resolution powers upon the occurrence of a write-down event and announced that the principal amount of the perpetual Tier 1 notes issued by Credit Suisse Group AG will be written-down to zero, which may result in the investors losing a substantial part of their investment.

In respect of the Tier 2 Subordinated Notes, by virtue of the loss absorption provisions under the “*Terms and Conditions of the Notes Other than the Additional Tier 1 Subordinated Notes*”, holders of the Tier 2 Subordinated Notes agree that the Bank is entitled to partially or fully write down the principal and interest under such Notes upon the occurrence of a Non-Viability Event, on the basis specified in the relevant Conditions.

At the time of the write-down of the Subordinated Notes, the Bank is not required to (nor is the Relevant Authority required to instruct the Bank to) perform a reduction of the Bank’s share capital (including ordinary shares and preference shares) to any degree prior to, or after, such write-down. Reduction of the Bank’s registered capital is subject to the sole and absolute discretion of the Bank’s shareholders and the Relevant Authority’s approval or the Issuer’s receipt of official order or instruction from the Relevant Authority.

Holders of the Subordinated Notes have no right to contest with the Bank or the Relevant Authority that a reduction or a further reduction of the Bank’s share capital should be performed prior to, or after, the write-down of the Subordinated Notes, and should not invest in such Subordinated Notes in the expectation that such a capital reduction would be performed by the Bank or the Relevant Authority.

Subordinated Noteholders should note that any amount that is written-off upon the occurrence of a Trigger Event or a Non-Viability Event, as the case may be, in accordance with the relevant Conditions is permanent and will not be restored under any circumstances, including where the relevant Trigger Event or the Non-Viability Event ceases to continue. Additionally, a Trigger Event or a Non-Viability Event may occur on more than one occasion and each Subordinated Note may be written down on more than one occasion.

As the rate of interest and Distribution Rate are calculated on the basis of the principal amount as adjusted following the occurrence of a Trigger Event or a Non-Viability Event, in the event that such principal amount is reduced by the relevant write-down, Subordinated Noteholders will receive less interest or Distribution on their Subordinated Notes. Additionally, Subordinated Noteholders could risk losing up to the full principal amount of the Subordinated Notes, as well as the cancellation of any accrued (and unpaid) interest or Distributions, without receiving any compensation for such loss or cancellation.

***The occurrence of a Trigger Event or Non-Viability Event may be inherently unpredictable and may depend on a number of factors which may be outside of the Bank’s control***

The occurrence of a Non-Viability Event is dependent on a determination by the Relevant Authority (a) that a write-off, without which the Bank would become non-viable, is necessary; or (b) a decision has been made to make a public sector injection of capital, or equivalent support, without which the Bank would have become non-viable. As a result, the Relevant Authority may require or may cause a write-off in circumstances that are beyond the control of the Bank and the Group and with which neither the Bank nor the Group agree. Because of the inherent uncertainty regarding the determination of whether a Non-Viability Event exists, it will be difficult to predict when, if at all, a write-off will occur.

The occurrence of a Trigger Event depends, in part, on the calculation of the CET1 ratio, which can be affected, among other things, by a variety of factors such as the growth of Bank’s business and its future earnings, expected dividend payments by the Bank and regulatory changes (including possible changes in regulatory capital definitions and calculations) which may be outside of the Bank’s control.

The trading behaviour in respect of Subordinated Notes which have the loss absorption feature is not necessarily expected to follow trading behaviour associated with other types of securities. Any indication that the Bank is trending towards a Trigger Event or a Non-Viability Event could have a material adverse effect on the market price of the relevant Subordinated Notes.

Potential investors should consider the risk that a holder of Subordinated Notes which have the non-viability loss absorption feature may lose all of their investment in such Subordinated Notes, including the principal amount plus any accrued but unpaid interest or accrued but unpaid Distribution, in the event that a Trigger Event or a Non-Viability Event occurs.

There is no assurance that any contractual provisions with loss absorption features, to the extent applicable, will be sufficient to satisfy the Basel III-compliant requirements that the Relevant Authorities may implement in the future. There is a risk that any Relevant Authority may deviate from the Basel III proposals by implementing reforms which differ from those envisaged by the Basel Committee.

***Regulations on non-viability loss absorption are new, untested and subject to interpretation and application by regulations in Thailand***

Regulations on non-viability loss absorption, such as the BoT Notification No. 7/2562, are new and untested, and will be subject to the interpretation and application by the Relevant Authority. It is uncertain how the Relevant Authority would determine the occurrence of a Non-Viability Event, and it is possible that the grounds that constitute Non-Viability Events may change (including that additional grounds are introduced). Accordingly, the operation of any such future legislation may have an adverse effect on the position of holders of the Subordinated Notes which have the non-viability loss absorption feature.

A potential investor should not invest in the Subordinated Notes unless it has the knowledge and expertise to evaluate how the Subordinated Notes which have the non-viability loss absorption feature will perform under changing conditions, the resulting effects on the likelihood of a write-down and the value of the Subordinated Notes which have the non-viability loss absorption feature, and the impact this investment will have on the potential investor's overall investment portfolio. Prior to making an investment decision, potential investors should consider carefully, in light of their own financial circumstances and investment objectives, all the information contained in this Offering Circular.

***The Additional Tier 1 Subordinated Notes are perpetual securities and investors have no right to require redemption***

The Additional Tier 1 Subordinated Notes are perpetual and have no maturity date. Noteholders do not have the ability to require the Issuer to redeem their Additional Tier 1 Subordinated Notes, whereas the Issuer can redeem the Additional Tier 1 Subordinated Notes in certain circumstances as described in the “*Terms and Conditions of the Additional Tier 1 Subordinated Notes*”. The Additional Tier 1 Subordinated Notes are redeemable at the option of the Issuer pursuant to Condition 5(c), which shall be not less than five years from the Issue Date, at their Prevailing Principal Amount or the Optional Redemption Amount (if specified in the applicable Pricing Supplement) together (if appropriate) with any Distribution accrued but unpaid to (but excluding) the date fixed for redemption. However, the Issuer is under no obligation to redeem the Additional Tier 1 Subordinated Notes at any time. The ability of the Issuer to redeem Additional Tier 1 Subordinated Notes is subject to the Issuer obtaining the prior written consent of the BoT prior to the redemption.

As a result, Additional Tier 1 Subordinated Noteholders do not have the ability to cash in their investment, except if those Noteholders are able to sell their holdings or the Issuer exercises its right to redeem the Additional Tier 1 Subordinated Notes. Noteholders who wish to sell their Additional Tier 1 Subordinated Notes may be unable to do so at a price at or above the amount they have paid for them, or at all, if insufficient liquidity exists in the market for the Additional Tier 1 Subordinated Notes. Moreover, there can be no guarantee that the Issuer will be able to meet the conditions imposed by the Relevant Authority for redemption of Additional Tier 1 Subordinated Notes.

Additionally, upon the occurrence of the events described in Condition 5(b) and Condition 5(d) of the “*Terms and Conditions of the Additional Tier 1 Subordinated Notes*,” the Additional Tier 1 Subordinated Notes may be redeemed at their Prevailing Principal Amount together (if appropriate) with any Distribution accrued but unpaid as more particularly described in the Conditions. There can also be no assurance that Additional Tier 1 Subordinated Noteholders will be able to reinvest the amount received upon redemption at a rate that will provide the same rate of return as their investment in the Additional Tier 1 Subordinated Notes. Also, if any Trigger Event or Non-Viability Event occurs, as more fully described in Condition 5(i) of the “*Terms and Conditions of the Additional Tier 1*

*Subordinated Notes*,” the Additional Tier 1 Subordinated Noteholder may be subject to a write-down up to the aggregate principal amount of the Additional Tier 1 Subordinated Notes.

***Payments of Distribution on Additional Tier 1 Subordinated Notes are discretionary, and Distributions are non-cumulative***

Payment of Distributions under the Additional Tier 1 Subordinated Notes on any Distribution Payment Date is at the sole discretion of the Bank. Subject to the “*Terms and Conditions of the Additional Tier 1 Subordinated Notes*,” the Bank may at its sole discretion elect not to pay any Distribution on any Distribution Payment Date. Please see Condition 4(b)(i) of the “*Terms and Conditions of the Additional Tier 1 Subordinated Notes*” in relation to Optional Distribution Cancellation Event for more details. Additionally, the Bank will not be obliged to pay, and will not pay, any Distribution upon the occurrence of a Mandatory Distribution Cancellation Event (as defined in the “*Terms and Conditions of the Additional Tier 1 Subordinated Notes*”). The Bank shall not be obliged to pay, and shall not pay, any Distribution on the Distribution Payment Date if on the Distribution Payment Date, the Distribution scheduled to be paid if paid in full, together with any distributions or dividends paid or scheduled to be paid on the Additional Tier 1 Subordinated Notes or any Parity Loss Absorbing Instruments (as defined in the “*Terms and Conditions of the Additional Tier 1 Subordinated Notes*”) during the Bank’s then-current fiscal year, would exceed Distributable Reserves as at such Distribution Payment Date. The Bank shall also not be obliged to pay, and shall not pay, any Distribution if by doing so, the Bank would be causing a breach of any applicable regulations.

Such cancelled Distributions both upon the occurrence of a Mandatory Distribution Cancellation Event and Option Distribution Cancellation Event (as defined in the “*Terms and Conditions of the Additional Tier 1 Subordinated Notes*”), will not continue to accrue nor be reinstated and will not constitute an event of default. Additionally, Distributions would only be paid out of Distributable Reserves, unless the Bank has obtained the prior written approval of the BoT for such Distribution.

The BoT, at its sole discretion, may allow a payment of Distribution even where there are insufficient Distributable Reserves by granting an approval on a case-by-case basis. In granting such approval, the BoT will consider and take into account factors relating to the stability of the Bank, such as the capital levels, profit generating ability, and level of accumulated profits of the Bank. However, there can be no assurance that such approval will be granted by the BoT at the time approval is sought by the Bank.

Any Distributions which are not paid on the applicable Distribution Payment Date following a Mandatory Distribution Cancellation Event, an Optional Distribution Cancellation Event or a Write-off shall not accumulate or be payable at any time thereafter, whether or not funds are or subsequently become available. Noteholders will have no right thereto whether in a bankruptcy or dissolution as a result of the insolvency of the Bank or otherwise. Therefore, any Distributions not paid following a Mandatory Distribution Cancellation Event, an Optional Distribution Cancellation Event or a Write-off will be lost and the Bank will have no obligation to make payment of such Distributions or to pay interest thereon.

As a result of the Distribution cancellation provisions of the Additional Tier 1 Subordinated Notes, the market price of the Additional Tier 1 Subordinated Notes may be more volatile than the market prices of other debt securities that are not subject to such cancellation. In addition, if Distributions are not paid for whatever reason, the Additional Tier 1 Subordinated Notes may trade at a lower price. If a Noteholder sells its Additional Tier 1 Subordinated Notes during such a period, it may not receive the same return on investment as a Noteholder who continues to hold its Additional Tier 1 Subordinated Notes until Distributions are resumed.

***The Subordinated Notes may be redeemed upon certain events***

Upon the occurrence of a tax event or a regulatory event, but subject to the prior consent of the BoT (if required by the BoT at the relevant time), the Bank may, at its option, redeem, as provided in the relevant Conditions, all but not only some of the Subordinated Notes, as applicable, at the amount specified in, or determined in the manner specified in, the applicable Pricing Supplement together with interest or Distribution, if any, accrued but unpaid to but excluding the date of redemption. There can be no assurance that holders of Subordinated Notes will be able to reinvest the amounts received upon redemption at a rate that will provide the same rate of return as their investments in the Subordinated Notes of the Bank.

***Certain call options in connection with the Subordinated Notes may not be exercised***

In addition to the certain call rights described in the relevant Conditions, Subordinated Notes may contain provisions allowing the Bank to call them. To exercise such a call option the Bank must obtain the prior consent of the BoT and comply with the procedures as prescribed under the relevant regulations. The BoT will consider whether to approve the exercise of such call option on a case-by-case basis and may impose any additional condition for granting an

approval for the exercise of such call option by the Bank. Holders of such Subordinated Notes have no right to demand the Bank to exercise the call for the redemption of such Subordinated Notes (unless explicitly specified therein) and should not invest in such Subordinated Notes in the expectation that such a call will be exercised by the Bank. Any decisions by the Bank as to whether it will exercise calls in respect of such Subordinated Notes will be taken at the absolute discretion of the Bank with regard to factors such as the economic impact of exercising such calls, regulatory capital requirements and prevailing market conditions. Holders of such Subordinated Notes should be aware that they may be required to bear the financial risks of an investment in such Subordinated Notes for a period of time in excess of the minimum period.

#### ***The Issuer may vary the terms of Additional Tier 1 Subordinated Notes***

The Issuer may, without the consent or approval of the holders of Additional Tier 1 Subordinated Notes, but subject to the prior approval of the BoT (to the extent that any variation would affect the eligibility of any Additional Tier 1 Subordinated Notes as Additional Tier 1 capital), vary the terms of any Additional Tier 1 Subordinated Notes so that they remain or, as appropriate, become Qualifying Securities (as defined in “*Terms and Conditions of the Additional Tier 1 Subordinated Notes*”), subject to certain conditions. No assurance can be given as to whether any of these changes will negatively affect any particular Noteholder. The terms of such varied Additional Tier 1 Subordinated Notes may contain one or more provisions that are substantially different from the terms of the original Subordinated Notes, provided that the Additional Tier 1 Subordinated Notes remain Qualifying Securities in accordance with the relevant Conditions and the Issuer cannot make changes to the terms of the Additional Tier 1 Subordinated Notes that give rise to any right of the Issuer to redeem the varied securities that is inconsistent with the redemption provisions of such Additional Tier 1 Subordinated Notes, as applicable, or that result in a Tax Event (as defined in “*Terms and Conditions of the Additional Tier 1 Subordinated Notes*”) or Capital Event (as defined in “*Terms and Conditions of the Additional Tier 1 Subordinated Notes*”) or which do not comply with the rules of any stock exchange on which such Additional Tier 1 Subordinated Notes may be listed or admitted to trading. In addition, the tax and stamp duty consequences of holding such varied Additional Tier 1 Subordinated Notes could be different for some categories of Subordinated Noteholder from the tax and stamp duty consequences of holding the Additional Tier 1 Subordinated Notes prior to such variation.

#### ***No Right of Acceleration under the Subordinated Notes***

Issues of Subordinated Notes do not provide for events of default allowing acceleration of the Subordinated Notes except upon the winding-up of the Bank. Upon a payment default, the sole remedy available to the holders of the Subordinated Notes for recovery of amounts owing in respect of any payment or principal of, interest or Distribution on the Subordinated Notes will be the institution of proceedings in Thailand for the winding-up of the Bank. See Condition 10(a) of the “*Terms and Conditions of the Notes Other than the Additional Tier 1 Subordinated Notes*” and Condition 9 of the “*Terms and Conditions of the Additional Tier 1 Subordinated Notes*”.

#### ***Change of law***

The conditions of the Notes are based on English law or, in the case of the subordination provisions set out in such conditions in the Subordinated Notes, the law of the Thailand, in effect as at the date of this Offering Circular. No assurance can be given as to the impact of any possible judicial decision or change to English law or, as the case may be, the law of the Thailand, or administrative practice after the date of this Offering Circular. In this regard, relevant provisions of Thai law and Thai court proceedings may be different from those of English law and English or other foreign court proceedings with which investors are more familiar.

#### ***Where the Global Notes or Global Certificates are held by or on behalf of Euroclear and Clearstream, Luxembourg, investors will have to rely on their procedures for transfer, payment and communication with the Bank***

Notes issued under the Programme may be represented by one or more Global Notes or Global Certificates. Such Global Notes or Global Certificates will be deposited with a common depositary for Euroclear and Clearstream, Luxembourg. Except in the circumstances described in the relevant Global Note or Global Certificate, investors will not be entitled to receive definitive Notes or Certificates. Euroclear and Clearstream, Luxembourg will maintain records of the beneficial interests in the Global Notes or Global Certificates. While the Notes are represented by one or more Global Notes or Global Certificates, investors will be able to trade their beneficial interests only through Euroclear and Clearstream, Luxembourg.

While the Notes are represented by one or more Global Notes or Global Certificates, the Bank will discharge its payment obligations under the Notes by making payments to or to the order of the common depositary for Euroclear and Clearstream, Luxembourg for distribution to their account holders. A holder of a beneficial interest in a Global

Note or Global Certificate must rely on the procedures of Euroclear and Clearstream, Luxembourg to receive payments under the relevant Notes. The Bank has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Notes or Global Certificates.

Holders of beneficial interests in the Global Notes or Global Certificates will not have a direct right to vote in respect of the relevant Notes. Instead, such holders will be permitted to act only to the extent that they are enabled by Euroclear and Clearstream, Luxembourg to appoint appropriate proxies.

Similarly, holders of beneficial interests in the Global Notes or Global Certificates will not have a direct right under the respective Global Notes or Global Certificates to take enforcement action against the Bank in the event of a default under the relevant Notes but will have to rely upon their rights under the Deed of Covenant.

*The regulation and reform of “reference rates” may adversely affect the value of Notes linked to or referencing such reference rates.*

The rate of interest on the Notes may be calculated on the basis of the Secured Overnight Funding Rate (“SOFR”) or any other reference rate specified in the applicable Pricing Term Sheet (any such reference rate, a “Reference Rate”), or by reference to a swap rate that is itself based on a Reference Rate (collectively, the “Reference Rate Notes”). The London Interbank Offered Rate, Euro Interbank Offered Rate (“EURIBOR”) and certain other Reference Rates, have, in recent years, been the subject of political and regulatory scrutiny as to how they are created and operated. This has resulted in regulatory reform and changes to existing Reference Rates, with further changes possible. These reforms and changes may cause a Reference Rate to perform differently than it has done in the past or to be discontinued or have other consequences which cannot be predicted. Any change in the performance of a Reference Rate or its discontinuation could have a material adverse effect on any Notes referencing or linked to such Reference Rate.

Where Screen Rate Determination is specified as the manner in which the Rate of Interest in respect of Floating Rate Notes is to be determined (where the method of Screen Rate Determination in the applicable Pricing Supplement is specified as “Term Rate”), the terms and conditions applicable to the particular series of Notes (the “Conditions”) provide that the Rate of Interest shall be determined by reference to the Relevant Screen Page (or its successor or replacement). Where the Relevant Screen Page is not available, and no successor or replacement for the Relevant Screen Page is available, the Conditions provide that the Issuer will request each of the Reference Banks in the Relevant Financial Center to provide the Issuer with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate at the Relevant Time on the Interest Determination Date in question and notify such rates to the Calculation Agent. Where such quotations are not available (as may be the case if the Reference Banks are not submitting rates for the determination of such Original Reference Rate), the Rate of Interest may ultimately revert to the Rate of Interest applicable as at the last preceding Interest Determination Date before the Original Reference Rate was discontinued. Uncertainty as to the continuation of the Original Reference Rate, the availability of quotes from reference banks, and the rate that would be applicable if the Original Reference Rate is discontinued may adversely affect the value of, and return on, the Floating Rate Notes.

If a Reference Rate Event (as defined in the Conditions) occurs in relation to an Original Reference Rate when any Rate of Interest (or any component part thereof) as specified in the relevant Pricing Supplement remains to be determined by reference to such Original Reference Rate, the Issuer shall use its reasonable endeavors to appoint an Independent Adviser. The Independent Adviser is required under the Conditions to endeavor to determine a Successor Rate or Alternative Rate to be used in place of the Original Reference Rate, despite the continued availability of the Original Reference Rate in the case where the Reference Rate Event is a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate is (or will be deemed by such supervisor to be) no longer representative of its relevant market. The use of any such Successor Rate or Alternative Rate to determine the Rate of Interest is likely to result in Notes initially linked to or referencing the Original Reference Rate performing differently (which may include payment of a lower Rate of Interest) than they would do if the Original Reference Rate were to continue to apply in its current form. In addition, the market (if any) for Notes linked to any such Successor Rate or Alternative Rate may be less liquid than the market for Notes linked to the Original Reference Rate. Prospective investors should note that the Conditions provide that an Independent Adviser appointed pursuant to the Conditions does not, in the absence of bad faith or fraud, have any liability whatsoever to the Issuer, the Paying Agents or the Noteholders for any determination made by it pursuant to the Conditions. If a Successor Rate or Alternative Rate for the Original Reference Rate is determined by the Independent Adviser, the Issuer may vary the terms and conditions applicable to the particular series of Notes, as necessary to ensure the proper operation of such Successor Rate or Alternative Rate, without any requirement for consent or approval of the Noteholders.

If a Successor Rate or Alternative Rate is determined by the Independent Adviser, the Conditions also provide that an Adjustment Spread will be determined by the Independent Adviser and applied to such Successor Rate or Alternative Rate. The application of an Adjustment Spread may result in the Notes performing differently (which may include payment of a lower Rate of Interest) than they would do if the Original Reference Rate were to continue to apply in its current form. The choice of a replacement Reference Rate is uncertain and could result in the use of risk-free rates such as SOFR (see “—The market continues to develop in relation to risk-free rates (including SOFR) as a reference rate for Floating Rate Notes” below) and/or in the replacement Reference Rate being unavailable or indeterminable. If (i) an Independent Adviser is not appointed or (ii) no Successor Rate or Alternative Rate is determined, the Rate of Interest applicable to the next succeeding Interest Accrual Period will be equal to the Rate of Interest last determined in relation to the Notes in respect of the immediately preceding Interest Accrual Period. If there has not been a first Interest Payment Date, the Rate of Interest shall be the initial Rate of Interest. Applying the initial Rate of Interest, or the Rate of Interest applicable as at the last preceding Interest Determination Date before the occurrence of the Reference Rate Event, is likely to result in Notes linked to or referencing the relevant Reference Rate performing differently (which may include payment of a lower Rate of Interest) than they would do if the relevant Reference Rate were to continue to apply, or if a Successor Rate or Alternative Rate could be determined. If the Issuer is unable to appoint an Independent Adviser or the Independent Adviser fails to determine a Successor Rate or Alternative Rate for the life of the relevant Notes, the initial Rate of Interest, or the Rate of Interest applicable as at the last preceding Interest Determination Date before the occurrence of the Reference Rate Event, will continue to apply to maturity. This will result in the Floating Rate Notes, in effect, becoming Fixed Rate Notes.

In the case of Floating Rate Notes which reference SOFR where SOFR Reference Rate Discontinuation is specified as applicable in the relevant Pricing Supplement, as the case may be, where the Issuer determines that a SOFR Reference Rate Event and the related SOFR Reference Rate Replacement Date have occurred, a SOFR Reference Rate replacement as determined in accordance with the Conditions will replace the then-current Reference Rate for all purposes relating to such Notes. Such Reference Rate replacement may result in the Notes behaving differently (which may include payment of a lower Rate of Interest).

The operation of these provisions may lead to uncertainty as to the Rate of Interest that would be applicable, and may adversely affect the value of, and the return on, Floating Rate Notes. Investors should be aware that the interest rate of certain of the Floating Rate Notes may only be determined upon the Interest Determination Date. It may be difficult for holders of such notes to estimate reliably the amount of interest which will be payable on the Notes during the applicable Interest Period, which could adversely impact the liquidity of the Notes.

Terms and expressions used but not defined in this risk factor have the respective meanings given to them in the Conditions.

***The market continues to develop in relation to risk-free rates, including SOFR, as a reference rate for Floating Rate Notes.***

Investors should be aware that the international debt capital markets continue to develop in relation to risk-free rates (including SOFR) as reference rates in the capital markets and their adoption as alternatives to the relevant interbank offered rates. In particular, market participants and relevant working groups are exploring alternative reference rates, including SONIA, SORA and term reference rates (which seek to measure the market’s forward expectation of an average rate over a designated term).

The Bank has elected to use SOFR as an option for the reference rate. SOFR reference rate is based on ‘overnight rates’ and does not reflect the implicit credit risk of the banking sector, in contrast to interbank offered rates, such as EURIBOR, which is a term rate and reflects banking sector credit risk. Overnight rates differ from interbank offered rates, such as EURIBOR, in a number of material respects, including (without limitation) that such rates are backward-looking, risk-free overnight rates, whereas EURIBOR is expressed on the basis of a forward-looking term and includes a risk-element based on inter-bank lending. As such, investors should be aware that overnight rates may behave materially differently as interest reference rates for Notes issued under the Programme compared to interbank offered rates.

SOFR is a relatively new reference rate. Accordingly, the future performance of SOFR is impossible to predict. The level of SOFR over the term of Floating Rate Notes may bear little or no relation to the historical level of SOFR. Prior observed patterns, if any, in the behavior of market variables, such as correlations, may change in the future. While some pre-publication hypothetical performance data has been published by the Federal Reserve Bank of New York (the “Federal Reserve”) for SOFR, such data inherently involves assumptions, estimates and approximations. As such, no future performance of risk-free rates or Floating Rate Notes linked to or which reference a risk-free rate may be inferred from any of the hypothetical or actual historical performance data. In addition, investors should be



aware that risk-free rates may behave materially differently from interbank offered rates as interest reference rates. For example, daily changes in SOFR have, on occasion, been more volatile than daily changes in comparable reference rates or other market rates.

In addition, the market or a significant part thereof may adopt an application of SOFR that differs significantly from that set out in the Conditions. The Issuer may also in the future issue securities referencing SOFR that differ materially in respect of interest determination when compared with any Notes referencing SOFR previously issued by it under the Conditions. As SOFR is published and calculated by third parties based on data received from other sources, the Issuer has no control over its determination, calculation or publication. There can be no guarantee that SOFR will not be discontinued or fundamentally altered in a manner that is materially adverse to the interests of investors in Floating Rate Notes linked to or which reference a SOFR rate (or that any applicable reference rate fallback provisions provided for in the Conditions will provide a rate which is economically equivalent for Noteholders). None of the Federal Reserve, in respect of SOFR, has any obligation to consider the interests of Noteholders in calculating, adjusting, converting, revising or discontinuing SOFR, as applicable. If the manner in which a risk-free rate is calculated is changed, that change may result in a reduction of the amount of interest payable on such Notes and the trading price of such Notes. Further, the rate of interest payable on Floating Rate Notes which reference a risk-free rate is only capable of being determined at the end of the relevant Interest Accrual Period and shortly prior to the relevant Interest Payment Date. It may therefore be difficult for investors in Floating Rate Notes which reference a risk-free rate to reliably estimate the amount of interest which will be payable on such Notes. Further, in contrast to EURIBOR based Notes, if Notes referencing a risk-free rate such as SOFR become due and payable as a result of an Event of Default, or are otherwise redeemed early on a date which is not an Interest Payment Date, the final Rate of Interest payable in respect of such Notes shall only be determined on the date on which the Notes become due and payable and shall not be reset thereafter.

Investors should also be aware that the manner of adoption or application of SOFR as a reference rate in the international debt capital markets may differ materially compared with the application and adoption of SOFR in other markets, such as the derivatives and loan markets. Investors should carefully consider how any mismatch between the adoption of SOFR as a reference rate across these markets may impact any hedging or other arrangements which they may put in place in connection with any acquisition, holding or disposal of Floating Rate Notes linked to or which reference a risk-free rate.

Since risk-free rates (including SOFR) are relatively new market indices and continue to develop, Floating Rate Notes linked to or which reference SOFR or any other risk-free rate may have no established trading market when issued, and an established trading market may never develop or may not be very liquid. Market terms for debt securities linked to or which reference a risk-free rate such as SOFR may evolve over time and, as a result, trading prices of such Notes may be lower than those of Notes that are linked to or which reference a risk-free rate that are issued later. Further, if SOFR does not prove to be widely used in securities like the Notes, the trading price of Floating Rate Notes linked to or which reference SOFR may be lower than those of Notes linked to or which reference indices that are more widely used. Investors in such Notes may not be able to sell such SOFR-linked Notes at all or may not be able to sell such SOFR-linked Notes at prices that will provide them with a yield comparable to similar investments that have a developed secondary market, and may consequently suffer from increased pricing volatility and market risk.

Investors should note that interest on Notes linked to or which reference a risk-free rate such as SOFR will be calculated and paid in accordance with the detailed provisions of the terms and conditions applicable to the particular series of Notes and the applicable Pricing Supplement. In particular (i) where the Interest Determination Date in respect of an Interest Period falls before the end of that Interest Period, the interest payable in respect of that Interest Accrual Period will not reflect any increase (or decrease) in the relevant underlying daily risk-free rate after that Interest Determination Date; and (ii) if SOFR Payment Delay is specified in the applicable Pricing Supplement as the relevant Compound Daily SOFR, interest will be paid after the end of the Interest Period for which it has been calculated (for each Interest Accrual Period other than the final Interest Period).

Investors should consider these matters when making their investment decision with respect to any Floating Rate Notes linked to or which reference a risk-free rate such as SOFR.

Terms and expressions used but not defined in this risk factor have the respective meanings given to them in the terms and conditions applicable to the particular series of Notes.

***The Issuer may have authority to make determinations and elections that could affect the return on, value of and market for the SOFR-linked Notes.***

Under the Conditions, the Issuer may make certain determinations, decisions and elections with respect to the SOFR Reference Rate Discontinuation. The Issuer will make any such determination, decision or election in its sole discretion, and any such determination, decision or election that the Issuer makes shall become effective without the consent or approval of the Noteholders or any other party. For example, the Issuer is authorized to determine the occurrence of a SOFR Reference Rate Event. In addition, if the Issuer determines that a SOFR Reference Rate Event or SOFR Reference Rate Transition Event (as applicable) and the related SOFR Reference Rate Replacement Date have occurred, then the Issuer may determine, among other things, the SOFR Reference Rate Replacement Conforming Changes. Any exercise of discretion by the Issuer under the Conditions, could present a conflict of interest. In making the required determinations, decisions and elections, the Issuer may have economic interests that are adverse to the interests of the Noteholders, and those determinations, decisions or elections could have a material adverse effect on the return on, value of and market for the Notes. All determinations, decisions or elections by the Issuer with respect to the effect of SOFR Reference Rate Discontinuation under the Conditions will be conclusive and binding absent manifest error.

## **RISKS RELATING TO THE MARKET GENERALLY**

### ***The secondary market generally***

There is no existing market for any Notes and there can be no assurances that a secondary market for the Notes will develop, or if a secondary market does develop, that it will provide the Noteholders with liquidity of investment or that it will continue for the life of the Notes. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities.

The market value of any Notes may fluctuate. Consequently, any sale of Notes by Noteholders in any secondary market which may develop may be at prices that may be higher or lower than the initial offering price depending on many factors, including prevailing interest rates, the Bank's performance and the market for similar securities. No assurance can be given as to the liquidity of, or trading market for, any Notes and an investor in such Notes must be prepared to hold such Notes for an indefinite period of time or until their maturity. Application has been made to the SGX-ST for permission to deal in and for the listing and quotation for any Notes which are agreed at the time of issue to be so listed on the Official List. Such permission will be granted when a particular Series of Notes has been admitted to the Official List. There is no assurance that the application to the SGX-ST for the listing of the Notes will be approved. Historically, the market for debt securities by South East Asian issuers has been subject to disruptions that have caused substantial volatility in the prices of such securities. There can be no assurance that the market for any Notes will not be subject to similar disruptions. Any such disruption may have an adverse effect on holders of such Notes.

### ***Exchange rate risks and exchange controls***

The Bank will pay principal and interest on the Notes in the currency specified in the applicable Pricing Supplement (the "**Currency**"). This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the Currency. These include the risk that foreign exchange rates may significantly change (including changes due to devaluation of the Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Currency would decrease (i) the Investor's Currency-equivalent interest on the Notes, (ii) the Investor's Currency-equivalent value of the principal payable on the Notes and (iii) the Investor's Currency-equivalent market value of the Notes. Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable foreign exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

### ***Interest rate risk***

Noteholders may suffer unforeseen losses due to fluctuations in interest rates. Generally, a rise in interest rates may cause a fall in the price of the Notes, resulting in a capital loss for the Noteholders. However, the Noteholders may reinvest the interest payments at higher prevailing interest rates. Conversely, when interest rates fall, the price of the

Notes may rise. The Noteholders may enjoy a capital gain but interest payments received may be reinvested at lower prevailing interest rates.

***Inflation risk***

Noteholders may suffer erosion on the return of their investments due to inflation. Noteholders would have an anticipated rate of return based on expected inflation rates on the purchase of the Notes. An unexpected increase in inflation could reduce the actual returns.

***The market value of the Notes may fluctuate***

Trading prices of the Notes are influenced by numerous factors, including the operating results, business and/or financial condition of the Bank, as well as political, economic, financial and any other factors that can affect the capital markets, the industry and the Bank generally. Adverse economic developments, acts of war and health hazards in countries in which the Bank operates could have a material adverse effect on the Bank's operations, operating results, business, financial position, and performance.

***Credit ratings may not reflect all risks***

One or more independent credit rating agencies may assign credit ratings to an issue of Notes. The ratings may not reflect the potential impact of all risks related to the structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be suspended, reduced or withdrawn by the rating agency at any time.

## TERMS AND CONDITIONS OF THE NOTES OTHER THAN THE ADDITIONAL TIER 1 SUBORDINATED NOTES

*The following is the text of the terms and conditions that, subject to completion and amendment and as supplemented or varied in accordance with the provisions of the relevant Pricing Supplement, shall be applicable to the Notes in definitive form (if any) issued in exchange for the Global Note(s) representing each Series. Either (i) the full text of these terms and conditions together with the relevant provisions of the Pricing Supplement or (ii) these terms and conditions as so completed, amended, supplemented or varied (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on such Bearer Notes or on the Certificates relating to such Registered Notes. All capitalised terms that are not defined in these Conditions will have the meanings given to them in the relevant Pricing Supplement. Those definitions will be endorsed on the definitive Notes or Certificates, as the case may be. References in the Conditions to “Notes” are to the Notes of one Series only, not to all Notes that may be issued under the Programme. All italicised wording in the Conditions does not form part of the terms and conditions and is solely for clarificatory purposes.*

The Notes are issued pursuant to a Third Amended and Restated Agency Agreement (as amended or supplemented as at the Issue Date, the “**Agency Agreement**”) dated 4 September 2023 between the Issuer (from time to time acting through its Hong Kong branch or any of its other branches as specified in the applicable pricing supplement), The Bank of New York Mellon, acting through its London branch as fiscal agent, paying agent, transfer agent and calculation agent, and The Bank of New York Mellon SA/NV, Luxembourg Branch as registrar and the other agents named in it and with the benefit of a Deed of Covenant (as amended or supplemented as at the Issue Date, the “**Deed of Covenant**”) dated 7 September 2012 executed by the Issuer in relation to the Notes. The fiscal agent, the paying agents, the registrar, the transfer agents and the calculation agent(s) for the time being (if any) are referred to below respectively as the “**Fiscal Agent**”, the “**Paying Agents**” (which expression shall include the Fiscal Agent), the “**Registrar**”, the “**Transfer Agents**” and the “**Calculation Agent(s)**”. The Noteholders (as defined below), the holders of the interest coupons (the “**Coupons**”) relating to interest bearing Notes in bearer form and, where applicable in the case of such Notes, talons for further Coupons (the “**Talons**”) (the “**Couponholders**”) and the holders of the receipts for the payment of instalments of principal (the “**Receipts**”) relating to Notes in bearer form of which the principal is payable in instalments are deemed to have notice of all of the provisions of the Agency Agreement applicable to them.

As used in these terms and conditions (the “**Conditions**”), “**Tranche**” means Notes which are identical in all respects and “**Series**” means a series of Notes comprising one or more Tranches, whether or not issued on the same date, that (except in respect of the first payment of interest and their issue price) have identical terms on issue and are expressed to have the same Series Number specified in the applicable Pricing Supplement.

Copies of the Agency Agreement and the Deed of Covenant (i) are available for inspection at the specified offices of each of the Fiscal Agent and/or Paying Agents, at all reasonable times during usual business hours (being between 9:00 a.m. and 3:00 p.m. (London time) Monday to Friday other than public holidays) or (ii) may be provided by email to any Noteholders, in both cases, following prior written request to, and proof of holding and identity to the satisfaction of, the Fiscal Agent and/or the Paying Agents.

### 1 Form, Denomination and Title

The Notes are issued in bearer form (“**Bearer Notes**”) or in registered form (“**Registered Notes**”) in each case in the Specified Denomination(s) shown hereon provided that in the case of any Notes which are to be admitted to trading on a regulated market within the European Economic Area or offered to the public in a Member State of the European Economic Area in circumstances which require the publication of a prospectus under Regulation (EU) 2017/1129, the minimum Specified Denomination shall be €100,000 (or its equivalent in any other currency as at the date of issue of the relevant Notes). Unless otherwise permitted by then current laws and regulations, Notes (including Notes denominated in Sterling) which have a maturity of less than one (1) year and in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the FSMA will have a minimum denomination of £100,000 (or its equivalent in other currencies).

*All Registered Notes shall have the same Specified Denomination. Notes which are listed on the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) will be traded on the SGX-ST in a minimum board lot size of S\$200,000 (or its equivalent in other currencies) or such other amount as may be allowed or required from time to time.*

This Note may be a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note, an Index Linked Interest Note, an Index Linked Redemption Note (together with an Index Linked Interest Note, an “**Index Linked**

**Note**”), an Instalment Note, a Senior Note, a Subordinated Note, a Dual Currency Note or a Partly Paid Note, a combination of any of the foregoing or any other kind of Note, depending upon the Interest and Redemption/Payment Basis shown in the applicable Pricing Supplement.

Bearer Notes are serially numbered and are issued with Coupons (and, where appropriate, a Talon) attached, save in the case of Zero Coupon Notes in which case references to interest (other than in relation to interest due after the Maturity Date), Coupons and Talons in these Conditions are not applicable. Instalment Notes are issued with one or more Receipts attached.

Registered Notes are represented by registered certificates (“**Certificates**”) and, save as provided in Condition 2(c), each Certificate shall represent the entire holding of Registered Notes by the same holder.

Title to the Bearer Notes and the Receipts, Coupons and Talons shall pass by delivery. Title to the Registered Notes shall pass by registration in the register that the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the “**Register**”). Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined below) of any Note, Receipt, Coupon or Talon shall be deemed to be and may be treated as its absolute owner for all purposes, whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it, any writing on it (or on the Certificate representing it) or its theft or loss (or that of the related Certificate) and no person shall be liable for so treating the holder.

In these Conditions, “**Noteholder**” means the bearer of any Bearer Note and the Receipts, Coupons or Talons relating to it or the person in whose name a Registered Note is registered (as the case may be), “**holder**” (in relation to a Note, Receipt, Coupon or Talon) means the bearer of any Bearer Note, Receipt, Coupon or Talon or the person in whose name a Registered Note is registered (as the case may be) and capitalised terms have the meanings given to them hereon, the absence of any such meaning indicating that such term is not applicable to the Notes, and the expression “**Senior Noteholder**” shall be construed accordingly in relation to Senior Notes and the expression “**Tier 2 Subordinated Noteholder**” shall be construed accordingly in relation to Tier 2 Subordinated Notes (as defined below).

## **2 No Exchange of Notes and Transfers of Registered Notes**

- (a) **No Exchange of Notes:** Registered Notes may not be exchanged for Bearer Notes. Bearer Notes of one Specified Denomination may not be exchanged for Bearer Notes of another Specified Denomination. Bearer Notes may not be exchanged for Registered Notes.
- (b) **Transfer of Registered Notes:** One or more Registered Notes may be transferred upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the Certificate representing such Registered Notes to be transferred, together with the form of transfer endorsed on such Certificate, (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer), duly completed and executed and any other evidence as the Registrar or Transfer Agent may reasonably require. In the case of a transfer of part only of a holding of Registered Notes represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor. All transfers of Notes and entries on the Register will be made subject to the detailed regulations concerning transfers of Notes scheduled to the Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Registrar and the Noteholders. A copy of the current regulations will be made available by the Registrar to any Noteholder upon written request and is available at the specified office of the Transfer Agent.
- (c) **Exercise of Options or Partial Redemption or Write-down in Respect of Registered Notes:** In the case of an exercise of an Issuer’s or Noteholders’ option in respect of, or a partial redemption of, or a partial write-down of (as the case may be), a holding of Registered Notes represented by a single Certificate, a new Certificate shall be issued to the holder to reflect the exercise of such option, or such partial write-down, or in respect of the balance of the holding not redeemed or (as the case may be) written down. In the case of a partial exercise of an option or a partial write-down resulting in Registered Notes of the same holding having different terms, separate Certificates shall be issued in respect of those Notes of that holding that have the same terms. New Certificates shall only be issued against surrender of the existing Certificates to the Registrar or any other Transfer Agent. In the case of a transfer of Registered Notes to a person who is already a holder of Registered

Notes, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding.

- (d) **Delivery of New Certificates:** Each new Certificate to be issued pursuant to Conditions 2(b) or (c) shall be available for delivery within three business days of receipt of the form of transfer or Exercise Notice (as defined in Condition 6(e)) and surrender of the Certificate for exchange. Delivery of the new Certificate(s) shall be made at the specified office of the Transfer Agent or of the Registrar (as the case may be) to whom delivery or surrender of such form of transfer, Exercise Notice or Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the form of transfer, Exercise Notice or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the relevant Agent (as defined in the Agency Agreement) the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 2(d), “**business day**” means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the relevant Transfer Agent or the Registrar (as the case may be).
- (e) **Transfer Free of Charge:** Transfers of Notes and Certificates on registration, transfer, partial redemption or exercise of an option shall be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agents, but upon payment by the relevant Noteholder of any tax or other governmental charges that may be imposed in relation to it.
- (f) **Closed Periods:** No Noteholder may require the transfer of a Registered Note to be registered (i) during the period of 15 days ending on the due date for redemption of, or payment of any Instalment Amount in respect of, that Note, (ii) during the period of 15 days before any date on which Notes may be called for redemption by the Issuer at its option pursuant to Condition 6(d), (iii) after any such Note has been called for redemption, (iv) during the period of seven days ending on (and including) any Record Date (as defined in Condition 7(b)), or (v) during a Suspension Period.

For the purposes of these Conditions:

“**Suspension Period**” means the period commencing on the day the Loss Absorption Event Notice has been delivered in accordance with Condition 6(k) and ending on the close of business in Thailand on the Loss Absorption Effective Date.

“**Loss Absorption Event Notice**” means, unless otherwise specified hereon, a notice which specifies (at a minimum) that a Non-Viability Event has occurred, any amount of write-down or write-off required of the Tier 2 Subordinated Notes as a result of the occurrence of the Non-Viability Event and the date on which the write-down becomes effective, and if the Tier 2 Subordinated Notes are represented in global form upon the occurrence of the Non-Viability Event, such notice shall also contain an instruction by the Issuer (through the Paying Agent) to Euroclear Bank SA/NV and Clearstream Banking S.A. to cease all clearance and settlement of transfers in the Tier 2 Subordinated Notes during a Suspension Period, or such other instructions that may be relevant according to the then applicable rules and regulations of such clearing systems.

### 3 Status

- (a) **Status of Senior Notes:** The Senior Notes (being those Notes that specify in the applicable Pricing Supplement their status as Senior) and the Receipts and Coupons relating to them constitute direct, unsubordinated and (subject to Condition 4) unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of the Issuer under the Senior Notes and the Receipts and the Coupons relating to them shall, save for such exceptions as may be provided by applicable legislation, at all times rank at least equally with all other unsecured and unsubordinated indebtedness and monetary obligations of the Issuer, present and future.
- (b) **Status of Tier 2 Subordinated Notes:** The subordinated notes, which are intended to qualify as Tier 2 capital of the Issuer in accordance with applicable law and regulations and under the relevant notification of the Bank of Thailand (the “**Tier 2 Subordinated Notes**”), and the Receipts and Coupons relating to them constitute direct, unsecured and subordinated obligations of the Issuer (including liabilities of all offices and branches of the Issuer wherever located) and rank *pari passu* and without any preference among themselves. The claims of Tier 2 Subordinated Noteholders

will, in the event of the Winding-Up (as defined in Condition 10) of the Issuer, be subordinated in right of payment in the manner provided in this Condition 3(b) to the claims of Senior Creditors and will rank, in the event of the Winding-Up of the Issuer, at least *pari passu* in right of payment with all other Subordinated Indebtedness (as defined below in this Condition 3(b)), present and future, of the Issuer that qualifies (or which, upon issue, qualified or were intended to qualify) as Tier 2 Capital Securities. Claims in respect of Tier 2 Subordinated Notes will rank in priority to the rights and claims of holders of (i) subordinated obligations which by their terms rank or are expressed to rank in right of payment junior to the Tier 2 Subordinated Notes, (ii) all classes of equity securities of the Issuer, including preference shares, if any, and (iii) Tier 1 Capital Securities.

In the event that (i) the Noteholders, Receiptholders or Couponholders do not receive payment in full of principal due and payable in respect of the Tier 2 Subordinated Notes plus interest thereon accrued to the date of repayment in any Winding-Up of the Issuer and (ii) the Winding-Up order or resolution passed for the Winding-Up of the Issuer or the dissolution of the Issuer is subsequently stayed, discharged, rescinded, avoided, annulled or otherwise rendered inoperative, then to the extent that such Noteholders, Receiptholders or Couponholders did not receive payment in full of such principal of and interest on such Tier 2 Subordinated Notes and the Receipts or Coupons relating to them, such unpaid amounts shall remain payable in full; provided that payment of such unpaid amounts shall be subject to the provisions under this Condition 3 and Condition 10(a).

For the purposes of these Conditions:

“**Senior Creditors**” means creditors of the Issuer (including the Issuer’s depositors) other than those whose claims are expressed to rank *pari passu* or junior to the claims of the holders of the Tier 2 Subordinated Notes;

“**Subordinated Indebtedness**” means all indebtedness which is subordinated, in the event of the Winding-Up of the Issuer, in right of payment to the claims of depositors and other unsubordinated creditors of the Issuer, and for this purpose indebtedness shall include all liabilities, whether actual or contingent;

“**Tier 1 Capital Securities**” means any security issued by the Issuer that constitutes Tier 1 capital of the Issuer under the applicable laws and regulations in Thailand; and

“**Tier 2 Capital Securities**” means any security issued by the Issuer that constitutes Tier 2 capital of the Issuer under the applicable laws and regulations in Thailand.

The provisions of this Condition 3(b) apply only to the principal and interest in respect of the Tier 2 Subordinated Notes. Each Noteholder, Receiptholder and Couponholder irrevocably waives its rights as a creditor to the extent necessary to give effect to the subordination provisions of these Conditions in relation to the Tier 2 Subordinated Notes.

- (c) **Set-off:** Subject to applicable law, no Noteholder, Receiptholder or Couponholder may exercise, claim or plead any right of set-off, counter-claim or retention in respect of any amount owed to it by the Issuer arising under or in connection with the Tier 2 Subordinated Notes, the relative Receipts or the Coupons and each Noteholder, Receiptholder and Couponholder shall, by virtue of being the holder of any Tier 2 Subordinated Note, Receipt or Coupon, be deemed to have waived all such rights of set-off, counter-claim or retention.

In the event that any Noteholder, Receiptholder or Couponholder nevertheless receives (whether by set-off or otherwise) in respect of the Issuer any payment by, or distribution of assets of, the Issuer of any kind or character, whether in cash, property or securities, in respect of any amount owing to it by the Issuer arising under or in connection with the Notes, other than in accordance with this Condition 3, such Noteholder, Receiptholder or Couponholder shall, subject to applicable law, immediately pay an amount equal to the amount of such payment or discharge to the liquidator for the time being in the winding up of the Issuer for distribution and each Noteholder, Receiptholder or Couponholder, by virtue of becoming a holder of any Tier 2 Subordinated Note, Receipt or Coupon, shall be deemed to have so agreed and undertaken with and to the Issuer and all depositors and other unsubordinated creditors of the Issuer for good consideration.

*Note: The terms and conditions of the Tier 2 Subordinated Notes will be subject to applicable legal and regulatory provisions governing the status of capital adequacy and subordinated securities of Thai banks. Accordingly, further provisions relating to the terms of any Tier 2 Subordinated Notes issued under this Programme will, if applicable, be set out in the applicable Pricing Supplement.*

#### 4 Negative Pledge

**Applicable to Senior Notes only:** So long as any Senior Note, Receipt or Coupon relating thereto remains outstanding (as defined in the Agency Agreement) the Issuer will not, and will ensure that none of its Principal Subsidiaries will create, or have outstanding, any mortgage, charge, lien, pledge or other security interest (each a “**Security Interest**”) upon the whole or any part of its present or future undertaking, assets or revenues (including any uncalled capital) to secure any Relevant Indebtedness or to secure any guarantee or indemnity in respect of any Relevant Indebtedness without at the same time or prior thereto according to the Senior Notes, the Receipts and the Coupons relating thereto, the same Security Interest as is created or subsisting to secure any such Relevant Indebtedness, guarantee or indemnity or such other Security Interest as shall be approved by an Extraordinary Resolution (as defined in the Agency Agreement) of the Senior Noteholders, provided that, for the avoidance of doubt, this Condition 4 shall not be applicable to any Security Interest created or permitted to subsist in connection with a Structured Finance Transaction.

Notwithstanding the foregoing, in the event that there is a change in law or regulation in Thailand permitting or providing for the issue of covered bonds (such changed law or regulation, the “**Covered Bond Regulation**”), any arrangement relating to the segregation required by the Covered Bond Regulation of any part of the Issuer or its Principal Subsidiary’s property, assets or revenues or the creation of any security interest required by the Covered Bond Regulation in respect thereof for the purpose of issuing such covered bonds shall be permitted and shall not require the creation of equivalent security in respect of the Notes, provided that, such arrangement is entered into in compliance with, and only to the extent required by, the Covered Bond Regulation and such segregated property, assets or revenues qualify as collateral for, or are to be applied in priority in meeting claims of, issues of covered bonds under the Covered Bond Regulation.

In these Conditions:

- (i) “**Principal Subsidiary**” means at any particular time, any Subsidiary of the Issuer:
  - (a) whose total income, as shown by the accounts (consolidated in the case of a Subsidiary which itself has Subsidiaries) of such Subsidiary, based upon which the latest audited consolidated accounts of the Issuer and its Subsidiaries have been prepared, are at least 10.0 per cent. of the total income of the Issuer and its Subsidiaries as shown by such audited consolidated accounts; or
  - (b) whose total assets, as shown by the accounts (consolidated in the case of a Subsidiary which itself has Subsidiaries) of such Subsidiary, based upon which the latest audited consolidated accounts of the Issuer and its Subsidiaries have been prepared, are at least 10.0 per cent. of the total assets of the Issuer and its Subsidiaries as shown by such audited consolidated accounts or, provided that if any such Subsidiary (the “**transferor**”) shall at any time transfer the whole or a substantial part of its business, undertaking or assets to another Subsidiary or the Issuer (the “**transferee**”) then:
    - (A) if the whole of the business, undertaking and assets of the transferor shall be so transferred, the transferor shall thereupon cease to be a Principal Subsidiary and the transferee (unless it is the Issuer) shall thereupon become a Principal Subsidiary; and
    - (B) if part only of the business, undertaking and assets of the transferor shall be so transferred, the transferor shall remain a Principal Subsidiary and the transferee (unless it is the Issuer) shall thereupon become a Principal Subsidiary.

Any Subsidiary which becomes a Principal Subsidiary by virtue of (A) above or which remains or becomes a Principal Subsidiary by virtue of (B) above shall continue to be a Principal Subsidiary until the date of issue of the first audited consolidated accounts of the Issuer and its Subsidiaries prepared as at a date later than the date of the relevant transfer which (x) show the total income of such Subsidiary, as shown by the accounts (consolidated in the case of a company which itself has Subsidiaries) of such Subsidiary, based upon which such audited consolidated accounts have been



prepared, to be less than 10.0 per cent. of the total income of the Issuer and its Subsidiaries as shown by such audited consolidated accounts and (y) show the total assets of such Subsidiary, as shown by the accounts (consolidated in the case of a company which itself has Subsidiaries) of such Subsidiary, based upon which such audited consolidated accounts have been prepared, to be less than 10.0 per cent. of the total assets of the Issuer and its Subsidiaries as shown by such audited consolidated accounts; and for this purpose a certificate addressed to the Fiscal Agent from the auditors of the Issuer or any two authorised signatories of the Issuer as to whether or not a Subsidiary is a Principal Subsidiary may be relied upon by the Fiscal Agent and Noteholders without further enquiry or evidence;

- (ii) “**Relevant Indebtedness**” means any present or future indebtedness which is in the form of, or represented or evidenced by, bonds, notes, debentures, loan stock or other securities which (I) are by their terms payable, or confer a right to receive payment, in any currency other than Thai Baht and (II) for the time being are, or are intended to be or capable of being, quoted, listed or dealt in or traded on any stock exchange or over-the-counter or other securities market;
- (iii) “**Structured Finance Transaction**” means any securitisation or other structured finance transaction involving the transfer of any assets, revenues, undertakings or risks associated with any such assets, revenues, or undertakings to, and the issue of securities or other indebtedness by, a special purpose company (a “**Special Purpose Company**”) and provided that (I) none of the obligations of the Special Purpose Company in respect of the transaction is subject to any recourse whatsoever in respect thereof to the Issuer, (II) recourse to the Special Purpose Company for amounts owing under the transactions is limited to the income or cashflow of the assets or collateral comprising the Security Interest for such transaction, (III) the assets held by the activities of the Special Purpose Company are restricted to those which are permitted for the purposes of the transaction, (IV) the parties to the transaction (including for the avoidance of doubt the holders of the securities or other indebtedness issued by the Special Purpose Company in relation to the transaction) are not entitled, by virtue of any right or claim arising out of or in connection with such indebtedness, to commence proceedings for the winding-up or dissolution of the Special Purpose Company until at least one year and one day after the full repayment of such indebtedness, (V) the transaction is conducted on arm’s length terms and (VI) the benefit of the transaction accrues, directly or indirectly, to the Issuer; and
- (iv) “**Subsidiary**” means any entity whose financial statements at any time are required by law or in accordance with generally accepted accounting principles to be fully consolidated with those of the Issuer.

## 5 Interest and other Calculations

- (a) **Interest on Fixed Rate Notes:** Each Fixed Rate Note bears interest on its outstanding nominal amount from and including the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 5(i).
- (b) **Interest on Floating Rate Notes and Index Linked Interest Notes:**
  - (i) *Interest Payment Dates:* Each Floating Rate Note and Index Linked Interest Note bears interest on its outstanding nominal amount from and including the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 5(j). Such Interest Payment Date(s) is/are either shown in the applicable Pricing Supplement as Specified Interest Payment Dates (as defined in the applicable Pricing Supplement) or, if no Specified Interest Payment Date(s) (as defined in the applicable Pricing Supplement) is/are shown, Interest Payment Date shall mean each date which falls the number of months or other period shown in the applicable Pricing Supplement as the Interest Period after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.
  - (ii) *Business Day Convention:* If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise

fall on a day that is not a Business Day, then, if the Business Day Convention specified is (A) the Floating Rate Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Business Day and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (C) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day except in respect of Notes for which the Reference Rate is specified as SOFR Reference Rate in the applicable Pricing Supplement, for which the final Interest Period Date will not be postponed and interest on that payment will not accrue during the period from and after the scheduled final Interest Period Date or (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.

(iii) *Rate of Interest for Floating Rate Notes*: The Rate of Interest in respect of Floating Rate Notes for each Interest Accrual Period shall be determined by the Calculation Agent in the manner specified in the applicable Pricing Supplement and the provisions below relating to either ISDA Determination or Screen Rate Determination shall apply, depending upon which is specified in the applicable Pricing Supplement.

(A) ISDA Determination for Floating Rate Notes

Where ISDA Determination is specified in the applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate plus or minus (as specified in the applicable Pricing Supplement) the Margin (if any). For the purposes of this subparagraph (A), “**ISDA Rate**” for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under an interest rate swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which (if the applicable Pricing Supplement specifies either the “2006 ISDA Definitions” or “2021 ISDA Definitions” as the applicable ISDA Definitions):

- (1) the Floating Rate Option is as specified in the applicable Pricing Supplement
- (2) the Designated Maturity is a period specified in the applicable Pricing Supplement and
- (3) the relevant Reset Date is the first day of that Interest Accrual Period unless otherwise specified in the applicable Pricing Supplement.
- (4) if the specified Floating Rate Option is an Overnight Floating Rate Option, Compounding is specified to be applicable in the relevant Pricing Supplement and:
  - (a) if Compounding with Lookback is specified as the Compounding Method in the applicable Pricing Supplement then (i) Compounding with Lookback is the Overnight Rate Compounding Method and (ii) Lookback is the number of Applicable Business Days specified in the applicable Pricing Supplement;
  - (b) if Compounding with Observation Period Shift is specified as the Compounding Method in the applicable Pricing Supplement then (i) Compounding with Observation Period Shift is the Overnight Rate Compounding Method, (ii) Observation Period Shift is the number of Observation Period

- Shift Business Days specified in the applicable Pricing Supplement, and (iii) Observation Period Shift Additional Business Days, if applicable, are the days specified in the applicable Pricing Supplement; or
- (c) if Compounding with Lockout is specified as the Compounding Method in the applicable Pricing Supplement then (i) Compounding with Lockout is the Overnight Rate Compounding Method, (ii) Lockout is the number of Lockout Period Business Days specified in the relevant Pricing Supplement, and (iii) Lockout Period Business Days, if applicable, are the days specified in the applicable Pricing Supplement;
- (5) if the specified Floating Rate Option is an Overnight Floating Rate Option, Averaging is specified to be applicable in the relevant Pricing Supplement and:
- (a) if Averaging with Lookback is specified as the Averaging Method in the applicable Pricing Supplement then (i) Averaging with Lookback is the Overnight Rate Averaging Method, and (ii) Lookback is the number of Applicable Business Days as specified in the applicable Pricing Supplement;
  - (b) if Averaging with Observation Period Shift is specified as the Averaging Method in the applicable Pricing Supplement then (i) Averaging with Observation Period Shift is the Overnight Rate Averaging Method, (ii) Observation Period Shift is the number of Observation Period Shift Business Days specified in the applicable Pricing Supplement, and (iii) Observation Period Shift Additional Business Days, if applicable, are the days specified in the applicable Pricing Supplement; or
  - (c) if Averaging with Lockout is specified as the Averaging Method in the relevant Pricing Supplement then (i) Averaging with Lockout is the Overnight Rate Averaging Method, (ii) Lockout is the number of Lockout Period Business Days in the applicable Pricing Supplement, and (iii) Lockout Period Business Days, if applicable, are the days specified in the applicable Pricing Supplement;
- (6) if the specified Floating Rate Option is an Index Floating Rate Option and Index Provisions are specified to be applicable in the applicable Pricing Supplement, the Compounded Index Method with Observation Period Shift shall be applicable and (i) Observation Period Shift is the number of Observation Period Shift Business Days specified in the applicable Pricing Supplement, and (ii) Observation Period Shift Additional Business Days, if applicable, are the days specified in the applicable Pricing Supplement; and
- (7) references in the applicable ISDA Definitions to:
- (a) “Confirmation” shall be references to the applicable Pricing Supplement;
  - (b) “Calculation Period” shall be references to the relevant Interest Accrual Period;
  - (c) “Termination Date” shall be references to the end date of the final Interest Accrual Period; and

- (d) “Effective Date” shall be references to the Interest Commencement Date.

If the applicable Pricing Supplement specifies “2021 ISDA Definitions” as the applicable ISDA Definitions:

- a. “Administrator/Benchmark Event” shall be disapplied; and
- b. if the Temporary Non-Publication Fallback in respect of any specified Floating Rate Option is specified to be “Temporary Non-Publication Fallback – Alternative Rate” in the Floating Rate Matrix of the 2021 ISDA Definitions, the reference to “Calculation Agent Alternative Rate Determination” in the definition of “Temporary Non-Publication Fallback – Alternative Rate” shall be replaced by “Temporary Non-Publication Fallback – Previous Day’s Rate”.

For the purposes of this sub-paragraph (A), (i) “**Floating Rate**,” “**Calculation Agent**,” “**Floating Rate Option**,” “**Designated Maturity**,” and “**Reset Date**” have the meanings given to those terms in the applicable ISDA Definitions, and (ii) “**Overnight Floating Rate Option**,” “**Compounding with Lookback**,” “**Compounding with Observation Period Shift**,” “**Compounding with Lockout**,” “**Applicable Business Days**,” “**Observation Period Shift Business Days**,” “**Observation Period Shift Additional Business Days**,” “**Lockout Period Business Days**,” “**Index Floating Rate Option**” and “**Compounded Index Method with Observation Period Shift**” have the meanings given to those terms in the 2021 ISDA Definitions.

- (B) Screen Rate Determination for Floating Rate Notes (where the method of Screen Rate Determination in the applicable Pricing Supplement is specified as “Term Rate”)

- (x) Where Screen Rate Determination is specified in the applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined, and the method of Screen Rate Determination in the applicable Pricing Supplement is specified as “Applicable – Term Rate”, the Rate of Interest for each Interest Accrual Period will, subject as provided below, be either:

- (1) the offered quotation; or
- (2) the arithmetic mean of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page at the Relevant Time on the Interest Determination Date in question (as indicated in the relevant Pricing Supplement) plus or minus (as indicated in the relevant Pricing Supplement) the Margin (if any), all as determined by the Calculation Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean of such offered quotations.

- (y) if the Relevant Screen Page is not available or, if sub-paragraph 5(b)(iii)(B)(x)(1) applies and no such offered quotation appears on the Relevant Screen Page, or, if sub-paragraph 5(b)(iii)(B)(x)(2) applies and fewer than three such offered quotations appear on the Relevant Screen Page, in each case as at the Relevant Time, subject as provided below, the Issuer shall request each of the Reference Banks in the Relevant Financial Center to provide the Issuer with its offered quotation (expressed as a percentage rate per annum) for the Reference

Rate at approximately the Relevant Time on the Interest Determination Date in question and notify such rates to the Calculation Agent. If two or more of the Reference Banks provide the Issuer with such offered quotations, the Rate of Interest for such Interest Accrual Period shall be the arithmetic mean of such offered quotations as determined by the Calculation Agent; and

- (z) if paragraph (y) above applies and the Calculation Agent determines that fewer than two Reference Banks are providing offered quotations, subject as provided below, the Rate of Interest shall be the arithmetic mean of the rates per annum (expressed as a percentage) as communicated to (and at the request of) the Issuer by the Reference Banks or any two or more of them, at which such banks were offered at the Relevant Time on the relevant Interest Determination Date, for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in the Relevant Financial Center inter-bank market, or, if fewer than two of the Reference Banks provide the Issuer with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, at the Relevant Time on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer suitable for such purpose) informs the Issuer it is quoting to leading banks in the Relevant Financial Center inter-bank market, provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin (as specified in the applicable Pricing Supplement) or Maximum or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum or Minimum Rate of Interest relating to the relevant Interest Accrual Period, in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Accrual Period).

- (C) Screen Rate Determination for Floating Rate Notes (where the method of Screen Rate Determination in the applicable Pricing Supplement is specified as “**SOFR Reference Rate**”)

Where Screen Rate Determination is specified in the applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined, and the method of Screen Rate Determination in the applicable Pricing Supplement is specified as “Applicable – SOFR Reference Rate”, the Rate of Interest for each Interest Accrual Period will, subject as provided below, be equal to the relevant SOFR Reference Rate (as indicated in the relevant Pricing Supplement) plus or minus (as specified in the applicable Pricing Supplement) the Margin (if any), all as determined by the Calculation Agent on the relevant Interest Determination Date. The “**SOFR Reference Rate**” will be determined based on Simple SOFR Average, Compounded Daily SOFR or Compounded SOFR Index, as follows:

- (1) If Simple SOFR Average (“**Simple SOFR Average**”) is specified in the applicable Pricing Supplement as the manner in which the SOFR Reference Rate will be determined, the SOFR Reference Rate for each Interest Accrual Period shall be the arithmetic mean of the SOFR reference rates for each day during the period, as calculated by the Calculation Agent, and where, if applicable and as specified in the relevant Pricing Supplement, the SOFR reference rate on the SOFR

Rate Cut-Off Date (as defined below) shall be used for the days in the period from (and including) the SOFR Rate Cut-Off Date (as defined below) to (but excluding) the Interest Period Date.

- (2) If Compounded Daily SOFR (“**Compounded Daily SOFR**”) is specified in the applicable Pricing Supplement as the manner in which the SOFR Reference Rate will be determined, the SOFR Reference Rate for each Interest Accrual Period shall be equal to the compounded average of daily SOFR reference rates for each day during the relevant Interest Accrual Period (where SOFR Observation Lag, SOFR Payment Delay or SOFR Lockout is specified as applicable in the applicable Pricing Supplement to determine Compounded Daily SOFR) or the SOFR Observation Period (where SOFR Observation Shift is specified as applicable in the relevant Pricing Supplement to determine Compounded Daily SOFR).

Compounded Daily SOFR shall be calculated by the Calculation Agent in accordance with one of the formulas referenced below depending upon which is specified as applicable in the relevant Pricing Supplement:

- (a) SOFR Observation Lag:

$$\left( \prod_{i=1}^{d_o} \left( 1 + \frac{SOFR_{i-USBD} \times n_i}{360} \right) - 1 \right) \times \frac{360}{d}$$

with the resulting percentage being rounded, if necessary, to the nearest one hundred- thousandth of a percentage point (with 0.000005 per cent. being rounded upwards) and where:

“**SOFR<sub>i-USBD</sub>**”, for any U.S. Government Securities Business Day “**i**” in the relevant Interest Accrual Period, is equal to the SOFR for the U.S. Government Securities Business Day falling the number of Lookback Days prior to that U.S. Government Securities Business Day “**i**”;

“**Lookback Days**” means five U.S. Government Securities Business Days (or such other number of U.S. Government Securities Business Days as specified in the applicable Pricing Supplement);

“**d**” means the number of calendar days in the relevant Interest Accrual Period;

“**d<sub>o</sub>**”, for any Interest Accrual Period, means the number of U.S. Government Securities Business Days in the relevant Interest Accrual Period;

“**i**” means a series of whole numbers ascending from one to **d<sub>o</sub>**, representing each relevant U.S. Government Securities Business Day from (and including) the first U.S. Government Securities Business Day in the relevant Interest Accrual Period (each a “U.S. Government Securities Business Day “**i**””); and

“**n<sub>i</sub>**”, for any U.S. Government Securities Business Day “**i**” falling in the relevant Interest Accrual Period, means the number of calendar days from (and including) such U.S. Government Securities Business Day “**i**” up to (but excluding) the following U.S. Government Securities Business Day.

(b) SOFR Observation Shift:

$$\left( \prod_{i=1}^{d_o} \left( 1 + \frac{SOFR_i \times n_i}{360} \right) - 1 \right) \times \frac{360}{d}$$

with the resulting percentage being rounded, if necessary, to the nearest one hundred- thousandth of a percentage point (with 0.000005 per cent. being rounded upwards) and where:

“**SOFR**”, for any U.S. Government Securities Business Day “i” in the relevant SOFR Observation Period, is equal to the SOFR reference rate for that U.S. Government Securities Business Day “i”;

“**SOFR Observation Period**” means, in respect of each Interest Accrual Period, the period from (and including) the date falling the number of SOFR Observation Shift Days prior to the first day of the relevant Interest Accrual Period to (but excluding) the date falling the number of SOFR Observation Shift Days prior to (A) the Interest Period Date for such Interest Accrual Period or (B) such earlier date, if any, on which the Notes become due and payable;

“**SOFR Observation Shift Days**” means five U.S. Government Securities Business Days (or such other number of U.S. Government Securities Business Days as specified in the relevant Pricing Supplement);

“**d**” means the number of calendar days in the relevant SOFR Observation Period;

“**d<sub>o</sub>**” means the number of U.S. Government Securities Business Days in the relevant SOFR Observation Period;

“**i**” means a series of whole numbers ascending from one to d<sub>o</sub>, representing each U.S. Government Securities Business Day from (and including) the first U.S. Government Securities Business Day in the relevant SOFR Observation Period (each a “U.S. Government Securities Business Day “i””); and

“**n<sub>i</sub>**”, for any U.S. Government Securities Business Day “i” falling in the relevant SOFR Observation Period, means the number of calendar days from (and including) such U.S. Government Securities Business Day “i” up to (but excluding) the following U.S. Government Securities Business Day.

(c) SOFR Payment Delay:

$$\left( \prod_{i=1}^{d_o} \left( 1 + \frac{SOFR_i \times n_i}{360} \right) - 1 \right) \times \frac{360}{d}$$

with the resulting percentage being rounded, if necessary, to the nearest one hundred- thousandth of a percentage point (with 0.000005 per cent. being rounded upwards) and where:

“**SOFR**”, for any U.S. Government Securities Business Day “i” in the relevant Interest Accrual Period, is equal to the SOFR reference rate for that U.S. Government Securities Business Day “i”;

“**Interest Payment Date**” shall be the number of Interest Payment Delay Days following each Interest Period Date; provided that the Interest Payment Date with respect to the final Interest Accrual Period

will be the Maturity Date or, if the Issuer elects to redeem the Notes prior to the Maturity Date, the relevant Optional Redemption Date;

“**Interest Payment Delay Days**” means five U.S. Government Securities Business Days (or such other number of U.S. Government Securities Business Days as specified in the relevant Pricing Supplement);

“**d**” means the number of calendar days in the relevant Interest Accrual Period;

“**d<sub>o</sub>**”, for any Interest Accrual Period, means the number of U.S. Government Securities Business Days in the relevant Interest Accrual Period;

“**i**” means a series of whole numbers ascending from one to d<sub>o</sub>, representing each relevant U.S. Government Securities Business Day from (and including) the first U.S. Government Securities Business Day in the relevant Interest Accrual Period (each a “U.S. Government Securities Business Day “i””); and

“**n<sub>i</sub>**”, for any U.S. Government Securities Business Day “i” in the relevant Interest Accrual Period, means the number of calendar days from (and including) such U.S. Government Securities Business Day “i” up to (but excluding) the following U.S. Government Securities Business Day.

For the purposes of calculating Compounded Daily SOFR with respect to the final Interest Accrual Period where SOFR Payment Delay is specified in the relevant Pricing Supplement, the SOFR reference rate for each U.S. Government Securities Business Day in the period from (and including) the SOFR Rate Cut-Off Date (as defined below) to (but excluding) the Maturity Date or the relevant Optional Redemption Date, as applicable, shall be the SOFR reference rate in respect of such SOFR Rate Cut-Off Date (as defined below).

(d) SOFR Lockout:

$$\left( \prod_{i=1}^{d_o} \left( 1 + \frac{SOFR_i \times n_i}{360} \right) - 1 \right) \times \frac{360}{d}$$

with the resulting percentage being rounded, if necessary, to the nearest one hundred- thousandth of a percentage point (with 0.000005 per cent. being rounded upwards) and where:

“**SOFR<sub>i</sub>**”, for any U.S. Government Securities Business Day “i” in the relevant Interest Accrual Period, is equal to the SOFR for that U.S. Government Securities Business Day “i”, except that the SOFR Reference Rate for any U.S. Government Securities Business Day “i” in respect of the period from (and including) the SOFR Rate Cut-Off Date (as defined below) to (but excluding) the Interest Period Date for such Interest Accrual Period shall be the SOFR Reference Rate in respect of such SOFR Rate Cut-Off Date (as defined below);

“**d**” means the number of calendar days in the relevant Interest Accrual Period;

“**d<sub>o</sub>**”, for any Interest Accrual Period, means the number of U.S. Government Securities Business Days in the relevant Interest Accrual Period;



“**i**” means a series of whole numbers ascending from one to  $d_i$ , representing each relevant U.S. Government Securities Business Day from (and including) the first U.S. Government Securities Business Day in the relevant Interest Accrual Period (each a “U.S. Government Securities Business Day “**i**””); and

“**n<sub>i</sub>**”, for any U.S. Government Securities Business Day “**i**” in the relevant Interest Accrual Period, means the number of calendar days from (and including) such U.S. Government Securities Business Day “**i**” up to (but excluding) the following U.S. Government Securities Business Day.

- (3) If Compounded SOFR Index (“**Compounded SOFR Index**”) is specified as applicable in the relevant Pricing Supplement, the SOFR Reference Rate for each Interest Accrual Period shall be equal to the compounded average of daily SOFR reference rates for each day during the relevant SOFR Observation Period as calculated by the Calculation Agent as follows:

$$\left( \frac{SOFR\ Index_{End}}{SOFR\ Index_{Start}} - 1 \right) \times \left( \frac{360}{d_c} \right)$$

with the resulting percentage being rounded, if necessary, to the nearest one hundred- thousandth of a percentage point (with 0.000005 per cent. being rounded upwards) and where:

“**d<sub>c</sub>**” means the number of calendar days in the applicable SOFR Observation Period;

“**SOFR Index**” means, in respect of a U.S. Government Securities Business Day, the SOFR Index value as published on the SOFR Administrator’s Website or any data distributor or re-distributor partner (such as Bloomberg and Refinitiv) at the SOFR Index Determination Time on such U.S. Government Securities Business Day, provided that:

- (a) if the value specified above does not appear and a SOFR Reference Rate Transition Event and the related SOFR Reference Rate Replacement Date have not occurred, the “**Compounded SOFR Index**” shall be calculated on any Interest Determination Date with respect to an Interest Accrual Period, in accordance with the Compounded Daily SOFR formula described above in Condition 5(b)(iii)(C)(2)(b) “**SOFR Observation Shift**”, and the term “**SOFR Observation Shift Days**” shall mean five U.S. Government Securities Business Days (or such other number of U.S. Government Securities Business Days as specified in the applicable Pricing Supplement); or
- (b) if the value specified above does not appear and a SOFR Reference Rate Transition Event and the related SOFR Reference Rate Replacement Date have occurred, the provisions set forth in Condition 5(b)(iii)(D) or 5(b)(iii)(E) shall apply as specified in the applicable Pricing Supplement;

“**SOFR Index<sub>End</sub>**” means, in respect of an Interest Accrual Period, the SOFR Index value on the date that is five U.S. Government Securities Business Days (or such other number of U.S. Government Securities Business Days specified in the relevant Pricing Supplement) prior to the Interest Period Date for such Interest Accrual Period (or in the final Interest Accrual Period, the Maturity Date);

“**SOFR Index<sub>Start</sub>**” means, in respect of an Interest Accrual Period, the SOFR Index value on the date that is five U.S. Government Securities Business Days (or such other number of U.S. Government Securities Business Days specified in the relevant Pricing Supplement) prior to the first day of the relevant Interest Accrual Period;

“**SOFR Index Determination Time**” means, in relation to any U.S. Government Securities Business Day, approximately 3:00 p.m. (New York City time) on such U.S. Government Securities Business Day;

“**SOFR Observation Period**” means, in respect of each Interest Accrual Period, the period from (and including) the date falling the number of SOFR Observation Shift Days prior to the first day of the relevant Interest Accrual Period to (but excluding) the date falling the number of SOFR Observation Shift Days prior to the Interest Period Date for such Interest Accrual Period; and

“**SOFR Observation Shift Days**” means five U.S. Government Securities Business Days (or such other number of U.S. Government Securities Business Days as specified in the relevant Pricing Supplement).

- (4) If Term SOFR (“**Term SOFR**”) is specified in the applicable Pricing Supplement as the manner in which the SOFR Reference Rate will be determined, the SOFR Reference Rate for each Interest Accrual Period shall be equal to the Term SOFR Rate as specified in the relevant Pricing Supplement that is published by the Term SOFR Administrator on the Term SOFR Administrator’s Website at the Relevant Time on the Interest Determination Date in question as determined by the Calculation Agent after giving effect to the Term SOFR Conventions.

(D) Effect of Reference Rate Discontinuation — Independent Adviser

This Condition 5(b)(iii)(D) shall apply unless SOFR Reference Rate Discontinuation under Condition 5(b)(iii)(E) is specified as applicable in the relevant Pricing Supplement.

If a Reference Rate Event occurs in relation to an Original Reference Rate when any Rate of Interest (or any component part thereof) as specified in the relevant Pricing Supplement remains to be determined by reference to such Original Reference Rate, then the Issuer shall use its reasonable endeavors to appoint an Independent Adviser, as soon as reasonably practicable, to determine a Successor Rate, failing which an Alternative Rate (in accordance with Condition 5(b)(iii)(D)(1)) and, in either case, an Adjustment Spread if any (in accordance with Condition 5(b)(iii)(D)(2)) and any Reference Rate Amendments (in accordance with Condition 5(b)(iii)(D)(3)). An Independent Adviser appointed pursuant to this Condition 5(b)(iii)(D) shall act in good faith and in a commercially reasonable manner as an expert and in consultation with the Issuer. In the absence of bad faith or fraud, the Independent Adviser shall have no liability whatsoever to the Issuer, the Noteholders, Couponholders and the Receiptholders for any determination made by it, pursuant to this Condition 5(b)(iii)(D).

If (i) the Issuer is unable to appoint an Independent Adviser, or (ii) the Independent Adviser appointed by it fails to determine a Successor Rate or, failing which, an Alternative Rate in accordance with this Condition 5(b)(iii)(D) prior to the relevant Interest Determination Date, the Rate of Interest applicable to the next succeeding Interest Accrual Period shall be equal to the Rate of Interest last determined in relation to the Notes in respect of the immediately preceding Interest Accrual Period. If there has not been a first Interest Payment Date, the Rate of Interest shall be the initial Rate of Interest. Where a different Margin or Maximum or Minimum Rate of Interest is to be applied to the relevant

Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum or Minimum Rate of Interest relating to the relevant Interest Accrual Period shall be substituted in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Accrual Period. For the avoidance of doubt, this paragraph shall apply to the relevant next succeeding Interest Accrual Period only and any subsequent Interest Accrual Periods are subject to the subsequent operation of, and to adjustment as provided in, this Condition 5(b)(iii)(D).

- (1) *Successor Rate or Alternative Rate*: If the Independent Adviser determines that (i) there is a Successor Rate, then such Successor Rate shall (subject to adjustment as provided in Condition 5(b)(iii)(D)(2)) subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the operation of this Condition 5(b)(iii)(D)); or that (ii) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate shall (subject to adjustment as provided in Condition 5(b)(iii)(D)(2)) subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the operation of this Condition 5(b)(iii)(D)).
- (2) *Adjustment Spread*: If the Independent Adviser determines (i) that an Adjustment Spread is required to be applied to the Successor Rate or the Alternative Rate, as the case may be, and (ii) the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Adjustment Spread shall be applied to the Successor Rate or the Alternative Rate, as the case may be. If the Independent Adviser is unable to determine the quantum of, or a formula or methodology for determining, such Adjustment Spread, then the Successor Rate or Alternative Rate (as applicable) will apply without an Adjustment Spread.
- (3) *Reference Rate Amendments*: If any Successor Rate, Alternative Rate or Adjustment Spread is determined in accordance with this Condition 5(b)(iii)(D) and the Independent Adviser determines (i) that amendments to these Conditions are necessary to ensure the proper operation of such Successor Rate, Alternative Rate and/or Adjustment Spread (such amendments, the “**Reference Rate Amendments**”) and (ii) the terms of the Reference Rate Amendments, then the Issuer shall, subject to giving notice thereof in accordance with Condition 5(b)(iii)(D)(4), without any requirement for the consent or approval of the Noteholders, vary these Conditions to give effect to such Reference Rate Amendments with effect from the date specified in such notice. For the avoidance of doubt, the Agents shall, at the direction and expense of the Issuer, without any requirement for the consent or approval of the Noteholders, effect such consequential amendments to the Agency Agreement and these Conditions as may be required in order to give effect to this Condition 5(b)(iii)(D)(3) and the Agents shall not be liable to any party for any consequences thereof, provided that the Agents shall not be obliged to effect any such amendments if, in the opinion of the Agents, doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the rights and/or the protective provisions afforded to it in the Agency Agreement and/ or these Conditions and/ or any document to which it is a party (including, for the avoidance of doubt, any supplemental agency agreement) in any way. Noteholders’ consent shall not be required in connection with effecting the Successor Rate, Alternative Rate and/ of Adjustment Spread (as applicable) or such other changes, including for the execution of any documents or other steps by the Agents (if required).

None of the the Calculation Agent(s) or the Paying Agent(s) shall be responsible or liable for any determinations or certifications made by the Issuer or the Independent Adviser with respect to any Successor Rate or Alternative Rate (as applicable) or any other changes and shall be entitled to rely conclusively on certifications provided to it.

In connection with any such variation in accordance with this Condition 5(b)(iii)(D), the Issuer shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

- (4) *Notices, etc.*: Any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Reference Rate Amendments determined under this Condition 5(b)(iii)(D) will be notified promptly by the Issuer to the Calculation Agent(s), the Paying Agent(s) and, in accordance with Condition 14, the Noteholders or the Couponholders. Such notice shall be irrevocable and shall specify the effective date of the Reference Rate Amendments, if any.

No later than notifying the Calculation Agent(s) and the Paying Agent(s) of the same, the Issuer shall deliver to the Calculation Agent(s) and the Paying Agent(s) a certificate signed by an Authorized Signatory of the Issuer:

- (i) confirming (A) that a Reference Rate Event has occurred, (B) the Successor Rate or, as the case may be, the Alternative Rate and, (C) where applicable, any Adjustment Spread and/or the specific terms of any Reference Rate Amendments, in each case as determined in accordance with the provisions of this Condition 5(b)(iii)(D); and
- (ii) certifying that the Reference Rate Amendments are necessary to ensure the proper operation of such Successor Rate, Alternative Rate and/or Adjustment Spread.

Each of the Calculation Agent(s) and the Paying Agent(s) shall be entitled to rely conclusively on such certificate (without liability to any person) as sufficient and conclusive evidence thereof. The Successor Rate or Alternative Rate and the Adjustment Spread (if any) and the Reference Rate Amendments (if any) specified in such certificate will (in the absence of manifest error or bad faith in the determination of the Successor Rate or Alternative Rate and the Adjustment Spread (if any) and the Reference Rate Amendments (if any) and without prejudice to the ability of the Calculation Agent(s) and the Paying Agent(s) to conclusively rely on such certificate as aforesaid) be binding on the Issuer, the Calculation Agent(s), the Paying Agent(s), the Noteholders and the Couponholders.

- (5) *Survival of Original Reference Rate*: Without prejudice to the obligations of the Issuer under Conditions 5(b)(iii)(D)(1), (2) and (3), the Original Reference Rate and the fallback provisions provided for in Condition 5(b)(iii)(C) specified in the relevant Pricing Supplement will continue to apply unless and until a Reference Rate Event has occurred.

- (6) *Definitions*: For the purposes of this Condition 5(b)(iii)(D),

“**Adjustment Spread**” means either a spread (which may be positive, negative or zero), or the formula or methodology for calculating a spread, in either case, which the Independent Adviser, determines is required to be applied to the Successor Rate or the Alternative Rate (as the case may be) to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to Noteholders as a result of the replacement of the Original Reference Rate with the Successor Rate or the Alternative Rate (as the case may be) and is the spread, formula or methodology which:

- (i) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body; or (if no such recommendation has been made, or in the case of an Alternative Rate);
- (ii) the Independent Adviser determines, is recognized or acknowledged as being the industry standard for international debt capital markets transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be); or (if the Independent Adviser determines that no such spread is customarily applied);
- (iii) the Independent Adviser (in consultation with the Issuer) determines, is recognized or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be).

“**Alternative Rate**” means an alternative reference rate or screen rate which the Independent Adviser determines, in accordance with Condition 5(b)(iii)(D)(1), is customary in market usage in the international debt capital markets for the purposes of determining rates of interest (or the relevant component part thereof) in the same Specified Currency as the Notes.

“**Independent Adviser**” means an independent financial institution of international repute or an independent financial adviser with appropriate expertise selected and appointed by the Issuer at its own expense under Condition 5(b)(iii)(D).

“**Original Reference Rate**” means the originally-specified Reference Rate or screen rate, as applicable, used to determine the Rate of Interest (or any component part thereof) on the Notes.

“**Reference Rate**” means the rate specified as such in the applicable Pricing Supplement.

“**Reference Rate Event**” means the occurrence of one or more of the following events with respect to the then-current Reference Rate:

- (i) the Original Reference Rate has ceased to be published for a period of at least five Business Days or ceases to exist; or
- (ii) a public statement by the administrator of the Original Reference Rate that it has ceased or that it will cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate); or
- (iii) a public statement by the supervisor of the administrator of the Original Reference Rate, that the Original Reference Rate has been or will be permanently or indefinitely discontinued; or
- (iv) a public statement by the supervisor of the administrator of the Original Reference Rate, that the Original Reference Rate has been prohibited from being used or that its use has been subject to restrictions or adverse consequences, or that it will be prohibited from being used or that its use will be subject to restrictions or adverse consequences either generally, or in respect of the Notes; or

- (v) a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate is (or will be deemed by such supervisor to be) no longer representative of its relevant underlying market; or
- (vi) it has become unlawful to calculate any payments due to be made to any Noteholder using the Original Reference Rate; or
- (vii) a public statement by a Relevant Nominating Body (as defined below) formally recommending a successor or replacement for the relevant Reference Rate.

provided that the Reference Rate Event shall be deemed to occur (a) in the case of sub-paragraphs (ii) and (iii) above, on the date of the cessation of publication of the Original Reference Rate or the discontinuation of the Original Reference Rate, as the case may be, (b) in the case of sub-paragraph (iv) above, on the date of the prohibition of use of the Original Reference Rate and (c) in the case of sub-paragraph (v) above, on the date with effect from which the Original Reference Rate will no longer be (or will be deemed by the relevant supervisor to no longer be) representative of its relevant underlying market and which is specified in the relevant public statement, and, in each case, not the date of the relevant public statement.

The occurrence of a Reference Rate Event shall be determined by the Issuer and promptly notified to the Calculation Agent and the Paying Agents.

**“Relevant Nominating Body”** means, in respect of a reference rate or screen rate, as applicable: (i) the central bank for the currency to which the reference rate or screen rate, as applicable, relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the reference rate or screen rate, as applicable; or (ii) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (A) the central bank for the currency to which the reference rate or screen rate, as applicable, relates, (B) any central bank or other supervisory authority which is responsible for supervising the administrator of the reference rate or screen rate, as applicable, (C) a group of the aforementioned central banks or other supervisory authorities or (D) the Financial Stability Board or any part thereof.

**“Successor Rate”** means a successor to or a replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body.

(E) Effect of SOFR Reference Rate Discontinuation — SOFR Reference Rate Discontinuation

This Condition 5(b)(iii)(E) shall only apply where “SOFR Reference Rate Discontinuation” is specified as applicable in the relevant Pricing Supplement.

- (1) *SOFR Reference Rate Replacement*: If the Issuer determines on or prior to the relevant Reference Time that a SOFR Reference Rate Event and the related SOFR Reference Rate Replacement Date have occurred with respect to the then-current SOFR Reference Rate, the SOFR Reference Rate Replacement will replace the then-current SOFR Reference Rate for all purposes relating to the Notes in respect of all determinations on such date and for all determinations on all subsequent dates.
- (2) *SOFR Reference Rate Replacement Conforming Changes*: In connection with the implementation of a SOFR Reference Rate Replacement, the Issuer will have the right to make SOFR Reference Rate Replacement Conforming Changes from time to time. The Issuer shall, subject to giving notice thereof in accordance with Condition 5(b)(iii)(E)(4), without any

requirement for the consent or approval of Noteholders, vary these Conditions to give effect to such SOFR Reference Rate Replacement Conforming Changes with effect from the date specified in such notice. For the avoidance of doubt, the Agents shall, at the direction and expense of the Issuer, without any requirement for the consent or approval of the Noteholders, effect such consequential amendments to the Agency Agreement and these Conditions as may be required in order to give effect to this Condition 5(b)(iii)(E)(2) and the Agents shall not be liable to any party for any consequences thereof, provided that the Agents shall not be obliged to effect any such amendments if, in the opinion of the Agents, doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the rights and/or the protective provisions afforded to it in the Agency Agreement and/or these Conditions and/or any document to which it is a party (including, for the avoidance of doubt, any supplemental agency agreement) in any way. Noteholders' consent shall not be required in connection with effecting the SOFR Reference Rate Replacement Conforming Changes or such other changes, including for the execution of any documents or other steps by the Agents (if required).

None of the Calculation Agent(s) or the Paying Agent(s) shall be responsible or liable for any determinations or certifications made by the Issuer or the Independent Adviser with respect to any Successor Rate or Alternative Rate (as applicable) or any other changes and shall be entitled to rely conclusively on certifications provided to it.

In connection with any such variation in accordance with this Condition 5(b)(iii)(E), the Issuer shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

- (3) *Decisions and Determinations:* Any determination, decision or election that may be made by the Issuer pursuant to this Condition 5(b)(iii)(E), including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection (i) will be conclusive and binding absent manifest error, (ii) will be made in the sole discretion of the Issuer, and (iii) notwithstanding anything to the contrary in the documentation relating to the Notes, shall become effective without consent or approval of the Noteholders or any other party.
- (4) *Notices, etc.:* Any SOFR Reference Rate Replacement and the specific terms of any SOFR Reference Rate Replacement Conforming Changes, determined under this Condition 5(b)(iii)(E), will be notified promptly by the Issuer to the Calculation Agent and the Paying Agents and, in accordance with Condition 14, the Noteholders and the Couponholders. Such notice shall be irrevocable and shall specify the effective date of the SOFR Reference Rate Replacement and of the SOFR Reference Rate Replacement Conforming Changes, if any.

No later than notifying the Calculation Agent(s) and the Paying Agent(s) of the same, the Issuer shall deliver to the Calculation Agent(s) and the Paying Agent(s) a certificate signed by an Authorized Signatory of the Issuer:

- (i) confirming (A) that a SOFR Reference Rate Event has occurred, (B) the specific terms of the SOFR Reference Rate Replacement and (C) the specific terms of the SOFR Reference Rate Replacement Conforming Changes (if any), in each case as determined in accordance with the provisions of this Condition 5(b)(iii)(E); and
- (ii) certifying that the SOFR Reference Rate Replacement Conforming Changes (if any) are necessary to ensure the proper operation of the SOFR Reference Rate Replacement.

Each of the Calculation Agent(s) and the Paying Agents shall be entitled to conclusively rely on such certificate (without liability to any person) as sufficient and conclusive evidence thereof. The SOFR Reference Rate Replacement and the SOFR Reference Rate Replacement Conforming Changes (if any) specified in such certificate will (in the absence of manifest error or bad faith in the SOFR Reference Rate Replacement and the SOFR Reference Rate Replacement Conforming Changes (if any) and without prejudice to the ability of the Calculation Agent(s) and the Paying Agent(s) to conclusively rely on such certificate as aforesaid) be binding on the Issuer, the Calculation Agent(s), the Paying Agent(s), the Noteholders and the Couponholders.

(5) *Definitions*: For the purposes of this Condition 5(b)(iii)(E),

“**SOFR Reference Rate**” means, initially, the relevant SOFR Reference Rate specified in the applicable Pricing Supplement; provided that if the Issuer determines on or prior to the Reference Time that a SOFR Reference Rate Event and the related SOFR Reference Rate Replacement Date have occurred with respect to the relevant SOFR Reference Rate (including any daily published component used in the calculation thereof) or the then-current SOFR Reference Rate, then “SOFR Reference Rate” shall mean the applicable SOFR Reference Rate Replacement;

“**SOFR Reference Rate Event**” means the occurrence of one or more of the following events with respect to the then-current SOFR Reference Rate:

- (1) a public statement or publication of information by or on behalf of the administrator of the SOFR Reference Rate (or such component) announcing that such administrator has ceased or will cease to provide the SOFR Reference Rate (or such component), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the SOFR Reference Rate (or such component); or
- (2) a public statement or publication of information by the regulatory supervisor for the administrator of the SOFR Reference Rate (or such component), the central bank for the currency of the SOFR Reference Rate (or such component), an insolvency official with jurisdiction over the administrator for the SOFR Reference Rate (or such component), a resolution authority with jurisdiction over the administrator for the SOFR Reference Rate (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for the SOFR Reference Rate, which states that the administrator of the SOFR Reference Rate (or such component) has ceased or will cease to provide the SOFR Reference Rate (or such component) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the SOFR Reference Rate (or such component); or
- (3) a public statement by the supervisor of the administrator of the SOFR Reference Rate that the SOFR Reference Rate has been prohibited from being used or that its use has been subject to restrictions or adverse consequences, or that it will be prohibited from being used or that its use will be subject to restrictions or adverse consequences, either generally or in respect of the Notes; or
- (4) a public statement or publication of information by the regulatory supervisor for the administrator of the SOFR Reference Rate announcing that the SOFR Reference Rate is no longer



representative.

**“SOFR Reference Rate Replacement”** means the first alternative set forth in the order below that can be determined by the Issuer as of the SOFR Reference Rate Replacement Date:

- (1) the sum of:
  - (i) the alternate reference rate that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current SOFR Reference Rate (including any daily published component used in the calculation thereof); and
  - (ii) the SOFR Reference Rate Replacement Adjustment; or
- (2) the sum of:
  - (i) the ISDA Fallback Rate; and
  - (ii) the SOFR Reference Rate Replacement Adjustment; or
- (3) the sum of:
  - (i) the alternate reference rate that has been selected by the Issuer as the replacement for the then-current SOFR Reference Rate (including any daily published component used in the calculation thereof) giving due consideration to any industry-accepted reference rate as a replacement for the then-current SOFR Reference Rate (including any daily published component used in the calculation thereof) for U.S. dollar-denominated Floating Rate Notes at such time; and
  - (ii) the SOFR Reference Rate Replacement Adjustment;

**“SOFR Reference Rate Replacement Adjustment”** means the first alternative set forth in the order below that can be determined by the Issuer as of the SOFR Reference Rate Replacement Date:

- (1) the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected or recommended by the Relevant Governmental Body for the applicable Unadjusted SOFR Reference Rate Replacement;
- (2) if the applicable Unadjusted SOFR Reference Rate Replacement is equivalent to the ISDA Fallback Rate, the ISDA Fallback Adjustment; or
- (3) the spread adjustment (which may be a positive or negative value or zero) that has been selected by the Issuer giving due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then-current SOFR Reference Rate (including any daily published component used in the calculation thereof) with the applicable Unadjusted SOFR Reference Rate Replacement for U.S. dollar-denominated Floating Rate Notes at such time;

**“SOFR Reference Rate Replacement Conforming Changes”** means, with respect to any SOFR Reference Rate Replacement, any technical, administrative or operational changes (including changes to the timing and

frequency of determining rates and making payments of interest, rounding of amounts or tenors, and other administrative matters) that the Issuer decides may be appropriate to reflect the adoption of such SOFR Reference Rate Replacement in a manner substantially consistent with market practice (or, if the Issuer decides that adoption of any portion of such market practice is not administratively feasible or if the Issuer determines that no market practice for use of the SOFR Reference Rate Replacement exists, in such other manner as the Issuer determines is reasonably necessary);

**“SOFR Reference Rate Replacement Date”** means the earliest to occur of the following events with respect to the then-current SOFR Reference Rate (including any daily published component used in the calculation thereof):

- (1) in the case of sub-paragraph (1) or (2) of the definition of “SOFR Reference Rate Event”, the later of:
  - (i) the date of the public statement or publication of information referenced therein; and
  - (ii) the date on which the administrator of the SOFR Reference Rate permanently or indefinitely ceases to provide the SOFR Reference Rate (or such component); or
- (2) in the case of sub-paragraphs (3) or (4) of the definition of “SOFR Reference Rate Event”, the date of the public statement or publication of information referenced therein.

For the avoidance of doubt, if the event giving rise to the SOFR Reference Rate Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the SOFR Reference Rate Replacement Date will be deemed to have occurred prior to the Reference Time for such determination;

**“ISDA Definitions”** means the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time, unless otherwise specified in the relevant Pricing Supplement;

**“ISDA Fallback Adjustment”** means the spread adjustment (which may be a positive or negative value or zero) that would apply for derivatives transactions referencing the ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the SOFR Reference Rate;

**“ISDA Fallback Rate”** means the rate that would apply for derivatives transactions referencing the ISDA Definitions to be effective upon the occurrence of an index cessation date with respect to the SOFR Reference Rate (including any daily published component used in the calculation thereof) for the applicable tenor excluding the applicable ISDA Fallback Adjustment;

**“Reference Time”** with respect to any determination of the SOFR Reference Rate means, the SOFR Determination Time (where Simple SOFR Average or Compounded Daily SOFR is specified as applicable in the relevant Pricing Supplement) or SOFR Index Determination Time (where Compounded SOFR Index is specified as applicable in the relevant Pricing Supplement);

**“Relevant Governmental Body”** means the Federal Reserve and/or the Federal Reserve Bank of New York, or a committee officially endorsed or

convened by the Federal Reserve and/or the Federal Reserve Bank of New York or any successor thereto; and

“**Unadjusted SOFR Reference Rate Replacement**” means the SOFR Reference Rate Replacement excluding the SOFR Reference Rate Replacement Adjustment.

(iv) *Rate of Interest for Index Linked Interest Notes:* The Rate of Interest in respect of Index Linked Interest Notes for each Interest Accrual Period shall be determined in the manner specified hereon and interest will accrue by reference to an Index or Formula as specified hereon.

(c) **Linear Interpolation:** Where Linear Interpolation is specified in the applicable Pricing Supplement in respect of an Interest Accrual Period, the Rate of Interest for such Interest Accrual Period shall be calculated by the Calculation Agent by straight line linear interpolation by reference to two rates based on the relevant Reference Rate (where Screen Rate Determination is specified in the relevant Pricing Supplement as applicable) or the relevant Floating Rate Option (where ISDA Determination is specified in the relevant Pricing Supplement, as applicable), one of which shall be determined as if the Applicable Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Accrual Period and the other of which shall be determined as if the Applicable Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Accrual Period; provided, however, that if there is no rate available for the period of time next shorter or, as the case may be, next longer, then the Calculation Agent shall determine such rate at such time and by reference to such sources as the Issuer shall determine appropriate.

“**Applicable Maturity**” means: (a) in relation to Screen Rate Determination, the period of time designated in the Reference Rate, and (b) in relation to ISDA Determination, the Designated Maturity.

(d) **Zero Coupon Notes:** In the case of Notes which are specified as being Zero Coupon Notes repayable prior to the Maturity Date and which are not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount of such Note. As from the Maturity Date, the Rate of Interest for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as described in Condition 6(b)(i)).

(e) **Dual Currency Notes:** In the case of Dual Currency Notes, if the rate or amount of interest falls to be determined by reference to a Rate of Exchange or a method of calculating Rate of Exchange, the rate or amount of interest payable shall be determined in the manner specified hereon.

(f) **Partly Paid Notes:** In the case of Partly Paid Notes (other than Partly Paid Notes which are Zero Coupon Notes), interest will accrue as aforesaid on the paid-up nominal amount of such Notes and otherwise as specified hereon.

(g) **Accrual of Interest:** Interest shall cease to accrue on each Note on the due date for redemption unless, upon due presentation, payment is improperly withheld or refused, in which event interest shall continue to accrue (both before and after judgment) at the Rate of Interest in the manner provided in this Condition 5 to the Relevant Date (as defined in Condition 8).

(h) **Margin, Maximum/Minimum Rates of Interest, Instalment Amounts and Redemption Amounts and Rounding:**

(i) If any Margin is specified hereon (either (x) generally, or (y) in relation to one or more Interest Accrual Periods), an adjustment shall be made to all Rates of Interest, in the case of (x), or the Rates of Interest for the specified Interest Accrual Periods, in the case of (y), calculated in accordance with Condition 5(b) above by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Margin subject always to the next paragraph

- (ii) If any Maximum or Minimum Rate of Interest, Instalment Amount or Redemption Amount is specified hereon, then any Rate of Interest, Instalment Amount or Redemption Amount shall be subject to such maximum or minimum, as the case may be
  - (iii) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), (y) all figures shall be rounded to seven significant figures (with halves being rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes “unit” means the lowest amount of such currency that is available as legal tender in the country of such currency.
- (i) **Calculations:** The amount of interest payable per Calculation Amount in respect of any Note for any Interest Accrual Period shall be equal to the product of the Rate of Interest, the Calculation Amount specified hereon, and the Day Count Fraction for such Interest Accrual Period, unless an Interest Amount (or a formula for its calculation) is applicable to such Interest Accrual Period, in which case the amount of interest payable per Calculation Amount in respect of such Note for such Interest Accrual Period shall equal such Interest Amount (or be calculated in accordance with such formula). Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable per Calculation Amount in respect of such Interest Period shall be the sum of the Interest Amounts payable in respect of each of those Interest Accrual Periods. In respect of any other period for which interest is required to be calculated, the provisions above shall apply save that the Day Count Fraction shall be for the period for which interest is required to be calculated.
- (j) **Determination and Publication of Rates of Interest, Interest Amounts, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts and Instalment Amounts:** The Calculation Agent shall, as soon as practicable on such date as the Calculation Agent may be required to calculate any rate or amount or make any determination or calculation, determine such rate and calculate the Interest Amounts for the relevant Interest Accrual Period, calculate the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or Instalment Amount or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for each Interest Accrual Period and the relevant Interest Payment Date and, if required to be calculated, the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or any Instalment Amount to be notified to the Fiscal Agent, the Issuer, each of the Paying Agents, the Noteholders, any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information and, if the Notes are listed on a stock exchange and the rules of such exchange or other relevant authority so require, the Issuer shall notify such exchange or other relevant authority as soon as possible after their determination and upon being notified by the Calculation Agent but in no event later than (i) the commencement of the relevant Interest Period, if determined prior to such time, in the case of notification to such exchange of a Rate of Interest and Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination. Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition 5(b)(ii), the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. If the Notes become due and payable under Condition 10, the accrued interest and the Rate of Interest payable in respect of the Notes shall nevertheless continue to be calculated as previously in accordance with this Condition but no publication of the Rate of Interest or the Interest Amount so calculated need be made. The determination of any rate or amount and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.
- (k) **Definitions:** In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

“**Business Day**” means:

- (i) in the case of a currency other than euro, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in London and the principal financial centre for such currency and/or
- (ii) if the applicable Pricing Supplement specifies that the Floating Rate Note provisions apply and the Reference Rate is SOFR Reference Rate, any weekday that is a U.S. Government Securities Business Day and is not a legal holiday in New York or one or more relevant Business Centers and is not a date on which banking institutions in New York or one or more relevant Business Centers are authorized or required by law or regulation to be closed; and/or
- (iii) in the case of euro, a day on which the Eurosystem’s real-time gross settlement system (known as T2) or any successor thereto (the “**T2 System**”) is operating (a “**T2 Business Day**”) and/or
- (iv) in the case of a currency and/or one or more Business Centres, a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such currency in the Business Centre(s) or, if no currency is indicated, generally in each of the Business Centres

“**Business Center(s)**” means the city or cities specified as such in the relevant Pricing Supplement.

“**Day Count Fraction**” means, in respect of the calculation of an amount of interest on any Note for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting an Interest Period or an Interest Accrual Period, the “**Calculation Period**”):

- (i) if “**Actual/Actual**” or “**Actual/Actual – ISDA**” is specified hereon, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non- leap year divided by 365)
- (ii) if “**Actual/365 (Fixed)**” is specified hereon, the actual number of days in the Calculation Period divided by 365
- (iii) if “**Actual/365 (Sterling)**” is specified hereon, the actual number of days in the Calculation Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366
- (iv) if “**Actual/360**” is specified hereon, the actual number of days in the Calculation Period divided by 360
- (v) if “**30/360**”, “**360/360**” or “**Bond Basis**” is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y2 - Y1)] + [30 \times (M2 - M1)] + (D2 - D1)}{360}$$

where:

“**Y1**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y2**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M1**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M2**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“D1” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D1 will be 30; and

“D2” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D1 is greater than 29, in which case D2 will be 30

- (vi) if “30E/360” or “Eurobond Basis” is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y2 - Y1)] + [30 \times (M2 - M1)] + (D2 - D1)}{360}$$

where:

“Y1” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y2” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M1” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M2” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“D1” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D1 will be 30; and

“D2” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D2 will be 30

- (vii) if “30E/360 (ISDA)” is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y2 - Y1)] + [30 \times (M2 - M1)] + (D2 - D1)}{360}$$

where:

“Y1” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y2” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M1” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M2” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“D1” is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D1 will be 30; and

“D2” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D2 will be 30

- (viii) if “Actual/Actual-ICMA” is specified hereon,

- (a) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and
- (b) if the Calculation Period is longer than one Determination Period, the sum of:
  - (x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and
  - (y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year

where:

**“Determination Period”** means the period from and including a Determination Date in any year to but excluding the next Determination Date and

**“Determination Date”** means the date(s) specified as such hereon or, if none is so specified, the Interest Payment Date(s)

**“Euro-zone”** means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended

**“Interest Accrual Period”** means the period beginning on and including the Interest Commencement Date and ending on but excluding the first Interest Period Date and each successive period beginning on and including an Interest Period Date and ending on but excluding the next succeeding Interest Period Date

**“Interest Amount”** means:

- (i) in respect of an Interest Accrual Period, the amount of interest payable per Calculation Amount for that Interest Accrual Period and which, in the case of Fixed Rate Notes, and unless otherwise specified hereon, shall mean the Fixed Coupon Amount or Broken Amount specified hereon as being payable on the Interest Payment Date ending the Interest Period of which such Interest Accrual Period forms part; and
- (ii) in respect of any other period, the amount of interest payable per Calculation Amount for that period

**“Interest Commencement Date”** means the Issue Date or such other date as may be specified hereon

**“Interest Determination Date”** means, with respect to a Rate of Interest and Interest Accrual Period, the date specified as such hereon or, if none is so specified, (i) the first day of such Interest Accrual Period if the Specified Currency is Sterling or (ii) the day falling two Business Days in London for the Specified Currency prior to the first day of such Interest Accrual Period if the Specified Currency is neither Sterling nor euro or (iii) the day falling two T2 Business Days prior to the first day of such Interest Accrual Period if the Specified Currency is euro or (iv) the day falling two Business Days in Hong Kong prior to the first day of such Interest Accrual Period if the Specified Currency is Renminbi or (v) the fifth U.S. Government Securities Business Day prior to the last day of each Interest Accrual Period if SOFR Reference Rate is specified in the relevant Pricing Supplement as the Reference Rate and where Simple SOFR Average is applicable in the relevant Pricing Supplement or where SOFR Observation Lag, SOFR Observation Shift or SOFR Lockout is specified as applicable in the relevant Pricing Supplement to determine Compounded Daily SOFR or where Compounded SOFR Index is specified as applicable in the relevant Pricing Supplement or (vi) the Interest Period Date at the end of each Interest Accrual Period, provided that the Interest Determination Date with respect to the final Interest Accrual Period will be the

U.S. Government Securities Business Day immediately following the relevant SOFR Rate Cut-Off Date (as defined below) if SOFR Reference Rate is specified in the relevant Pricing Supplement as the Reference Rate and where SOFR Payment Delay is specified as applicable in the relevant Pricing Supplement to determine Compounded Daily SOFR or (vii) the date specified in the relevant Pricing Supplement or, if none is so specified, the fifth U.S. Government Securities Business Day prior to the last day of each Interest Accrual Period, if Term SOFR is specified in the relevant Pricing Supplement as the Reference Rate

**“Interest Period”** means the period beginning on and including the Interest Commencement Date and ending on but excluding the first Interest Payment Date and each successive period beginning on and including an Interest Payment Date and ending on but excluding the next succeeding Interest Payment Date

**“Interest Period Date”** means each Interest Payment Date unless otherwise specified hereon

**“ISDA Definitions”** means (1) if “2006 ISDA Definitions” is specified in the applicable Pricing Supplement, the 2006 ISDA Definitions as supplemented, amended and updated as at the Issue Date of the first Tranche of the Notes, as published by the International Swaps and Derivatives Association, Inc. (“ISDA”) (copies of which may be obtained from ISDA at [www.isda.org](http://www.isda.org)); or (2) if “2021 ISDA Definitions” is specified in the relevant Pricing Supplement, the latest version of the 2021 ISDA Interest Rate Derivatives Definitions (including each Matrix (and any successor Matrix thereto), as defined in such 2021 ISDA Interest Rate Derivatives Definitions) as at the Issue Date of the first Tranche of the Notes, as published by ISDA on its website ([www.isda.org](http://www.isda.org))

**“Rate Cut-Off Date”** means the date that is “q” U.S. Government Securities Business Days prior to the Maturity Date or any earlier redemption date, as applicable (where “q” is the number of U.S. Government Securities Business Days in the Rate Cut-Off Period specified in the relevant Pricing Supplement)

**“Rate of Interest”** means the rate of interest payable from time to time in respect of this Note and that is either specified or calculated in accordance with the provisions hereon

**“Reference Banks”** means four major banks selected by the Issuer in the inter-bank market that is most closely connected with the Reference Rate

**“Reference Rate”** means the rate specified as such in the applicable Pricing Supplement. If more than one Reference Rate is specified, ‘Reference Rate’ shall refer to each rate defined or specified as such, or determined, in respect of the relevant period or day as specified in the applicable Pricing Supplement

**“Relevant Financial Center”** means the financial center specified as such in the applicable Pricing Supplement

**“Relevant Governmental Body”** means the Federal Reserve and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve and/or the Federal Reserve Bank of New York or any successor thereto

**“Relevant Nominating Body”** means, in respect of a reference rate or screen rate (as applicable):

- (i) the central bank for the currency to which the reference rate or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the reference rate or screen rate (as applicable); or
- (ii) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (a) the central bank for the currency to which the reference rate or screen rate (as applicable) relates, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of the reference rate or screen rate (as applicable), (c) a group of the aforementioned central banks or other supervisory authorities or (d) the Financial Stability Board or any part thereof

**“Relevant Screen Page”** means such page, section, caption, column or other part of a particular information service as may be specified hereon



“**Relevant Time**” means, with respect to any Interest Determination Date, the local time in the relevant Financial Center specified in the applicable Pricing Supplement or, if none is specified, the local time in the relevant Financial Center at which it is customary to determine bid and offered rates in respect of deposits in the Relevant Currency in the interbank market in the relevant Financial Center or, if no such customary local time exists, 11:00 a.m. in the relevant Financial Center and, for the purpose of this definition “local time” means, with respect to the Eurozone as a relevant Financial Center, Central European Time. With respect to any determination of Term SOFR, Relevant Time means (i) if the reference rate is Term SOFR, 11:00 a.m. New York time unless otherwise specified in the applicable Pricing Supplement, and (ii) if the Issuer determines, in accordance with Condition 5(b)(iii)(E), that a SOFR Reference Rate Event or SOFR Reference Rate Transition Event (as applicable) and the related SOFR Reference Rate Replacement Date have occurred, the time as agreed between the Issuer and the Calculation Agent after giving effect to the SOFR Reference Rate Replacement Conforming Changes in accordance with Condition 5(b)(iii)(E).

“**Reuters Page USDSOFR=**” means the Reuters page designated “USDSOFR=” or any successor page or service.

“**SOFR**” means, in respect of any U.S. Government Securities Business Day, the reference rate determined by the Calculation Agent in accordance with the following provision:

- (i) the Secured Overnight Financing Rate published at the SOFR Determination Time as such reference rate is reported on the Bloomberg Screen SOFRRATE Page; the Secured Overnight Financing Rate published at the SOFR Determination Time as such reference rate is reported on the Reuters Page USDSOFR=; or the Secured Overnight Financing Rate published at the SOFR Determination Time on the SOFR Administrator’s Website;
- (ii) if the reference rate specified in (i) above does not appear and a SOFR Reference Rate Transition Event and the related SOFR Reference Rate Replacement Date have not occurred, the SOFR Reference Rate shall be the reference rate published on the SOFR Administrator’s Website for the first preceding U.S. Government Securities Business Day for which SOFR was published on the SOFR Administrator’s Website; or
- (iii) if the reference rate specified in (i) above does not appear and a SOFR Reference Rate Transition Event and the related SOFR Reference Rate Replacement Date have occurred, the provisions set forth in Condition 5(b)(iii)(D) or Condition 5(b)(iii)(E) shall apply as specified in the applicable Pricing Supplement.

“**SOFR Administrator**” means the Federal Reserve Bank of New York (or a successor administrator of the Secured Overnight Financing Rate).

“**SOFR Administrator’s Website**” means the website of the SOFR Administrator (currently at [https:// www.newyorkfed.org/](https://www.newyorkfed.org/)) or any successor source.

“**SOFR Reference Rate Transition Event**” means the occurrence of a SOFR Reference Rate Event with respect to the then-current SOFR Reference Rate.

“**SOFR Determination Time**” means approximately 3:00 p.m. (New York time) on the immediately following U.S. Government Securities Business Day.

“**SOFR Rate Cut-Off Date**” means the date that is five U.S. Government Securities Business Days (or such other number of U.S. Government Securities Business Days as specified in the relevant Pricing Supplement) prior to the end of each Interest Accrual Period, the Maturity Date or the relevant Optional Redemption Date, as applicable, as specified in the relevant Pricing Supplement.

“**Specified Currency**” means the currency specified as such in the applicable Pricing Supplement or, if none is specified, the currency in which the Notes are denominated.

“**Successor Rate**” means a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body.

“**TARGET System**” means the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET2) System which was launched on 19 November 2007, or any successor thereto.

“**Term SOFR**” means the forward-looking term rate for the applicable period based on SOFR that has been selected or recommended by the Relevant Governmental Body and published by the Term SOFR Administrator.

“**Term SOFR Administrator**” means the CME Group or any other entity designated by the Relevant Governmental Body as the administrator of Term SOFR (or any successor administrator).

“**Term SOFR Conventions**” means any determination, decision, or election with respect to any technical, administrative, or operational matter (including with respect to the manner and timing of the publication of Term SOFR Rate, or changes to the definition of “Interest Accrual Period”, timing and frequency of determining the Term SOFR Rate with respect to each Interest Accrual Period and making payments of interest, rounding of amounts or tenors, and other administrative matters) as set out in the relevant Pricing Supplement which reflect the use of the Term SOFR Rate as the SOFR Reference Rate in a manner substantially consistent with market practice.

“**Term SOFR Rate**” means, in respect of an Interest Accrual Period, the Term SOFR Rate as published on the Term SOFR Administrator’s website at the Reference Time on the relevant Interest Determination Date, provided that:

- (a) if the value specified above does not appear and a SOFR Reference Rate Transition Event or SOFR Reference Rate Event (as applicable) and the related SOFR Reference Rate Replacement Date have not occurred, the “Term SOFR Rate” shall be calculated on any Interest Determination Date with respect to an Interest Accrual Period, in accordance with the SOFR Index formula described above in Condition 5(b)(iii)(C)(3); or
- (b) if as of 5:00 p.m. (Central time) on the relevant Interest Determination Date, the Term SOFR Rate has not been published by the Term SOFR Administrator or its data distributor or redistributor partners ((such as Bloomberg and Refinitiv) or on the relevant administrator (or its data distributor or redistributor partners)’s website) and a SOFR Reference Rate Transition Event or SOFR Reference Rate Event (as applicable) and the related SOFR Reference Rate Replacement Date have not occurred, then the “Term SOFR Rate” will be the Term SOFR Rate as published by the relevant administrator (or its data distributor or redistributor partners) or on the relevant administrator (or its data distributor or redistributor partners)’s website for the first preceding U.S. Government Securities Business Day for which such rate was published on such administrator (or its data distributor or redistributor partners)’s website so long as such first preceding US Government Securities Business Day is not more than three US Government Securities Business Days prior to such Interest Determination Date.
- (c) if the value specified above does not appear and a SOFR Reference Rate Transition Event or SOFR Reference Rate Event (as applicable) and the related SOFR Reference Rate Replacement Date have occurred, the provisions set forth in Condition 5(b)(iii)(D) or 5(b)(iii)(E) shall apply as specified in the applicable Pricing Supplement.

For the avoidance of doubt, if any of the foregoing provisions concerning the calculation of the Term SOFR Rate and interest payments during the Interest Accrual Period are inconsistent with any of the Term SOFR Conventions (as set out in the applicable Pricing Supplement), then the relevant Term SOFR Conventions (as set out in the applicable Pricing Supplement) will apply.

“**U.S. Government Securities Business Day**” means any day except for a Saturday, a Sunday or a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities

- (l) **Calculation Agent:** The Issuer shall procure that there shall at all times be one or more Calculation Agents if provision is made for them hereon and for so long as any Note is outstanding (as defined in the Agency Agreement). Where more than one Calculation Agent is appointed in respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions. If the Calculation Agent

is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for an Interest Accrual Period or to calculate any Interest Amount, Instalment Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, or to comply with any other requirement, such requirement to have been duly communicated to the Calculation Agent pursuant to the provisions of the Agency Agreement, the Issuer shall appoint a leading bank or financial institution engaged in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal London office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

## **6 Redemption, Purchase and Options**

### **(a) Redemption by Instalments and Final Redemption:**

- (i) Unless previously redeemed, purchased and cancelled as provided in this Condition 6, each Note that provides for Instalment Dates and Instalment Amounts shall be partially redeemed on each Instalment Date at the related Instalment Amount specified hereon. The outstanding nominal amount of each such Note shall be reduced by the Instalment Amount (or, if such Instalment Amount is calculated by reference to a proportion of the nominal amount of such Note, such proportion) for all purposes with effect from the related Instalment Date, unless payment of the Instalment Amount is improperly withheld or refused, in which case, such amount shall remain outstanding until the Relevant Date relating to such Instalment Amount.
- (ii) Unless previously redeemed, purchased and cancelled as provided below, each Note shall be finally redeemed on the Maturity Date specified hereon at its Final Redemption Amount (which, unless otherwise provided, is its nominal amount) or, in the case of a Note falling within paragraph (i) above, its final Instalment Amount.

### **(b) Early Redemption:**

#### **(i) *Zero Coupon Notes:***

- (A) The Early Redemption Amount payable in respect of any Zero Coupon Note, the Early Redemption Amount of which is not linked to an index and/or a formula, upon redemption of such Note pursuant to Condition 6(c) or upon it becoming due and payable as provided in Condition 10 shall be the Amortised Face Amount (calculated as provided below) of such Note unless otherwise specified hereon.
- (B) Subject to the provisions of sub-paragraph (C) below, the Amortised Face Amount of any such Note shall be the scheduled Final Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if none is shown hereon, shall be such rate as would produce an Amortised Face Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually.
- (C) If the Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 6(c) or upon it becoming due and payable as provided in Condition 10 is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Face Amount of such Note as defined in sub-paragraph (B) above, except that such sub-paragraph shall have effect as though the date on which the Note becomes due and payable were the Relevant Date. The calculation of the Amortised Face Amount in accordance with this sub-paragraph shall continue to be made (both before and after judgment) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Note on the Maturity Date together with any interest that may accrue in accordance with Condition 5(c).

Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction shown hereon.

- (ii) *Other Notes*: The Early Redemption Amount payable in respect of any Note (other than Notes described in (i) above), upon redemption of such Note pursuant to Condition 6(c) or upon it becoming due and payable as provided in Condition 10, shall be the Final Redemption Amount unless otherwise specified hereon.
- (c) **Redemption for Taxation Reasons**: The Notes may be redeemed at the option of the Issuer in whole, but not in part, (but subject to consent thereto having been obtained from the Bank of Thailand in the case of Tier 2 Subordinated Notes) on any Interest Payment Date (if this Note is either a Floating Rate Note or an Index Linked Note) or, at any time, (if this Note is neither a Floating Rate Note nor an Index Linked Note), on giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable), at their Early Redemption Amount (as described in Condition 6(b) above) (together with interest accrued to the date fixed for redemption), if (i) the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 8 as a result of any change in, or amendment to, the laws or regulations of Thailand or Hong Kong or, in each case, any political subdivision or any authority thereof or therein having power to tax (or any taxing authority of any taxing jurisdiction to which the Issuer is or has become subject), or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Notes, and (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Notes then due. Prior to the publication of any notice of redemption pursuant to this Condition 6(c), the Issuer shall deliver to the Fiscal Agent a certificate signed by two Directors of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment.
- (d) **Redemption at the Option of the Issuer**:
  - (i) *Senior Notes*: If Call Option is specified hereon, the Issuer may, on giving not less than 15 nor more than 30 days' irrevocable notice to the Senior Noteholders (or such other notice period as may be specified hereon) redeem, all or, if so provided, some, of the Senior Notes on any Optional Redemption Date. Any such redemption of Senior Notes shall be at their Optional Redemption Amount together with interest accrued to the date fixed for redemption. Any such redemption or exercise must relate to Senior Notes of a nominal amount at least equal to the Minimum Redemption Amount to be redeemed specified hereon and no greater than the Maximum Redemption Amount to be redeemed specified hereon.

All Senior Notes in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition.

In the case of a partial redemption the notice to Senior Noteholders shall also contain the certificate numbers of the Bearer Notes, or in the case of Registered Notes shall specify the nominal amount of Registered Notes drawn and the holder(s) of such Registered Notes, to be redeemed, which shall have been drawn in such place and in such manner as may be fair and reasonable in the circumstances, taking account of prevailing market practices, subject to compliance with any applicable laws and stock exchange or other relevant authority requirements.
  - (ii) *Tier 2 Subordinated Notes*: Subject to Condition 6(j), and unless otherwise specified in herein, if Call Option is specified hereon, the Issuer may, on giving not less than 15 nor more than 30 days' irrevocable notice to the Tier 2 Subordinated Noteholders (or such other notice period as may be specified hereon) redeem all, but not some only, of the Tier 2 Subordinated Notes on any Optional Redemption Date (which shall not be less than five years from the Issue Date). Any such redemption of Tier 2 Subordinated Notes shall be at

their Optional Redemption Amount together with interest accrued to the date fixed for redemption.

All Tier 2 Subordinated Notes in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition.

- (e) **Redemption at the Option of Noteholders:** If Put Option is specified hereon, the Issuer shall, at the option of the holder of any such Note, upon the holder of such Note giving not less than 15 nor more than 30 days' notice to the Issuer (or such other notice period as may be specified hereon) redeem such Note on the Optional Redemption Date(s) at its Optional Redemption Amount together with interest accrued to the date fixed for redemption.

To exercise such option the holder must deposit (in the case of Bearer Notes) such Note (together with all unmatured Receipts and Coupons and unexchanged Talons) with any Paying Agent or (in the case of Registered Notes) the Certificate representing such Note(s) with the Registrar or any Transfer Agent at its specified office, together with a duly completed option exercise notice ("**Exercise Notice**") in the form obtainable from any Paying Agent, the Registrar or any Transfer Agent (as applicable) within the notice period. No Note or Certificate so deposited and option exercised may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

- (f) **Partly Paid Notes:** Partly Paid Notes will be redeemed, whether at maturity, early redemption or otherwise, in accordance with the provisions of this Condition and the provisions specified hereon.
- (g) **Purchases:** The Issuer and its Subsidiaries (with the consent of the Bank of Thailand in the case of Tier 2 Subordinated Notes) may at any time purchase Notes (provided that all unmatured Receipts and Coupons and unexchanged Talons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise at any price. If a purchase is made by tender, such tender must be available to all holders of the relevant issuance equally, subject to applicable law. Prior to a tender, the issuer shall submit a repurchase and substitution plan to the Bank of Thailand and shall have obtained the Bank of Thailand's prior written approval in respect of the tender.
- (h) **Cancellation:** All Notes purchased by or on behalf of the Issuer or any of its Subsidiaries may be surrendered for cancellation, in the case of Bearer Notes, by surrendering each such Note together with all unmatured Receipts and Coupons and all unexchanged Talons to the Fiscal Agent and, in the case of Registered Notes, by surrendering the Certificate representing such Notes to the Registrar and, in each case, if so surrendered, shall, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with all unmatured Receipts and Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes so surrendered for cancellation may not be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged.
- (i) **Redemption for Regulatory Reasons:** Subject to Condition 6(j), the Tier 2 Subordinated Notes may be redeemed at the option of the Issuer in whole, but not in part, on any Interest Payment Date at any time on giving not less than 30 nor more than 60 days' notice to Noteholders (which notice shall be irrevocable) following the occurrence of a Regulatory Redemption Event.

For the purposes of this Condition 6(i), a "Regulatory Redemption Event" occurs if immediately before the giving of the notice of redemption referred in this Condition 6(i) that the Tier 2 Subordinated Notes, after having qualified as such, will no longer qualify (fully or partially) as Tier 2 capital (or equivalent) of the Issuer as a result of amendments to the relevant provisions of the notification of the Bank of Thailand regarding capital funds of commercial banks incorporated in Thailand or any successor legislation, or any statutory guidelines issued by the Bank of Thailand or any successor thereto in relation thereto, after the Issue Date (excluding for the avoidance of doubt, non-qualification (a) solely by virtue of the Issuer already having on issue securities with an aggregate nominal amount up to or in excess of the limit of Tier 2 capital (or equivalent) as permitted from time to time by the Bank of Thailand or (b) solely as a result of any discounting requirements as to the eligibility of the Tier 2 Subordinated Notes for such inclusion pursuant to the relevant legislation and statutory guidelines in force from time to time) provided, however, that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which it is determined that a Regulatory Redemption Event will occur or crystallise.

Prior to giving any notice of redemption pursuant to this Condition 6(i), the Issuer shall deliver to the Fiscal Agent (i) a certificate signed by the authorised director(s) whose name appears on the certification document (affidavit) of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer to redeem have occurred and (ii) a copy of the written consent of the Bank of Thailand; and the Fiscal Agent shall be entitled without further enquiry and without liability to any Noteholder or any other person to rely on the certificate and, if it does so, such certificate shall be conclusive evidence of the satisfaction of the condition precedents set out above, in which event it shall be conclusive and binding on the Noteholders, Receiptholders and the Couponholders. Notes redeemed pursuant to this Condition 6(i) will be redeemed at the Early Redemption Amount specified in, or determined in the manner specified in herein together, if appropriate, with interest accrued to (but excluding) the relevant date fixed for redemption.

- (j) **Conditions for Redemption and Purchase in respect of Tier 2 Subordinated Notes:** Notwithstanding any other provision in these Conditions, the Issuer shall not redeem any of the Tier 2 Subordinated Notes (other than pursuant to Condition 6(a) and 10(a)) and the Issuer or any of its Subsidiaries shall not purchase any of the Tier 2 Subordinated Notes unless the prior written consent of the Bank of Thailand thereto shall have been obtained, provided however, that if from time to time the consent of the Bank of Thailand is not a requirement of any such Tier 2 Subordinated Notes to constitute Tier 2 capital (or equivalent) of the Issuer for the purposes of, and as defined in, the notification of the Bank of Thailand regarding capital funds of commercial banks incorporated in Thailand or any successor legislation, then the condition to the redemption or purchase and cancellation of the relevant Notes set out in this Condition 6(j) shall not apply for so long as such consent is not required.

Prior to any redemption pursuant to Condition 6(d), the Issuer shall submit a redemption and substitution plan to the Bank of Thailand at least 30 days prior to the date of fixed for redemption. If required by the Bank of Thailand (a) the redemption and substitution plan submitted by the Issuer must include the issuance, either immediately or before the redemption, of financial instruments of equivalent or superior quality in substitution for the Tier 2 Subordinated Notes to be redeemed under Condition 6(d), and (b) the issuance of such substitute instruments shall be subject to the Issuer's ability to perform its business operations.

Any redemption under Condition 6(d) shall be subject to the Issuer's ability to demonstrate that it will not be in breach of any minimum capital adequacy requirements (including buffers (BIS ratio)) of the Bank of Thailand and to satisfy any other conditions as required by the Bank of Thailand in respect of such redemption.

Prior to any purchase pursuant to Condition 6(g), the Issuer shall submit a repurchase and substitution plan to the Bank of Thailand and satisfy any other conditions as required by the Bank of Thailand in respect of such purchase.

- (k) **Non-Viability Event in respect of Tier 2 Subordinated Notes:** Upon the occurrence of a Non-Viability Event (as defined below), the Issuer shall:
- (i) deliver a Loss Absorption Event Notice (as defined above) to the holders of the Tier 2 Subordinated Notes, the Fiscal Agent and the Paying Agents within two business days of the Non-Viability Event;
  - (ii) irrevocably (without the need for consent of the Tier 2 Subordinated Noteholders) cancel any interest which is accrued and unpaid to the relevant Loss Absorption Effective Date; and
  - (iii) pari passu with any other Tier 2 Loss Absorbing Instruments (where possible), irrevocably (without the need for the consent of the Tier 2 Subordinated Noteholders) reduce the Prevailing Principal Amount of each Tier 2 Subordinated Note by the relevant Write-Down Amount (such reduction being referred to as a "write-down" and "written down" being construed accordingly).

Any write-down pursuant to this Condition 6(k) will not constitute an Event of Default under the Tier 2 Subordinated Notes.

Upon the occurrence of a Non-Viability Event where the Issuer is to write-down the Tier 2 Subordinated Notes, the Issuer shall undertake the following actions, before the write-down or conversion of the Tier 2 Subordinated Notes and any Tier 2 Loss Absorbing Instruments into ordinary shares:

- (i) to the extent permissible by applicable law, conduct a capital decrease to eliminate the Issuer's total retained losses; and
- (ii) where possible, convert into ordinary shares or write-down (a) all Tier 1 Loss Absorbing Instruments issued by the Issuer and (b) instruments ranked junior to the Tier 2 Subordinated Notes which, pursuant to their terms or by operation of law are capable of being converted into ordinary shares or written down at that time.

Notwithstanding any provision specified to the contrary, at the time of a write-down, the Issuer is not required to (nor is the Relevant Authority required to instruct the Issuer to) perform a reduction of the Issuer's registered capital to any degree or a conversion of any debt into equity or a conversion of preferred shares into ordinary shares (to the extent permitted by applicable laws) prior to, or after, such write-down unless the Issuer has obtained relevant approvals from its shareholders (at their sole and absolute discretion). Reduction of the Issuer's registered capital is at the sole and absolute discretion of the Issuer's shareholders or the Issuer's receipt of official order or instruction from the Relevant Authority.

Notwithstanding anything to the contrary that may be set out in these Conditions, the Agency Agreement, the applicable Pricing Supplement or any other document relating to the Tier 2 Subordinated Notes, Receipts, Coupons or Talons:

- (i) each of the Fiscal Agent and the Paying Agent shall be entitled without further enquiry and without liability to any Tier 2 Subordinated Noteholder, Receiptholder, Couponholder or any other person to conclusively rely on such Loss Absorption Event Notice and such Loss Absorption Event Notice shall be conclusive evidence of the occurrence of the Non-Viability Event, in which event it shall be conclusive and binding on Tier 2 Subordinated Noteholders, Receiptholders and Couponholders;
- (ii) as long as such Tier 2 Subordinated Notes are held in global form, neither the Fiscal Agent, any Agent, the registered holder of the Tier 2 Subordinated Notes nor the Common Depository shall, in any circumstances, be responsible or liable to the Issuer, the Noteholders, Receiptholders, Couponholders or any other person for any act, omission or default by Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking S.A. ("**Clearstream**"), any other clearing system, or its respective participants, members, any broker-dealer or any other relevant third party with respect to the notification and/or implementation of any write-down or write-off by any of them in respect of such Tier 2 Subordinated Notes;
- (iii) neither the Fiscal Agent nor any Agent shall be under any duty to determine, monitor or report whether a Non-Viability Event has occurred or circumstances exist which may lead to the occurrence of a Non-Viability Event and will not be responsible or liable to the Tier 2 Subordinated Noteholders, Receiptholders, Couponholders or any other person for any loss arising from any failure by it to do so. Unless and until the Fiscal Agent and the Paying Agent receive the Loss Absorption Event Notice in accordance with this Condition 3(d) and the other Agents are expressly notified in writing, each of them shall be entitled to assume that no such event or circumstance has occurred or exists;
- (iv) each Tier 2 Subordinated Noteholder, Receiptholder and Couponholder shall be deemed to have authorised, directed and requested the Fiscal Agent and the Agents, as the case maybe, to take any and all necessary action to give effect to any write-down or write-off following the occurrence of any Non- Viability Event without any further action or direction on the part of the Tier 2 Subordinated Noteholders, Receiptholders and Couponholders;
- (v) neither the Fiscal Agent nor any Agent shall be under any duty to determine or calculate, or verify any determination or calculation of or relating to, any Write-Down Amount or

Prevailing Principal Amount and will not be responsible or liable to the Tier 2 Subordinated Noteholders, Receiptholders, Couponholders or any other person for any loss or liability arising from any failure by it to do so;

- (vi) each of the Fiscal Agent, the Agents, Euroclear, Clearstream and any other relevant clearing system shall be entitled without further enquiry and without liability to the Tier 2 Subordinated Noteholders, Receiptholders, Couponholders or any other person to rely conclusively on any Loss Absorption Event Notice and the Write Down Amount specified therein, and the same shall, as to the amount of interest, premium and/or principal to be written down, be conclusive and binding on the Tier 2 Subordinated Noteholders, Receiptholders and Couponholders; and
- (vii) each of the Fiscal Agent, the Agents, Euroclear, Clearstream, and any other relevant clearing system shall be entitled without further enquiry and without liability to the Tier 2 Subordinated Noteholders, Receiptholders, Couponholders or any other person to rely conclusively on the Prevailing Principal Amount, and the same shall be conclusive and binding on the Tier 2 Subordinated Noteholders, Receiptholders and Couponholders.

Subject to the sole and absolute discretion of the Issuer's shareholders and the Relevant Authority, the write-down of the Tier 2 Subordinated Notes will be done, to the extent permissible by law:

- (i) on the basis that such write-down will not, on a proportionate basis, be greater than (a) the capital decrease conducted to eliminate the Issuer's total retained losses in accordance with this Condition, or (b) the write-down or conversion into ordinary shares of any Tier 1 Loss Absorbing Instruments; and
- (ii) on a pari passu basis among the Tier 2 Subordinated Noteholders and the holders of all other Tier 2 Loss Absorbing Instruments of the Issuer.

Each of the Tier 2 Subordinated Noteholders hereby irrevocably waives its right to receive payment of the principal amount written down under the Tier 2 Subordinated Notes and irrevocably waives its right to any interest, including interest accrued but unpaid up to the occurrence of the Non-Viability Event.

Once any principal under a Tier 2 Subordinated Note has been written down, it will be extinguished and will not be restored in any circumstances, including where the relevant Non-Viability Event ceases to continue.

The Tier 2 Subordinated Notes may be written down on more than one occasion, except where such Tier 2 Subordinated Notes have been written down in their entirety.

Following the giving of a Loss Absorption Event Notice which specifies a write-down of the Tier 2 Subordinated Notes, the Issuer shall procure that a similar notice is, or has been, given in respect of each Tier 2 Loss Absorbing Instrument (in accordance with its terms), and the Prevailing Principal Amount of each Tier 2 Loss Absorbing Instrument outstanding (if any) is (where possible) written down or converted into ordinary shares on a pro rata basis with the Prevailing Principal Amount of the Tier 2 Subordinated Notes, as soon as reasonably practicable following the giving of such Loss Absorption Event Notice.

Following a write-down which does not result in the Tier 2 Subordinated Notes being cancelled in full, interest will accrue on the Tier 2 Subordinated Notes on the basis of their Prevailing Principal Amount (and not, for the avoidance of doubt, their Initial Principal Amount).

Any reference in these Conditions to principal in respect of the Tier 2 Subordinated Notes shall thereafter refer to the revised principal amount of the Tier 2 Subordinated Notes as written-down pursuant to this Condition 6(k).

No holder of the Tier 2 Subordinated Notes may exercise, claim or plead any right to any Write-Down Amount, and each holder of the Tier 2 Subordinated Notes shall, by virtue of his holding of any Tier 2 Subordinated Notes, be deemed to have waived all such rights to such Write-Down Amount.



In this Condition 6(k):

**“Initial Principal Amount”**, in respect of a Tier 2 Subordinated Note, is equal to the amount of the denomination that the relevant Tier 2 Subordinated Note was issued in;

**“Loss Absorption Effective Date”** means the date on which the write-down will take effect that will be specified as such in the Loss Absorption Event Notice;

**“Non-Viability Event”** means, unless otherwise specified herein, the occurrence of the Bank of Thailand and/or any other empowered government agency (the **“Relevant Authority”**) deciding to grant financial assistance to the Issuer such as in the form of a capital injection, without which the Issuer would become unable to continue its business in any manner, including but not limited to situations as set out below (or any such similar events):

- (i) having insufficient resources to make repayments to its depositors and creditors; or
- (ii) its capital funds having depleted to the extent that its depositors and creditors will be adversely affected; or
- (iii) not being in a position to independently increase its capital base,

and such financial assistance shall be unconditional and irrevocable.

**“Prevailing Principal Amount”**, in respect of the Tier 2 Subordinated Notes, means the Initial Principal Amount of such Tier 2 Subordinated Notes as reduced (on one or more occasions) pursuant to a write-down;

**“Tier 1 Loss Absorbing Instrument”** means, at any time, any instrument issued directly or indirectly by the Issuer, other than the ordinary shares, which (a) is eligible to qualify as Tier 1 capital or Additional Tier 1 capital pursuant to the rules and regulations of the Bank of Thailand; and (b) contains provisions relating to a write-down or conversion into ordinary shares of the principal amount of such instrument on the occurrence, or as a result, of a Non-Viability Event and in respect of which the conditions (if any) to the operation of such provisions are (or with the giving of any certificate or notice which is capable of being given by the Issuer, would be) satisfied;

**“Tier 2 Loss Absorbing Instrument”** means, at any time, any instrument issued directly or indirectly by the Issuer, other than the Tier 2 Subordinated Notes, which (a) is eligible to qualify as Tier 2 capital pursuant to the rules and regulations of the Bank of Thailand; and (b) contains provisions relating to a write-down or conversion into ordinary shares of the principal amount of such instrument on the occurrence, or as a result, of a Non-Viability Event and in respect of which the conditions (if any) to the operation of such provisions are (or with the giving of any certificate or notice which is capable of being given by the Issuer, would be) satisfied;

**“Write-Down Amount”** means the amount as determined by the Issuer (as notified to and acknowledged by the Relevant Authority) by which the then Prevailing Principal Amount of each outstanding Tier 2 Subordinated Note is to be written down pursuant to a write-down, being the minimum of:

- (i) as of the date on which the Non-Viability Event occurs, the amount (together with the write-down of the other Tier 2 Subordinated Notes on a pro-rata basis and the write-down or conversion into ordinary shares of any Tier 1 Loss Absorbing Instruments and/or on a pro rata basis Tier 2 Loss Absorbing Instruments) as is required to render the Issuer solvent as a going concern as certified by a certificate signed by the authorised director(s) of the Issuer whose name appears on the certification document (affidavit) of the Issuer; and
- (ii) the amount necessary to reduce the Prevailing Principal Amount to zero.

For avoidance of doubt, any acknowledgement from the Relevant Authority shall be directed to the Issuer. The Issuer will, to the extent necessary, write down the Tier 2 Subordinated Notes in accordance with the provisions of the Thai regulations on “Loss Absorption due to Non-Viability,” including the sequence of loss absorption between Tier 1 Loss Absorbing Instruments and Tier 2

Loss Absorbing Instruments. Any such write down of the Tier 2 Subordinated Notes shall not constitute an event of default nor an effective resolution of the Issuer and Noteholders may take no further action in respect of recovery of any Write-Down Amount.

## 7 Payments and Talons

- (a) **Bearer Notes:** Payments of principal and interest in respect of Bearer Notes shall, subject as mentioned below, be made against presentation and surrender of the relevant Receipts (in the case of payments of Instalment Amounts other than on the due date for redemption and provided that the Receipt is presented for payment together with its relative Note), Notes (in the case of all other payments of principal and, in the case of interest, as specified in Condition 7(f)(vi)) or Coupons (in the case of interest, save as specified in Condition 7(f)(vi)), as the case may be, at the specified office of any Paying Agent outside the United States by transfer to an account denominated in such currency with, a Bank. “**Bank**” means a bank in the principal financial centre for such currency or, in the case of euro, in a city in which banks have access to the TARGET System.
- (b) **Registered Notes:**
- (i) Payments of principal (which for the purposes of this Condition 7(b) shall include final Instalment Amounts but not other Instalment Amounts) in respect of Registered Notes shall be made against presentation and surrender of the relevant Certificates at the specified office of any of the Transfer Agents or of the Registrar and in the manner provided in paragraph (ii) below.
- (ii) Interest (which for the purpose of this Condition 7(b) shall include all Instalment Amounts other than final Instalment Amounts) on Registered Notes shall be paid to the person shown on the Register at the close of business on the fifteenth day before the due date for payment thereof (the “**Record Date**”). Payments of interest on each Registered Note shall be made in the relevant currency by transfer to an account in the relevant currency maintained by the payee with a Bank.
- (c) **Payments in the United States:** Notwithstanding the foregoing, if any Bearer Notes are denominated in U.S. dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if (i) the Issuer shall have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Notes in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (iii) such payment is then permitted by United States law, without involving, in the opinion of the Issuer, any adverse tax consequence to the Issuer.
- (d) **Payments Subject to Laws:** All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives in the place of payment or other laws to which the Issuer agrees to be subject and the Issuer will not be liable for any taxes or duties of whatever nature imposed or levied by such laws, regulations, directives or agreements, but without prejudice to the provisions of Condition 8. No commission or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.
- (e) **Appointment of Agents:** The Fiscal Agent, the Paying Agents, the Registrar, the Transfer Agents and the Calculation Agent initially appointed by the Issuer and their respective specified offices are listed below. The Fiscal Agent, the Paying Agents, the Registrar, the Transfer Agents and the Calculation Agent(s) act solely as agents of the Issuer and do not assume any obligation or relationship of agency or trust for or with any Noteholder or Couponholder. The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent, any other Paying Agent, the Registrar, any Transfer Agent or the Calculation Agent(s) and to appoint additional or other Paying Agents or Transfer Agents, provided that the Issuer shall at all times maintain (i) a Fiscal Agent, (ii) a Registrar in relation to Registered Notes, (iii) a Transfer Agent in relation to Registered Notes, (iv) one or more Calculation Agent(s) where the Conditions so require and (v) such other agents as may be required by any other stock exchange on which the Notes may be listed.

In addition, the Issuer shall forthwith appoint a Paying Agent in New York City in respect of any Bearer Notes denominated in U.S. dollars in the circumstances described in paragraph (c) above.

Notice of any such change or any change of any specified office shall promptly be given to the Noteholders.

(f) **Unmatured Coupons and Receipts and unexchanged Talons:**

- (i) Upon the due date for redemption of Bearer Notes which comprise Fixed Rate Notes (other than Dual Currency Notes or Index linked Notes), those Notes should be surrendered for payment together with all unexpired Coupons (if any) relating thereto, failing which an amount equal to the face value of each missing unexpired Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unexpired Coupon that the sum of principal so paid bears to the total principal due) shall be deducted from the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, due for payment. Any amount so deducted shall be paid in the manner mentioned above against surrender of such missing Coupon within a period of 10 years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 9).
- (ii) Upon the due date for redemption of any Bearer Note comprising a Floating Rate Note, Dual Currency Note or Index Linked Note, unexpired Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.
- (iii) Upon the due date for redemption of any Bearer Note, any unexpired Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.
- (iv) Upon the due date for redemption of any Bearer Note that is redeemable in instalments, all Receipts relating to such Note having an Instalment Date falling on or after such due date (whether or not attached) shall become void and no payment shall be made in respect of them.
- (v) Where any Bearer Note that provides that the relative unexpired Coupons are to become void upon the due date for redemption of those Notes is presented for redemption without all unexpired Coupons, and where any Bearer Note is presented for redemption without any unexpired Talon relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.
- (vi) If the due date for redemption of any Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Bearer Note or Certificate representing it, as the case may be. Interest accrued on a Note that only bears interest after its Maturity Date shall be payable on redemption of such Note against presentation of the relevant Note or Certificate representing it, as the case may be.

(g) **Talons:** On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Bearer Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Fiscal Agent in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 9).

(h) **Non-Business Days:** If any date for payment in respect of any Note, Receipt or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day nor to any interest or other sum in respect of such postponed payment. In this paragraph, "business day" means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in the relevant place of presentation, in such jurisdictions as shall be specified as "**Financial Centres**" hereon and:

- (i) (in the case of a payment in a currency other than euro) where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency or
- (ii) (in the case of a payment in euro) which is a T2 Business Day.

## 8 Taxation

All payments of principal and interest by or on behalf of the Issuer in respect of the Notes, the Receipts and the Coupons shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by a Relevant Jurisdiction, unless such withholding or deduction is required by law. In that event, the Issuer shall pay such additional amounts as shall result in receipt by the Noteholders and the Couponholders of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable with respect to any Note, Receipt or Coupon:

- (a) **Other connection:** to, or to a third party on behalf of, a holder who is liable to such taxes, duties, assessments or governmental charges in respect of such Note, Receipt or Coupon by reason of his having some connection with Thailand other than the mere holding of the Note, Receipt or Coupon or
- (b) **Presentation more than 30 days after the Relevant Date:** presented (or in respect of which the Certificate representing it is presented) for payment more than 30 days after the Relevant Date except to the extent that the holder of it would have been entitled to such additional amounts on presenting it for payment on the thirtieth such day or
- (c) **Payment by another Paying Agent:** (except in the case of Registered Notes) presented for payment by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting the relevant Note, Receipt or Coupon to another Paying Agent in a Member State of the European Union.

As used in these Conditions, “**Relevant Date**” in respect of any Note, Receipt or Coupon means the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date seven days after that on which notice is duly given to the Noteholders that, upon further presentation of the Note (or relative Certificate), Receipt or Coupon being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such presentation. References in these Conditions to (i) “**principal**” shall be deemed to include any premium payable in respect of the Notes, all Instalment Amounts, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts, Amortised Face Amounts and all other amounts in the nature of principal payable pursuant to Condition 6 or any amendment or supplement to it, (ii) “**interest**” shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 5 or any amendment or supplement to it and (iii) “**principal**” and/or “**interest**” shall be deemed to include any additional amounts that may be payable under this Condition. References in these Conditions to “**Relevant Jurisdiction**” means (i) where the Issuer is not acting through any of its branches, Thailand or any political subdivision or any authority thereof or therein having power to tax or any other jurisdiction or any political subdivision or any authority thereof or therein having power to tax to which the Issuer becomes subject in respect of payments made by it of principal and interest on the Notes or (ii) where the Issuer is acting through its Hong Kong branch, Thailand or any political subdivision or any authority thereof or therein having power to tax, Hong Kong or any political subdivision or any authority thereof or therein having power to tax, or any other jurisdiction or any political subdivision or any authority thereof or therein having power to tax to which the Issuer becomes subject in respect of payments made by it of principal and interest on the Notes or (iii) where the Issuer is acting through any of its other branches as specified in the applicable Pricing Supplement, Thailand or any political subdivision or any authority thereof or therein having power to tax, the jurisdiction in which the relevant branch of the Issuer is situated or any political subdivision or any authority thereof or therein having power to tax, or any other jurisdiction or any political subdivision or any authority thereof or therein having power to tax to which the Issuer becomes subject in respect of payments made by it of principal and interest on the Notes.

## 9 Prescription

Claims against the Issuer for payment in respect of the Notes, Receipts and Coupons (which for this purpose shall not include Talons) shall be prescribed and become void unless made within 10 years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date in respect of them.

## 10 Events of Default

If any of the following events (“**Events of Default**”) occurs, the holder of any Note may give written notice to the Fiscal Agent at its specified office that such Note is immediately repayable, whereupon the Early Redemption Amount of such Note together (if applicable) with accrued interest to the date of payment shall become immediately due and payable:

- (a) **Tier 2 Subordinated Notes:** In the case of the Tier 2 Subordinated Notes:
- (i) **Non-payment:** if default is made in the payment of principal or interest due in respect of any of the Tier 2 Subordinated Notes and the default continues for a period of ten days (in the case of principal) or 15 days (in the case of interest), then in order to enforce the obligations of the Issuer, any holder of a Tier 2 Subordinated Note may institute Winding-Up Proceedings against the Issuer provided that such Noteholder shall have no right to accelerate payment under such Tier 2 Subordinated Note in the case of such default in the payment of interest on or other amounts owing under such Tier 2 Subordinated Note or a default in the performance of any other obligation of the Issuer in such Tier 2 Subordinated Note or under the Agency Agreement; or
  - (ii) **Winding-up:** an order is made or an effective resolution passed for the Winding-Up of the Issuer or any of its Principal Subsidiaries, or the Issuer or any of its Principal Subsidiaries shall apply or petition for a Winding-Up order in respect of itself or ceases or threaten to cease to carry on all or substantially all of its business or operations, in each case except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation (i) on terms approved by an Extraordinary Resolution (as defined in the Agency Agreement) of the Tier 2 Subordinated Noteholders or (ii) in the case of a Principal Subsidiary, whereby the undertaking and assets of the Principal Subsidiary are transferred to or otherwise vested in the Issuer or another of its Subsidiaries.
  - (iii) In these Conditions:
    - (A) “**Winding-Up**” shall mean, with respect to the Issuer or any of its Principal Subsidiaries, final and effective order or resolution for the bankruptcy, winding-up, liquidation, administrative receivership or similar proceeding in respect of the Issuer or such Principal Subsidiary; and
    - (B) “**Winding-Up Proceeding**” shall mean, with respect to the Issuer or any of its Principal Subsidiaries, proceedings in Thailand for the bankruptcy, liquidation, winding-up, administrative receivership, or other similar proceeding of the Issuer or such Principal Subsidiary.

*Note: The terms and conditions of the Tier 2 Subordinated Notes will be subject to applicable legal and regulatory provisions governing the status of capital adequacy and subordinated securities of Thai banks. Accordingly, further provisions relating to the terms of any Tier 2 Subordinated Notes issued under this Programme will, if applicable, be set out in the applicable Pricing Supplement.*

- (b) **Senior Notes:** In the case of Senior Notes:
- (i) **Non-Payment:** default is made for more than 15 days (in the case of interest) or ten days (in the case of principal) in the payment on the due date of interest or principal in respect of any of the Senior Notes; or
  - (ii) **Breach of Other Obligations:** the Issuer does not perform or comply with any one or more of its other obligations in the Senior Notes which default is incapable of remedy or

is not remedied within 30 days after notice of such default shall have been given to the Fiscal Agent at its specified office by any Senior Noteholder; or

- (iii) **Cross-Default:** (A) any other present or future indebtedness of the Issuer or any of its Principal Subsidiaries for or in respect of moneys borrowed or raised becomes (or becomes capable of being declared) due and payable prior to its stated maturity by reason of any actual or potential default, event of default or the like (howsoever described), or (B) any such indebtedness is not paid when due or, as the case may be, within any originally applicable grace period, or (C) the Issuer or any of its Principal Subsidiaries fails to pay when due any amount payable by it under any present or future guarantee for, or indemnity in respect of, any moneys borrowed or raised provided that the aggregate amount of the relevant indebtedness, guarantees and indemnities in respect of which one or more of the events mentioned above in this paragraph (iii) have occurred equals or exceeds U.S.\$30,000,000 or its equivalent (on the basis of the middle spot rate for the relevant currency against the U.S. dollar as quoted by any leading bank on the day on which this paragraph operates) in any other currency; or
- (iv) **Enforcement Proceedings:** a distress, attachment, execution or other legal process is levied, enforced or sued out on or against any part of the property, assets or revenues of the Issuer or any of its Principal Subsidiaries and is not discharged or stayed within 60 days or
- (v) **Security Enforced:** any mortgage, charge, pledge, lien or other encumbrance, present or future, created or assumed by the Issuer or any of its Principal Subsidiaries becomes enforceable and any step is taken to enforce it (including the taking of possession or the appointment of a receiver, administrative receiver, administrator manager or other similar person); or
- (vi) **Insolvency:** the Issuer or any of its Principal Subsidiaries is (or is, or could be, deemed by law or a court to be) insolvent or bankrupt or unable to pay its debts, stops, suspends or threatens to stop or suspend payment of all or a material part of (or of a particular type of) its debts, proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of any of such debts or a moratorium is agreed or declared or comes into effect in respect of or affecting all or any part of (or of a particular type of) the debts of the Issuer or any of its Principal Subsidiaries; or
- (vii) **Winding-up:** an administrator is appointed, an order is made or an effective resolution passed for the winding-up or dissolution or administration of the Issuer or any of its Principal Subsidiaries, or the Issuer or any of its Principal Subsidiaries shall apply or petition for a winding-up or administration order in respect of itself or ceases or threaten to cease to carry on all or substantially all of its business or operations, in each case except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation (i) on terms approved by an Extraordinary Resolution (as defined in the Agency Agreement) of the Senior Noteholders or (ii) in the case of a Principal Subsidiary, whereby the undertaking and assets of the Principal Subsidiary are transferred to or otherwise vested in the Issuer or another of its Subsidiaries; or
- (viii) **Nationalisation:** any step is taken by any person with a view to the seizure, compulsory acquisition, expropriation or nationalisation of all or a material part of the assets of the Issuer or any of its Principal Subsidiaries; or
- (ix) **Authorisation and Consents:** any action, condition or thing (including the obtaining or effecting of any necessary consent, approval, authorisation, exemption, filing, licence, order, recording or registration) at any time required to be taken, fulfilled or done in order (i) to enable the Issuer lawfully to enter into, exercise its rights and perform and comply with its obligations under the Senior Notes, (ii) to ensure that those obligations are legally binding and enforceable and (iii) to make the Senior Notes admissible in evidence in the courts of England is not taken, fulfilled or done; or
- (x) **Illegality:** it is or will become unlawful for the Issuer to perform or comply with any one or more of its obligations under any of the Senior Notes; or

- (xi) **Analogous Events:** any event occurs that under the laws of any relevant jurisdiction has an analogous effect to any of the events referred to in any of the foregoing paragraphs.

## 11 Meeting of Noteholders and Modifications

- (a) **Meetings of Noteholders:** The Agency Agreement contains provisions for convening meetings of Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in the Agency Agreement) of a modification of any of these Conditions. Such a meeting may be convened by Noteholders holding not less than 10.0 per cent. in nominal amount of the Notes for the time being outstanding. The quorum for any meeting convened to consider an Extraordinary Resolution shall be two or more persons holding or representing a clear majority in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting two or more persons being or representing Noteholders whatever the nominal amount of the Notes held or represented, unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to amend the dates of maturity or redemption of the Notes, any Instalment Date or any date for payment of interest or Interest Amounts on the Notes, (ii) to reduce or cancel the nominal amount of, or any Instalment Amount of, or any premium payable on redemption of, the Notes, (iii) to reduce the rate or rates of interest in respect of the Notes or to vary the method or basis of calculating the rate or rates or amount of interest or the basis for calculating any Interest Amount in respect of the Notes, (iv) if a Minimum and/or a Maximum Rate of Interest, Instalment Amount or Redemption Amount is shown hereon, to reduce any such Minimum and/or Maximum, (v) to vary any method of, or basis for, calculating the Final Redemption Amount, the Early Redemption Amount or the Optional Redemption Amount, including the method of calculating the Amortised Face Amount, (vi) to vary the currency or currencies of payment or denomination of the Notes, or (vii) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass the Extraordinary Resolution, in which case the necessary quorum shall be two or more persons holding or representing not less than 75.0 per cent. in nominal amount of the Notes for the time being outstanding or at any adjourned meeting not less than 25.0 per cent. in nominal amount of the Notes for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on Noteholders (whether or not they were present at the meeting at which such resolution was passed) and on all Couponholders.

The Agency Agreement provides that a resolution in writing signed by or on behalf of the holders of not less than 90.0 per cent. in nominal amount of the Notes outstanding shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

*These Conditions may be amended, modified or varied in relation to any Series of Notes by the terms of the relevant Pricing Supplement in relation to such Series.*

- (b) **Modification of Agency Agreement:** The Issuer shall only permit any modification of, or any waiver or authorisation of any breach or proposed breach of or any failure to comply with, the Agency Agreement, if to do so could not reasonably be expected to be prejudicial to the interests of the Noteholders. For the avoidance of doubt, none of the Agents shall have any responsibility or liability whatsoever with respect to the determination as to prejudice to the interests of the Noteholders pursuant to this paragraph (b).

## 12 Replacement of Notes, Certificates, Receipts, Coupons and Talons

If a Note, Certificate, Receipt, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and stock exchange or other relevant authority regulations, at the specified office of the Fiscal Agent (in the case of Bearer Notes, Receipts, Coupons or Talons) and of the Registrar (in the case of Certificates) or such other Paying Agent or Transfer Agent, as the case may be, as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Noteholders, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Note, Certificate, Receipt, Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such Notes, Certificates, Receipts, Coupons or further

Coupons) and otherwise as the Issuer may require. Mutilated or defaced Notes, Certificates, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

### 13 Further Issues

The Issuer may from time to time without the consent of the Noteholders or Couponholders create and issue further notes having the same terms and conditions as the Notes (so that, for the avoidance of doubt, references in these Conditions to “**Issue Date**” shall be to the first issue date of the Notes) and so that the same shall be consolidated and form a single series with such Notes, and references in these Conditions to “Notes” shall be construed accordingly.

### 14 Notices

Notices to the holders of Registered Notes shall be mailed to them at their respective addresses in the Register and deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing. Notices to the holders of Bearer Notes shall be valid if published in a daily newspaper of general circulation in Singapore (which is expected to be the Wall Street Journal Asia). If any such publication is not practicable, notice shall be validly given if published in another leading daily English language newspaper with general circulation in Asia. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the date of the first publication as provided above.

Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the holders of Bearer Notes in accordance with this Condition.

### 15 Currency Indemnity

Any amount received or recovered in a currency other than the currency in which payment under the relevant Note, Coupon or Receipt is due (whether as a result of, or of the enforcement of, a judgment or order of a court of any jurisdiction, in the insolvency, winding-up or dissolution of the Issuer or otherwise) by any Noteholder or Couponholder in respect of any sum expressed to be due to it from the Issuer shall only constitute a discharge to the Issuer to the extent of the amount in the currency of payment under the relevant Note, Coupon or Receipt that the recipient is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so). If the amount received or recovered is less than the amount expressed to be due to the recipient under any Note, Coupon or Receipt, the Issuer, shall indemnify it against any loss sustained by it as a result. In any event, the Issuer, shall indemnify the recipient against the cost of making any such purchase. For the purposes of this Condition, it shall be sufficient for the Noteholder or Couponholder, as the case may be, to demonstrate that it would have suffered a loss had an actual purchase been made. These indemnities constitute a separate and independent obligation from the Issuer’s other obligations, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by any Noteholder or Couponholder and shall continue in full force and effect despite any other judgment, order, claim or proof for a liquidated amount in respect of any sum due under any Note, Coupon or Receipt or any other judgment or order.

### 16 Contracts (Rights of Third Parties) Act 1999

No person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act 1999 except and to the extent (if any) that the Notes expressly provide for such Act to apply to any of their terms.

### 17 Governing Law and Jurisdiction

- (a) **Governing Law:** The Notes, the Receipts, the Coupons and the Talons and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, English law save that the provisions of Condition 3 (and related provisions of the Agency Agreement) relating to the Tier 2 Subordinated Notes are governed by, and shall be construed in accordance with, Thai law.
- (b) **Arbitration:** the Issuer irrevocably agrees that any legal action or proceedings arising out of or in connection with any Notes, Receipts, Coupons or Talons (including any dispute relating to any non-contractual obligations arising out of or in connection with any Notes, Receipts, Coupons or



Talons) and accordingly any legal action or proceedings arising out of or in connection with any Notes, Receipts, Coupons or Talons (including any dispute relating to any non-contractual obligations arising out of or in connection with any Notes, Receipts, Coupons or Talons) (“**Proceedings**”) will, upon the written request of any Noteholder, be settled by arbitration in accordance with the Arbitration Rules of the Singapore International Arbitration Centre from time to time in force, which rules are deemed to be incorporated by reference into this Condition 17(b) (the “**Rules**”). The place of arbitration shall be Singapore at the facilities of the Singapore International Arbitration Centre and the language of the arbitration shall be English. The number of arbitrators shall be three, each of whom are appointed in accordance with the Rules, shall be disinterested in the claim, dispute or difference, shall have no connection with the Issuer or any Noteholder and shall be an attorney experienced in international finance transactions. The costs of the arbitration shall be determined and paid by the parties to the arbitration as provided in the Rules.

The Issuer agrees that, if any Noteholder has requested for a Proceeding to be settled by arbitration under the Rules pursuant to this Condition 17(b), save only to enforce in any court having jurisdiction any award rendered by the arbitrators, it shall not institute any Proceedings on the same facts in any other court and shall request for any Proceedings in any other court to be dismissed. In the event that any Proceedings are instituted in any court to enforce any arbitration award, the person or persons against whom enforcement of that arbitration award is sought shall pay all costs, including without limitation, the costs of legal counsel and translation fees, of the person or persons seeking the enforcement of that arbitration award. The arbitration shall be held within six months of the date of the appointment of the arbitrators and the arbitrators are authorised to assess costs against a party who has caused delay or who has failed to comply with any Rules. The decision of the arbitrators shall be final, binding and incontestable and may be used as a basis for judgment thereon in Thailand or elsewhere.

- (c) **Jurisdiction:** Without prejudice to the right of the Noteholders to revert to arbitration pursuant to Condition 17(b), at the courts of England are to have jurisdiction to settle any Proceedings and accordingly any Proceedings may be brought in such courts. The Issuer irrevocably submits to the jurisdiction of the courts of England and waives any objection to Proceedings in such courts on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. This submission is made for the benefit of each of the holders of the Notes, Receipts, Coupons and Talons and shall not affect the right of any of them to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not).
- (d) **Service of Process:** The Issuer irrevocably appoints Law Debenture Corporate Services Limited of 8th Floor, 100 Bishopsgate, London, EC2N 4AG, United Kingdom as its agent in England to receive, for it and on its behalf, service of process in any Proceedings in England. Such service shall be deemed completed on delivery to such process agent (whether or not, it is forwarded to and received by the Issuer). If for any reason such process agent ceases to be able to act as such or no longer has an address in London, the Issuer irrevocably agrees to appoint a substitute process agent and shall immediately notify Noteholders of such appointment in accordance with Condition 14. Nothing shall affect the right to serve process in any manner permitted by law.

## TERMS AND CONDITIONS OF THE ADDITIONAL TIER 1 SUBORDINATED NOTES

*The following is the text of the terms and conditions that, subject to completion and amendment and as supplemented or varied in accordance with the provisions of the relevant Pricing Supplement, shall be applicable to the Additional Tier 1 Subordinated Notes in definitive form (if any) issued in exchange for the Global Note(s) representing each Series. Either (i) the full text of these terms and conditions together with the relevant provisions of the Pricing Supplement or (ii) these terms and conditions as so completed, amended, supplemented or varied (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on such Bearer Notes or on the Certificates relating to such Registered Notes. All capitalised terms that are not defined in these Conditions will have the meanings given to them in the relevant Pricing Supplement. Those definitions will be endorsed on the definitive Notes or Certificates, as the case may be. References in the Conditions to “**Additional Tier 1 Subordinated Notes**” are to the Additional Tier 1 Subordinated Notes of one Series only, not to all Additional Tier 1 Subordinated Notes that may be issued under the Programme. All italicised wording in the Conditions does not form part of the terms and conditions and is solely for clarificatory purposes.*

The Additional Tier 1 Subordinated Notes are issued pursuant to a Third Amended and Restated Agency Agreement (as amended or supplemented as at the Issue Date, the “**Agency Agreement**”) dated 4 September 2023 between the Issuer (from time to time acting through its Hong Kong branch or any of its other branches as specified in the applicable pricing supplement), The Bank of New York Mellon, acting through its London branch as fiscal agent, paying agent, transfer agent and calculation agent, and The Bank of New York Mellon SA/NV, Luxembourg Branch as registrar and the other agents named in it and with the benefit of a Deed of Covenant (as amended or supplemented as at the Issue Date, the “**Deed of Covenant**”) dated 7 September 2012 executed by the Issuer in relation to the Additional Tier 1 Subordinated Notes. The fiscal agent, the paying agents, the registrar, the transfer agents and the calculation agent(s) for the time being (if any) are referred to below respectively as the “**Fiscal Agent**”, the “**Paying Agents**” (which expression shall include the Fiscal Agent), the “**Registrar**”, the “**Transfer Agents**” and the “**Calculation Agent(s)**”. The Noteholders (as defined below), the holders of the Distribution coupons (the “**Coupons**”) relating to Additional Tier 1 Subordinated Notes in bearer form and, where applicable in the case of such Additional Tier 1 Subordinated Notes, talons for further Coupons (the “**Talons**”) (the “**Couponholders**”) and the holders of the receipts for the payment of instalments of principal (the “**Receipts**”) relating to Additional Tier 1 Subordinated Notes in bearer form of which the principal is payable in instalments are deemed to have notice of all of the provisions of the Agency Agreement applicable to them.

As used in these terms and conditions (the “**Conditions**”), “**Tranche**” means Additional Tier 1 Subordinated Notes which are identical in all respects and “**Series**” means a series of Additional Tier 1 Subordinated Notes comprising one or more Tranches, whether or not issued on the same date, that (except in respect of the first payment of Distribution (if any) and their issue price) have identical terms on issue and are expressed to have the same Series Number specified in the applicable Pricing Supplement.

Copies of the Agency Agreement and the Deed of Covenant (i) are available for inspection at the specified offices of each of the Fiscal Agent and/or the Paying Agents, at all reasonable times during usual business hours (being between 9:00 a.m. and 3:00 p.m. (London time) Monday to Friday other than public holidays) or (ii) may be provided by email to any Noteholders, in both cases, following prior written request to, and proof of holding and identity to the satisfaction of the Fiscal Agent and/or the Paying Agents.

### **1 Form, Denomination and Title**

The Additional Tier 1 Subordinated Notes (as defined below) are issued in bearer form (“**Bearer Notes**”) or in registered form (“**Registered Notes**”) in each case in the Specified Denomination(s) shown hereon provided that in the case of any Additional Tier 1 Subordinated Notes which are to be admitted to trading on a regulated market within the European Economic Area or offered to the public in a Member State of the European Economic Area in circumstances which require the publication of a prospectus under Regulation (EU) 2017/1129, the minimum Specified Denomination shall be €100,000 (or its equivalent in any other currency as at the date of issue of the relevant Additional Tier 1 Subordinated Notes). Unless otherwise permitted by then current laws and regulations, Additional Tier 1 Subordinated Notes (including Additional Tier 1 Subordinated Notes denominated in Sterling) which have a maturity of less than one (1) year and in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the FSMA will have a minimum denomination of £100,000 (or its equivalent in other currencies).

*All Registered Notes shall have the same Specified Denomination. Additional Tier 1 Subordinated Notes which are listed on the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) will be traded on the*

*SGX-ST in a minimum board lot size of S\$200,000 (or its equivalent in other currencies) or such other amount as may be allowed or required from time to time.*

Bearer Notes are serially numbered and are issued with Coupons (and, where appropriate, a Talon) attached.

Registered Notes are represented by registered certificates (“**Certificates**”) and, save as provided in Condition 2(c), each Certificate shall represent the entire holding of Registered Notes by the same holder.

Title to the Bearer Notes and the Receipts, Coupons and Talons shall pass by delivery. Title to the Registered Notes shall pass by registration in the register that the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the “**Register**”). Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined below) of any Additional Tier 1 Subordinated Note, Receipt, Coupon or Talon shall be deemed to be and may be treated as its absolute owner for all purposes, whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it, any writing on it (or on the Certificate representing it) or its theft or loss (or that of the related Certificate) and no person shall be liable for so treating the holder.

In these Conditions, “**Noteholder**” means the bearer of any Bearer Note and the Receipts, Coupons or Talons relating to it or the person in whose name a Registered Note is registered (as the case may be), “**holder**” (in relation to a Note, Receipt, Coupon or Talon) means the bearer of any Bearer Note, Receipt, Coupon or Talon or the person in whose name a Registered Note is registered (as the case may be) and capitalised terms have the meanings given to them hereon, the absence of any such meaning indicating that such term is not applicable to the Additional Tier 1 Subordinated Notes.

## **2 No Exchange of Notes and Transfers of Registered Notes**

- (a) **No Exchange of Notes:** Registered Notes may not be exchanged for Bearer Notes. Bearer Notes of one Specified Denomination may not be exchanged for Bearer Notes of another Specified Denomination. Bearer Notes may not be exchanged for Registered Notes.
- (b) **Transfer of Registered Notes:** Subject to Condition 2(f), one or more Registered Notes may be transferred upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the Certificate representing such Registered Notes to be transferred, together with the form of transfer endorsed on such Certificate, (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer), duly completed and executed and any other evidence as the Registrar or Transfer Agent may reasonably require. In the case of a transfer of part only of a holding of Registered Notes represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor. All transfers of Additional Tier 1 Subordinated Notes and entries on the Register will be made subject to the detailed regulations concerning transfers of Additional Tier 1 Subordinated Notes scheduled to the Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Registrar and the Noteholders. A copy of the current regulations will be made available by the Registrar to any Noteholder upon written request and is available at the specified office of the Transfer Agent.
- (c) **Exercise of Options or Partial Redemption or Write-down in Respect of Registered Notes:** In the case of an exercise of an Issuer’s option in respect of, or a partial redemption of, or a partial write-down of (as the case may be), a holding of Registered Notes represented by a single Certificate, a new Certificate shall be issued to the holder to reflect the exercise of such option, or such partial write-down, or in respect of the balance of the holding not redeemed or (as the case may be) written down. In the case of a partial exercise of an option or a partial write-down resulting in Registered Notes of the same holding having different terms, separate Certificates shall be issued in respect of those Additional Tier 1 Subordinated Notes of that holding that have the same terms. New Certificates shall only be issued against surrender of the existing Certificates to the Registrar or any other Transfer Agent. In the case of a transfer of Registered Notes to a person who is already a holder of Registered Notes, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding.
- (d) **Delivery of New Certificates:** Each new Certificate to be issued pursuant to Conditions 2(b) or (c) shall be available for delivery within three business days of receipt of the form of transfer and surrender of the Certificate for transfer, exercise, redemption, partial write-down or exchange.

Delivery of the new Certificate(s) shall be made at the specified office of the Transfer Agent or of the Registrar (as the case may be) to whom delivery or surrender of such form of transfer or Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the form of transfer or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the relevant Agent (as defined in the Agency Agreement) the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 2(d), “**business day**” means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the relevant Transfer Agent or the Registrar (as the case may be).

- (e) **Transfer Free of Charge:** Transfers of Additional Tier 1 Subordinated Notes and Certificates on registration, transfer, partial redemption or exercise of an option shall be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agents, but upon payment by the relevant Noteholder of any tax or other governmental charges that may be imposed in relation to it.
- (f) **Closed Periods:** No Noteholder may require the transfer of a Registered Note to be registered (i) during the period of 15 days ending on the due date for redemption of that Additional Tier 1 Subordinated Note or any Distribution Payment Date (as specified in the applicable Pricing Supplement), as applicable, (ii) during the period of 15 days before any date on which Additional Tier 1 Subordinated Notes may be called for redemption by the Issuer at its option pursuant to Condition 5(c), (iii) after any such Additional Tier 1 Subordinated Note has been called for redemption, (iv) during the period of seven days ending on (and including) any Record Date (as defined in Condition 6(b)), or (v) during a Suspension Period.

For the purposes of these Conditions:

“**Suspension Period**” means the period commencing on the day the Loss Absorption Event Notice has been delivered in accordance with Condition 5(i) and ending on the close of business in Thailand on the Loss Absorption Effective Date.

### 3 Status

- (a) **Status:** The subordinated notes, which are intended to qualify as Additional Tier 1 capital of the Issuer in accordance with applicable law and regulations and under the relevant notification of the Bank of Thailand (the “**Additional Tier 1 Subordinated Notes**”), and the Receipts and Coupons relating to them constitute direct, unsecured and subordinated obligations of the Issuer (including liabilities of all offices and branches of the Issuer wherever located) and rank *pari passu* and without any preference among themselves. The claims of Noteholders will, in the event of the Winding-Up (as defined in Condition 9), be subordinated in right of payment in the manner provided in this Condition 3(a) to the claims of Senior Creditors and will rank, in the event of the Winding-Up, at least *pari passu* in right of payment with all other Subordinated Indebtedness (as defined below in this Condition 3(a)), present and future, of the Issuer that qualifies (or which, upon issue, qualified or were intended to qualify) as its Additional Tier 1 capital. Claims in respect of the Additional Tier 1 Subordinated Notes and the Distributions relating to them will rank in priority to the rights and claims of holders of (i) subordinated obligations which by their terms rank or are expressed to rank in right of payment junior to the Additional Tier 1 Subordinated Notes and (ii) all classes of equity securities of the Issuer, including without limitation, preference shares, if any.

In the event that (i) the Noteholders, Receiptholders or Couponholders do not receive payment in full of principal due and payable in respect of the Additional Tier 1 Subordinated Notes plus Distribution (if any) thereon accrued to the date of repayment in any Winding-Up and (ii) the Winding-Up order or resolution passed for the Winding-Up or the dissolution of the Issuer is subsequently stayed, discharged, rescinded, avoided, annulled or otherwise rendered inoperative, then to the extent that such Noteholders, Receiptholders or Couponholders did not receive payment in full of such principal of and Distribution on such Additional Tier 1 Subordinated Notes and the Receipts or Coupons relating to them, such unpaid amounts shall remain payable in full; provided that payment of such unpaid amounts shall be subject to the provisions under this Condition 3, Condition 5 and Condition 10(a).

For the purposes of these Conditions:

“**Senior Creditors**” means creditors of the Issuer (including the Issuer’s depositors) other than (i) those whose claims are expressed to rank *pari passu* or junior to the claims of the holders of the Additional Tier 1 Subordinated Notes and (ii) all classes of equity securities of the Issuer, including without limitation, preference shares, if any;

“**Subordinated Indebtedness**” means all indebtedness which is subordinated, in the event of the Winding-Up, in right of payment to the claims of depositors and other unsubordinated creditors of the Issuer, and for this purpose indebtedness shall include all liabilities, whether actual or contingent;

The provisions of this Condition 3(a) apply only to the principal and Distribution (if any) in respect of the Additional Tier 1 Subordinated Notes. Each Noteholder, Receiptholder and Couponholder irrevocably waives its rights as a creditor to the extent necessary to give effect to the subordination provisions of these Conditions in relation to the Additional Tier 1 Subordinated Notes.

- (b) **Set-off:** Subject to applicable law, no Noteholder, Receiptholder or Couponholder may exercise, claim or plead any right of set-off, counter-claim or retention in respect of any amount owed to it by the Issuer arising under or in connection with the Additional Tier 1 Subordinated Notes, the relative Receipts or the Coupons and each Noteholder, Receiptholder and Couponholder shall, by virtue of being the holder of any Subordinated Note, Receipt or Coupon, be deemed to have waived all such rights of set-off, counter-claim or retention.

In the event that any Noteholder, Receiptholder or Couponholder nevertheless receives (whether by set-off or otherwise) any payment by, or distribution of assets of, the Issuer of any kind or character, whether in cash, property or securities, in respect of any amount owing to it by the Issuer arising under or in connection with the Additional Tier 1 Subordinated Notes, other than in accordance with this Condition 3, such Noteholder, Receiptholder or Couponholder shall, subject to applicable law, immediately pay an amount equal to the amount of such payment or discharge to the liquidator for the time being in the Winding-Up for distribution and each Noteholder, Receiptholder or Couponholder, by virtue of becoming a holder of any Subordinated Note, Receipt or Coupon, shall be deemed to have so agreed and undertaken with and to the Issuer and all depositors and other unsubordinated creditors of the Issuer for good consideration.

*Note: The terms and conditions of the Additional Tier 1 Subordinated Notes will be subject to applicable legal and regulatory provisions governing the status of capital adequacy and subordinated securities of Thai banks. Accordingly, further provisions relating to the terms of any Additional Tier 1 Subordinated Notes issued under this Programme (which may include any further procedures required by the Agents, Euroclear and/or Clearstream) will, if applicable, be set out in the applicable Pricing Supplement.*

#### 4 **Distribution and other Calculations**

(a) **Distribution Payments:**

- (i) **Non-Cumulative Distribution:** Subject to Condition 4(b) below, the Additional Tier 1 Subordinated Notes confer a right to receive distributions (each a “**Distribution**”) on their principal amount (subject to adjustments following the occurrence of a Trigger Event or Non-Viability Event, as the case may be, in accordance with Condition 5(i)) from, and including, the Issue Date at the applicable Distribution Rate (as specified in the applicable Pricing Supplement), payable on a Distribution Payment Date.

- (A) Distributions will not be cumulative and Distributions which are not paid in accordance with these Conditions will not accumulate or compound and Noteholders will have no right to receive such Distributions at any time, even if subsequent Distributions are paid in the future, nor be entitled to any claim in respect thereof against the Issuer. Unless otherwise provided in these Conditions, each Additional Tier 1 Subordinated Note will cease to confer the right to receive any Distribution from the due date for redemption unless, upon surrender of the Global Note representing such Additional Tier 1 Subordinated Note, payment of principal is improperly withheld or refused. In such event, Distribution shall continue to accrue on the unpaid outstanding principal amount (subject to adjustments following the occurrence of a Trigger Event or Non-Viability Event, as the case may be, in accordance with Condition 5(i)) at the applicable

Distribution Rate (both before and after judgment) until the date which is the earlier of (i) the date on which all amounts due in respect of such Additional Tier 1 Subordinated Note have been paid; and (ii) the second day after notice is given to the relevant Noteholder(s) that the full amount of moneys payable (including Distribution as aforesaid) in respect of such Additional Tier 1 Subordinated Note (including Distribution) is available for payment to such Noteholder(s), provided that upon further presentation thereof being duly made, such payment is made.

(B) No Noteholder shall have any claim in respect of any Distribution or part thereof cancelled and/or not due or payable pursuant to Conditions 4(a) and 4(b). Accordingly, such Distribution shall not accumulate for the benefit of the Noteholders or entitle the Noteholders to any claim in respect thereof against the Issuer.

(ii) **Distribution Rate:** The Distribution Rate of the Additional Tier 1 Subordinated Notes shall be: (i) in respect of the period from, and including, the Issue Date to, but excluding, the First Call Date, the Initial Distribution Rate, at an annual percentage as presented in the Pricing Supplement; and (ii) in respect of a Reset Distribution Period, the relevant Reset Distribution Rate. The amount of Distribution payable shall be determined in accordance with this Condition 4(a)(ii).

For the purposes of these Conditions:

“**Distribution Reset Date**” means a date as specified in the applicable Pricing Supplement. “**First Call Date**” means a date as specified in the applicable Pricing Supplement.

“**Initial Spread**” means the annual percentage as specified in the applicable Pricing Supplement.

“**Relevant Rate**” means the rate as specified in the applicable Pricing Supplement.

“**Reset Distribution Period**” means the period from, and including, a Distribution Reset Date to, but excluding, the immediately following Distribution Reset Date.

“**Reset Distribution Rate**” means the Relevant Rate, as specified in the applicable Pricing Supplement, with respect to the relevant Distribution Reset Date plus the Initial Spread.

(iii) **Calculation of Distribution:** The amount of Distribution payable per calculation amount specified on the applicable Pricing Supplement (or, if no such amount is so specified, the Specified Denomination) (the “**Calculation Amount**”) in respect of any Additional Tier 1 Subordinated Note for any Distribution Accrual Period shall be equal to the product of the Distribution Rate, the Calculation Amount and the Day Count Fraction for such Distribution Accrual Period, unless a Distribution Amount (or a formula for its calculation) is applicable to such Distribution Accrual Period, in which case the amount of Distribution payable per Calculation Amount in respect of such Additional Tier 1 Subordinated Note for such Distribution Accrual Period shall equal such Distribution Amount (or be calculated in accordance with such formula). Where any Distribution Period comprises two or more Distribution Accrual Periods, the amount of Distribution payable per Calculation Amount in respect of such Distribution Period shall be the sum of the Distribution Amounts payable in respect of each of those Distribution Accrual Periods. In respect of any other period for which Distributions are required to be calculated, the provisions above shall apply save that the Day Count Fraction shall be for the period for which Distributions are required to be calculated.

For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), (y) all figures shall be rounded to seven significant figures (with halves being rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up). For these purposes,

“unit” means the lowest amount of such currency that is available as legal tender in the country or countries of such currency.

(iv) **Determination and Publication of Relevant Reset Distribution Rate, Distribution Rate and Distribution Amounts:** The Calculation Agent shall, on the second Business Day prior to each Distribution Reset Date, calculate the applicable Reset Distribution Rate and cause the Reset Distribution Rate to be notified to the Issuer, each of the Paying Agents, the Noteholders, any other Calculation Agent appointed in respect of the Additional Tier 1 Subordinated Notes that is to make a further calculation upon receipt of such information and, if the Additional Tier 1 Subordinated Notes are listed on a stock exchange and the rules of such exchange or other relevant authority so require, the Issuer shall notify such exchange or other relevant authority as soon as possible after being notified by the Calculation Agent of their determination but in no event later than:

- (A) the commencement of the relevant Distribution Period, if determined prior to such time, in the case of notification to such exchange of a Distribution Rate and Distribution Amount; or
- (B) in all other cases, the fourth Business Day after such determination.

The Issuer shall cause notice of the then applicable Reset Distribution Rate to be notified to the Noteholders as soon as practicable in accordance with Condition 13 after determination thereof.

The determination of any rate, obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s), or as the case may be, the Independent Adviser shall (in the absence of manifest error) be final and binding upon all parties.

(v) **Calculation Agent:** The Issuer shall procure that there shall at all times be one or more Calculation Agents if provision is made for them hereon and for so long as any Additional Tier 1 Subordinated Note is outstanding (as defined in the Agency Agreement). Where more than one Calculation Agent is appointed in respect of the Additional Tier 1 Subordinated Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to calculate the amount of Distribution in respect of any period, Distribution per Calculation Amount or the Reset Distribution Rate, as the case may be, or to comply with any other requirement, such requirement to have been duly communicated to the Calculation Agent pursuant to the provisions of the Agency Agreement, the Issuer shall appoint a leading bank or financial institution engaged in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal London office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

(vi) **Business Day Convention:** If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention (as specified in the applicable Pricing Supplement) would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is (A) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (B) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (C) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.

(b) **Distribution Restrictions:**

(i) **Optional Distribution Cancellation Event:** Unless a Distribution has already been cancelled in full due to a Mandatory Distribution Cancellation Event, prior to any

Distribution Payment Date the Issuer may, at its sole discretion, elect to cancel any payment of a Distribution, in whole or in part, by giving a notice to the Noteholders and the Paying Agent signed by the authorised director(s) whose name appears on the certification document (affidavit) of the Issuer which shall be conclusive and binding on the Noteholders (a “**Distribution Cancellation Notice**”) at least 10 Business Days prior to the relevant Distribution Payment Date. The Issuer shall have no obligation to pay any Distribution on any Distribution Payment Date if it validly elects not to do so in accordance with this Condition 4(b) and any failure to pay such Distribution shall not constitute an Event of Default.

(ii) **Mandatory Distribution Cancellation Event:** Notwithstanding that a Distribution Cancellation Notice may not have been given, the Issuer shall not be obliged to pay, and shall not pay, any Distribution on the applicable Distribution Payment Date, in whole or in part, as applicable, if and to the extent that on the Distribution Payment Date:

- (A) the Distribution scheduled to be paid if paid in full, together with any distributions or dividends paid or scheduled to be paid on the Additional Tier 1 Subordinated Notes or any Parity Loss Absorbing Instruments during the Issuer’s then-current fiscal year, would exceed Distributable Reserves as at such Distribution Payment Date; or
- (B) the Issuer is unable to make such payment of Distribution without causing a breach of the Bank of Thailand’s requirements on maintenance of capital to total risk-weighted assets ratio pursuant to notifications of the Bank of Thailand regarding supervision of capital for commercial banks, the assessment methodology and supervisory measures for domestic systemically important banks and other regulations related to capital of commercial banks, or the Issuer is prevented by applicable banking regulations or other requirements of the Relevant Authority from making such payment of Distribution,

(each a “**Mandatory Distribution Cancellation Event**”).

The Issuer shall have no obligation to pay any Distribution (in whole or in part, if and to the extent applicable) on any Distribution Payment Date if such non-payment is in accordance with this Condition 4(b)(ii) (Mandatory Distribution Cancellation Event) and any failure to pay such Distribution shall not constitute an Event of Default. The Issuer shall give notice to the Noteholders and the Paying Agent as soon as practicable where a Mandatory Distribution Cancellation Event is expected to occur on the Distribution Payment Date.

For the purposes of these Conditions, “Distributable Reserves” means, subject to the Bank of Thailand’s capital conservation requirements as applicable to the Issuer as of the relevant Distribution Payment Date:

- (1) the amount shown as “unappropriated retained earnings” of the Issuer in the standalone annual financial statements in respect of the fiscal year preceding Distribution Payment Date; or
- (2) where the relevant Distribution Payment Date falls on the same day as the end of an accounting period, an estimate of unappropriated retained earnings as certified by a Director of the Issuer for the twelve-month period ending on such accounting period,

*provided*, however that if the relevant standalone financial statement, in respect of the Issuer’s fiscal year referred to in sub-paragraph (b)(ii)(A) above, shows an accumulated loss, after taking into account the Distribution scheduled to be paid if paid in full on such Distribution Payment Date, together with any distributions or dividends paid or scheduled to be paid on the Additional Tier 1 Subordinated Notes or any Parity Loss Absorbing Instruments during the Issuer’s then-current fiscal year, the Distributable Reserves on such Distribution Payment Date shall be zero and any Distribution may not be paid.



(iii) **Dividend Stopper:** If, on any Distribution Payment Date, payment of Distribution scheduled to be paid is not made in full by reason of this Condition 4(b), the Issuer shall not:

- (A) declare or pay in cash any distribution or dividend or make any other payment in cash on, and will procure that no distribution or dividend in cash or other payment in cash is made on, any classes of equity securities of the Issuer, including without limitation, holders of preference shares, if any, or other Junior Obligations or Parity Obligations (except, in relation to the Parity Obligations, where such dividend, distribution or other payment is made on a pro rata basis with payment on the Additional Tier 1 Subordinated Notes); or
- (B) purchase, cancel or otherwise acquire any classes of equity securities of the Issuer, including without limitation, preference shares, if any, or other Junior Obligations or Parity Obligations (except, in relation to the Parity Obligations, where such redemption, reduction, cancellation or buy-back is made on a pro rata basis with a pro rata purchase of Additional Tier 1 Subordinated Notes) or permit any of its Subsidiaries to do so,

in each case, unless or until the earlier of: (x) the Distribution scheduled to be paid on any subsequent Distribution Payment Date (which, for the avoidance of doubt, shall exclude any Distribution that has been cancelled in accordance with these Conditions prior to such subsequent Distribution Payment Date) has been paid in full (i) to Noteholders or (ii) irrevocably to a designated third party trust account for the benefit of the Noteholders, or (y) the Additional Tier 1 Subordinated Notes have been redeemed or repurchased and cancelled in full, or the principal amount of the Additional Tier 1 Subordinated Notes has been reduced to zero in accordance with these Conditions, or (z) the Issuer is permitted to do so by an Extraordinary Resolution of the Noteholders.

(iv) **No Default:** Notwithstanding any other provision in these Conditions, the cancellation or non-payment of any Distribution in accordance with this Condition 4(b) shall not constitute a default for any purpose (including, without limitation, an Event of Default pursuant to Condition 9) on the part of the Issuer.

(c) **Accrual of Distribution:** Each Additional Tier 1 Subordinated Note will cease to bear Distribution from the date for its redemption unless payment of principal is improperly withheld or refused. In such event, Distribution will continue to accrue on the unpaid outstanding principal amount (subject to adjustments following the occurrence of a Trigger Event or Non-Viability Event, as the case may be, in accordance with Condition 5(i)) at the applicable Distribution Rate (both before and after judgment) until the date which is the earlier of: (i) the date on which all amounts due in respect of such Additional Tier 1 Subordinated Note have been paid, and (ii) the second day after notice is given to the relevant Noteholder(s) that the full amount of moneys payable (including Distribution as aforesaid) in respect of such Additional Tier 1 Subordinated Note is available for payment to such Noteholder(s), provided that, upon further presentation thereof being duly made, such payment is made.

(d) **Definitions:** In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

“**Business Day**” means:

- (i) in the case of a currency other than euro, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in London and the principal financial centre for such currency and/or
- (ii) in the case of euro, a day on which the Eurosystem’s real-time gross settlement system (known as T2) or any successor thereto (the “**T2 System**”) is operating (a “**T2 Business Day**”) and/or
- (iii) in the case of a currency and/or one or more Business Centres, a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments

in such currency in the Business Centre(s) or, if no currency is indicated, generally in each of the Business Centres

“**Calculation Business Day**” means any day, excluding a Saturday and a Sunday, on which banks are open for general business (including dealings in foreign currencies) in the relevant place of presentation and in such other jurisdictions as shall be specified as “Financial Centres” in the applicable Pricing Supplement;

“**Day Count Fraction**” means, in respect of the calculation of an amount of Distribution for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting a Distribution Period or a Distribution Accrual Period, the “**Calculation Period**”):

- (i) if “**Actual/Actual**” or “**Actual/Actual – ISDA**” is specified hereon, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365)
- (ii) if “**Actual/365 (Fixed)**” is specified hereon, the actual number of days in the Calculation Period divided by 365
- (iii) if “**Actual/365 (Sterling)**” is specified hereon, the actual number of days in the Calculation Period divided by 365 or, in the case of an Distribution Payment Date falling in a leap year, 366
- (iv) if “**Actual/360**” is specified hereon, the actual number of days in the Calculation Period divided by 360
- (v) if “**30/360**”, “**360/360**” or “**Bond Basis**” is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y2 - Y1)] + [30 \times (M2 - M1)] + (D2 - D1)}{360}$$

where:

“**Y1**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y2**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M1**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M2**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D1**” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D1 will be 30; and

“**D2**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D1 is greater than 29, in which case D2 will be 30

- (vi) if “**30E/360**” or “**Eurobond Basis**” is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y2 - Y1)] + [30 \times (M2 - M1)] + (D2 - D1)}{360}$$

where:

“Y1” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y2” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M1” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M2” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“D1” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D1 will be 30; and

“D2” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D2 will be 30

- (vii) if “**30E/360 (ISDA)**” is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y2 - Y1)] + [30 \times (M2 - M1)] + (D2 - D1)}{360}$$

where:

“Y1” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y2” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M1” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M2” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“D1” is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D1 will be 30; and

“D2” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D2 will be 30

- (viii) if “**Actual/Actual-ICMA**” is specified hereon,

(a) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and

(b) if the Calculation Period is longer than one Determination Period, the sum of:

(x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and

(y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days

in such Determination Period and (2) the number of Determination Periods normally ending in any year

where:

“**Determination Date**” means the date(s) specified as such hereon or, if none is so specified, the Distribution Payment Date(s)

“**Determination Period**” means the period from and including a Determination Date in any year to but excluding the next Determination Date

“**Euro-zone**” means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended

“**Distribution Accrual Period**” means the period beginning on and including the Distribution Commencement Date and ending on but excluding the first Distribution Period End Date and each successive period beginning on and including a Distribution Period End Date and ending on but excluding the next succeeding Distribution Period End Date

“**Distribution Commencement Date**” means the Issue Date or such other date as may be specified hereon

“**Distribution Period**” means the period beginning on and including the Distribution Commencement Date and ending on but excluding the first Distribution Payment Date and each successive period beginning on and including an Distribution Payment Date and ending on but excluding the next succeeding Distribution Payment Date

“**Distribution Period End Date**” means each Distribution Payment Date unless otherwise specified hereon

“**Specified Currency**” means the currency specified as such hereon or, if none is specified, the currency in which the Additional Tier 1 Subordinated Notes are denominated

“**TARGET System**” means the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET2) System which was launched on 19 November 2007 or any successor thereto.

## 5 Redemption, Purchase and Options

- (a) **No Fixed Redemption Date:** The Additional Tier 1 Subordinated Notes are perpetual securities in respect of which there is no fixed redemption date. The Additional Tier 1 Subordinated Notes may not be redeemed at the option of the Issuer other than in accordance with this Condition 5.
- (b) **Redemption for Taxation Reasons:** Subject to Condition 5(h), the Additional Tier 1 Subordinated Notes may be redeemed at the option of the Issuer in whole, but not in part, (but subject to consent hereto having been obtained from the Bank of Thailand) at any time on giving not less than 30 nor more than 60 days’ notice to the Noteholders (which notice shall be irrevocable), at the Prevaling Principal Amount plus Distribution accrued but unpaid to (but excluding) the date fixed for redemption (if any) (other than that not being paid in accordance with Condition 4(b)), if (A) (i) the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 7, and (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it; or (B) payments of Distribution will or would be treated as dividends within the meaning of the Revenue Code of Thailand or any other act in respect of or relating to Thailand taxation or would otherwise be considered as payments of a type that are non-deductible for Thailand income tax purposes; in each case as a result of any change in, or amendment to, the laws or regulations of Thailand or Hong Kong or any political subdivision or any authority thereof or therein having power to tax (or any taxing authority of any taxing jurisdiction to which the Issuer is or has become subject), or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Additional Tier 1 Subordinated Notes (a “Tax Event”), provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment

in respect of the Additional Tier 1 Subordinated Notes then due. Prior to the publication of any notice of redemption pursuant to this Condition 5(b), the Issuer shall deliver to the Fiscal Agent a certificate signed by two Directors of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment.

- (c) **Redemption at the Option of the Issuer:** Subject to Condition 5(h), and unless otherwise specified herein, if Call Option is specified hereon, the Issuer may, on giving not less than 15 nor more than 30 days' irrevocable notice to the Noteholders (or such other notice period as may be specified hereon) redeem, all or, if so provided, some, of the Additional Tier 1 Subordinated Notes on any Optional Redemption Date (which shall not be less than five years from the Issue Date). Any such redemption of Additional Tier 1 Subordinated Notes shall be at their Prevailing Principal Amount or Optional Redemption Amount (if specified in the applicable Pricing Supplement) on the Optional Redemption Date together, if appropriate, with Distribution accrued to (but excluding) the relevant Optional Redemption Date (except for any Distribution which has been canceled in accordance with Condition 4(b), prior to the Optional Redemption Date).

Any such redemption or exercise must relate to Additional Tier 1 Subordinated Notes of a nominal amount at least equal to the Minimum Redemption Amount to be redeemed specified hereon and no greater than the Maximum Redemption Amount to be redeemed specified hereon.

All Additional Tier 1 Subordinated Notes in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition.

In the case of a partial redemption the notice to Noteholders shall also contain the certificate numbers of the Bearer Notes, or in the case of Registered Notes shall specify the nominal amount of Registered Notes drawn and the holder(s) of such Registered Notes, to be redeemed, which shall have been drawn in such place and in such manner as may be fair and reasonable in the circumstances, taking account of prevailing market practices, subject to compliance with any applicable laws and stock exchange or other relevant authority requirements.

- (d) **Redemption for Regulatory Reasons:** Subject to Condition 5(h), the Additional Tier 1 Subordinated Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time on giving not less than 30 nor more than 60 days' notice to Noteholders (which notice shall be irrevocable) following the occurrence of a Regulatory Redemption Event. The Additional Tier 1 Subordinated Notes redeemed pursuant to this Condition 5(d) will be redeemed at their Prevailing Principal Amount plus Distribution accrued but unpaid to (but excluding) the relevant date fixed for redemption (if any) (except for any Distribution which has been canceled in accordance with Condition 4(b)).

For the purposes of this Condition 5(d), a "**Regulatory Redemption Event**" occurs if immediately before the giving of the notice of redemption referred in this Condition 5(d) that the Additional Tier 1 Subordinated Notes, after having qualified as such, will no longer qualify (fully or partially) as Additional Tier 1 capital (or equivalent) of the Issuer as a result of amendments to the relevant provisions of the notification of the Bank of Thailand regarding capital funds of commercial banks incorporated in Thailand or any successor legislation, or any statutory guidelines issued by the Bank of Thailand or any successor thereto in relation thereto, after the Issue Date (excluding for the avoidance of doubt, non-qualification (a) solely by virtue of the Issuer already having on issue securities with an aggregate nominal amount up to or in excess of the limit of Tier 1 capital (or equivalent) as permitted from time to time by the Bank of Thailand or (b) solely as a result of any discounting requirements as to the eligibility of the Additional Tier 1 Subordinated Notes for such inclusion pursuant to the relevant legislation and statutory guidelines in force from time to time) provided, however, that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which it is determined that a Regulatory Redemption Event will occur or crystallise.

Prior to giving any notice of redemption pursuant to this Condition 5(d), the Issuer shall deliver to the Fiscal Agent (i) a certificate signed by the authorised director(s) whose name appears on the certification document (affidavit) of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right

of the Issuer to redeem have occurred and (ii) a copy of the written consent of the Bank of Thailand; and the Fiscal Agent shall be entitled without further enquiry and without liability to any Noteholder or any other person to rely on the certificate and, if it does so, such certificate shall be conclusive evidence of the satisfaction of the condition precedents set out above, in which event it shall be conclusive and binding on the Noteholders, Receiptholders and the Couponholders.

- (e) **Purchases:** Subject to condition 5(h), the Issuer and its Subsidiaries (with the consent of the Bank of Thailand) may at any time purchase Additional Tier 1 Subordinated Notes (provided that all unmatured Receipts and Coupons and unexchanged Talons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise at any price. If a purchase is made by tender, such tender must be available to all holders of the relevant issuance equally, subject to applicable law. Prior to a tender, the issuer shall submit a repurchase and substitution plan to the Bank of Thailand and shall have obtained the Bank of Thailand's prior written approval in respect of the tender.
- (f) **Cancellation:** All Additional Tier 1 Subordinated Notes purchased by or on behalf of the Issuer or any of its Subsidiaries may be surrendered for cancellation, in the case of Bearer Notes, by surrendering each such Note together with all unmatured Receipts and Coupons and all unexchanged Talons to the Fiscal Agent and, in the case of Registered Notes, by surrendering the Certificate representing such Additional Tier 1 Subordinated Notes to the Registrar and, in each case, if so surrendered, shall, together with all Additional Tier 1 Subordinated Notes redeemed by the Issuer, be cancelled forthwith (together with all unmatured Receipts and Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Additional Tier 1 Subordinated Notes so surrendered for cancellation may not be reissued or resold and the obligations of the Issuer in respect of any such Additional Tier 1 Subordinated Notes shall be discharged. Any Additional Tier 1 Subordinated Note that is written off in full in accordance with Condition 5(i) shall be automatically cancelled.
- (g) **Variation instead of Redemption:** The Issuer may at any time without any requirement for the consent or approval of the Noteholders and having given not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable) in writing, vary the terms of the Additional Tier 1 Subordinated Notes so that they remain or, as appropriate, become Qualifying Securities provided that:
- (i) such variation does not itself give rise to any right of the Issuer to redeem the varied securities that is inconsistent with the redemption provisions of the Additional Tier 1 Subordinated Notes which may adversely affect the Noteholders' interests in respect thereof;
  - (ii) neither a Tax Event nor a Capital Event arises as a result of such variation; and
  - (iii) the Issuer is in compliance with the rules of any stock exchange on which the Additional Tier 1 Subordinated Notes are for the time being listed or admitted to trading;

and further provided that, any variation which would require a special quorum resolution pursuant to the Agency Agreement may only be effected upon the Issuer obtaining the special quorum resolution in compliance with the Agency Agreement.

If a variation has occurred pursuant to, or otherwise in accordance with, Condition 5(g), such event will not constitute an Event of Default under these Conditions.

*Any variation (to the extent that any variation would affect the eligibility of the Additional Tier 1 Subordinated Notes as Additional Tier 1 capital) of the Additional Tier 1 Subordinated Notes by the Issuer is subject to the Issuer obtaining the prior written consent of the Bank of Thailand, if required.*

In this Condition 5(g):

“**Capital Event**” will be deemed to have occurred if the Additional Tier 1 Subordinated Notes will no longer qualify (in whole or in part) as Additional Tier 1 capital (or equivalent) of the Issuer under the applicable laws and regulations in Thailand.

“**Qualifying Securities**” means any security issued by the Issuer that:

- (i) constitutes (in whole or in part) Additional Tier 1 capital (or equivalent) of the Issuer under the applicable laws and regulations in Thailand;
  - (ii) has a ranking at least equal to that of the Additional Tier 1 Subordinated Notes;
  - (iii) has at least the same Distribution Rate and the same Distribution Payment Dates as those applying to the Additional Tier 1 Subordinated Notes immediately prior to such variation;
  - (iv) has the same redemption rights and amounts as the Additional Tier 1 Subordinated Notes (except for any changes which do not adversely affect the Noteholders’ interest in respect hereof);
  - (v) preserves any existing rights under the Additional Tier 1 Subordinated Notes to any accrued Distributions which have not been paid and cancelled in respect of the period from (and including) the Distribution Payment Date last preceding the date of variation and where the effective date of such variation is prior to the First Call Date, has the same first call date as the Additional Tier 1 Subordinated Notes;
  - (vi) if applicable, is assigned (or maintains) the same or higher credit ratings as were assigned to the Additional Tier 1 Subordinated Notes immediately prior to such variation; and
  - (vii) is listed on the same stock exchange (or such other stock exchange selected by the Issuer) if the Additional Tier 1 Subordinated Notes were listed immediately prior to such variation.
- (h) **Conditions for Redemption and Purchase:** Notwithstanding any other provision in these Conditions, the Issuer shall not redeem any of the Additional Tier 1 Subordinated Notes and the Issuer or any of its Subsidiaries shall not purchase any of the Additional Tier 1 Subordinated Notes unless the prior written consent of the Bank of Thailand thereto shall have been obtained.

Prior to any redemption pursuant to Condition 5(b), (c) and (d), or any purchase pursuant to Condition 5(e), the Issuer shall satisfy all the conditions and requirements imposed under the applicable regulations of the Bank of Thailand.

*These Conditions may be amended, modified or varied in relation to any Series of Additional Tier 1 Subordinated Notes by the terms of the applicable Pricing Supplement in relation to such Series.*

(i) **Trigger Event or Non-Viability Event:**

- (i) Upon the occurrence of a Trigger Event, the Issuer may:
  - (A) deliver a Loss Absorption Event Notice (as defined below) to the holders of the Additional Tier 1 Subordinated Notes, the Fiscal Agent and the Paying Agents within two business days of the Trigger Event;
  - (B) irrevocably (without the need for consent of the Noteholders) cancel any Distribution which is accrued and unpaid to the relevant Loss Absorption Effective Date; and
  - (C) *pari passu* with any other Parity Loss Absorbing Instruments (where possible), irrevocably (without the need for the consent of the Noteholders) reduce the Prevailing Principal Amount of each Additional Tier 1 Subordinated Note by the relevant Write-Down Amount (such reduction being referred to as a “write-down” and “written down” being construed accordingly).
- (ii) Upon the occurrence of a Non-Viability Event, the Issuer shall:
  - (A) deliver a Loss Absorption Event Notice (as defined below) to the holders of the Additional Tier 1 Subordinated Notes, the Fiscal Agent and the Paying Agents within two business days of the Non-Viability Event;

- (B) irrevocably (without the need for consent of the Noteholders) cancel any Distribution which is accrued and unpaid to the relevant Loss Absorption Effective Date; and
- (C) *pari passu* with any other Parity Loss Absorbing Instruments (where possible), irrevocably (without the need for the consent of the Noteholders) reduce the Prevailing Principal Amount of each Additional Tier 1 Subordinated Note by the relevant Write-Down Amount (such reduction being referred to as a “write-down” and “written down” being construed accordingly).

*The Trigger Event and the Non-Viability Event may occur concurrently or substantially concurrently, in which case, the amount of the Additional Tier 1 Subordinated Notes to be written down must comply with both requirements in respect of the Trigger Event and the Non-Viability Event as contemplated under the definition of Write-Down Amount.*

- (iii) Any write-down pursuant to this Condition 5(i) will not constitute an Event of Default under the Additional Tier 1 Subordinated Notes.
- (iv) To the extent permitted by applicable laws, upon the occurrence of a Trigger Event where the Issuer is to write-down the Additional Tier 1 Subordinated Notes, the Issuer shall write-down or (where possible) convert into ordinary shares Parity Loss Absorbing Instruments, concurrently (or substantially concurrently) with the write-down of the Additional Tier 1 Subordinated Notes.

Subject to compliance with all applicable laws and regulations in force at the relevant time, the write-down pursuant to a Trigger Event will be done (i) on the basis that such write-down will have an effect that will not be more prejudicial to the rights of the Noteholders than the other holders of Parity Loss Absorbing Instruments; and (ii) on a *pari passu* basis among the Additional Tier 1 Subordinated Notes and all Parity Loss Absorbing Instruments.

- (v) To the extent permitted by applicable laws, upon the occurrence of a Non-Viability Event where the Issuer is to write-down the Additional Tier 1 Subordinated Notes, the Issuer shall write-down or (where possible) convert into ordinary shares Parity Loss Absorbing Instruments, concurrently (or substantially concurrently) with the write-down of the Additional Tier 1 Subordinated Notes.

Subject to compliance with all applicable laws and regulations in force at the relevant time, the write-down pursuant to a Non-Viability Event will be done (i) on the basis that such write-down will have an effect that will not be more prejudicial to the rights of the Noteholders than the other holders of Parity Loss Absorbing Instruments; and (ii) on a *pari passu* basis among the Additional Tier 1 Subordinated Notes and all Parity Loss Absorbing Instruments.

Notwithstanding anything to the contrary that may be set out in these Conditions, the Agency Agreement, the applicable Pricing Supplement or any other document relating to the Additional Tier 1 Subordinated Notes, Receipts, Coupons or Talons:

- (i) each of the Fiscal Agent and the Paying Agent shall be entitled without further enquiry and without liability to any Noteholder, Receiptholder, Couponholder or any other person to conclusively rely on such Loss Absorption Event Notice and such Loss Absorption Event Notice shall be conclusive evidence of the occurrence of the Trigger Event or Non-Viability Event (as applicable), in which event it shall be conclusive and binding on Noteholders, Receiptholders and Couponholders;
- (ii) as long as such Additional Tier 1 Subordinated Notes are held in global form, neither the Fiscal Agent, any Agent, the registered holder of the Additional Tier 1 Subordinated Notes nor the Common Depositary shall, in any circumstances, be responsible or liable to the Issuer, the Noteholders, Receiptholders, Couponholders or any other person for any act, omission or default by Euroclear Bank SA/NV (“**Euroclear**”) and Clearstream Banking S.A. (“**Clearstream**”), any other clearing system, or its respective participants, members, any broker-dealer or any other relevant third party with respect to the notification and/or



implementation of any write-down or write-off by any of them in respect of such Additional Tier 1 Subordinated Notes;

- (iii) neither the Fiscal Agent nor any Agent shall be under any duty to determine, monitor or report whether a Trigger Event or a Non-Viability Event has occurred or circumstances exist which may lead to the occurrence of a Trigger Event or a Non-Viability Event and will not be responsible or liable to the Noteholders, Receiptholders, Couponholders or any other person for any loss arising from any failure by it to do so. Unless and until the Fiscal Agent and the Paying Agent receive the Loss Absorption Event Notice in accordance with this Condition 5(i) and the other Agents are expressly notified in writing, each of them shall be entitled to assume that no such event or circumstance has occurred or exists;
- (iv) each Noteholder, Receiptholder and Couponholder shall be deemed to have authorised, directed and requested the Fiscal Agent and the Agents, as the case maybe, to take any and all necessary action to give effect to any write-down or write-off following the occurrence of any Trigger Event or Non-Viability Event without any further action or direction on the part of the Noteholders, Receiptholders and Couponholders;
- (v) neither the Fiscal Agent nor any Agent shall be under any duty to determine or calculate, or verify any determination or calculation of or relating to, any Write-Down Amount or Prevailing Principal Amount and will not be responsible or liable to the Noteholders, Receiptholders, Couponholders or any other person for any loss or liability arising from any failure by it to do so;
- (vi) each of the Fiscal Agent, the Agents, Euroclear, Clearstream and any other relevant clearing system shall be entitled without further enquiry and without liability to the Noteholders, Receiptholders, Couponholders or any other person to rely conclusively on any Loss Absorption Event Notice and the Write Down Amount specified therein, and the same shall, as to the amount of Distribution and/or principal to be written down, be conclusive and binding on the Noteholders, Receiptholders and Couponholders; and
- (vii) each of the Fiscal Agent, the Agents, Euroclear, Clearstream, and any other relevant clearing system shall be entitled without further enquiry and without liability to the Noteholders, Receiptholders, Couponholders or any other person to rely conclusively on the Prevailing Principal Amount, and the same shall be conclusive and binding on the Noteholders, Receiptholders and Couponholders.

Each of the Noteholders hereby irrevocably waives its right to receive payment of the principal amount written down under the Additional Tier 1 Subordinated Notes and irrevocably waives its right to any Distribution (if any), including Distribution accrued but unpaid up to the relevant Loss Absorption Effective Date.

Once any principal or Distribution under an Additional Tier 1 Subordinated Note has been written down, it will be extinguished and will not be restored in any circumstances, including where the relevant Trigger Event and/or Non-Viability Event, as the case may be, ceases to continue.

The Additional Tier 1 Subordinated Notes may be written down on more than one occasion pursuant to a Non-Viability Event and/or a Trigger Event, except where such Additional Tier 1 Subordinated Notes have been written down in their entirety.

Following the giving of a Loss Absorption Event Notice which specifies a write-down of the Additional Tier 1 Subordinated Notes, the Issuer shall (to the extent permitted by applicable law) procure that (A) with respect to a write-down following a Trigger Event, a similar notice is, or has been, given in respect of each Parity Loss Absorbing Instrument (in accordance with its terms), and the Prevailing Principal Amount of each Parity Loss Absorbing Instrument outstanding (if any) is (where possible) written down or converted into ordinary shares on a pro rata basis with the Prevailing Principal Amount of the Additional Tier 1 Subordinated Notes, as soon as reasonably practicable following the giving of such Loss Absorption Event Notice; and (B) with respect to a write-down following a Non-Viability Event, a similar notice is, or has been, given in respect of each Parity Loss Absorbing Instrument (in accordance with its terms), and the Prevailing Principal Amount of each Parity Loss Absorbing Instrument.

Following a write-down pursuant to a Trigger Event or a Non-Viability Event, which does not result in the Additional Tier 1 Subordinated Notes being cancelled in full, Distribution will accrue on such Additional Tier 1 Subordinated Notes on the basis of their Prevailing Principal Amount (and not, for the avoidance of doubt, their Initial Principal Amount).

Any reference in these Conditions to principal in respect of the Additional Tier 1 Subordinated Notes shall thereafter refer to the revised principal amount of the Additional Tier 1 Subordinated Notes as written down pursuant to this Condition 5(i).

No holder of the Additional Tier 1 Subordinated Notes may exercise, claim or plead any right to any Write-Down Amount, and each holder of the Additional Tier 1 Subordinated Notes shall, by virtue of his holding of any Additional Tier 1 Subordinated Notes, be deemed to have waived all such rights to such Write-Down Amount.

In this Condition 5(i):

“**Common Equity Tier 1 Ratio**” means Common Equity Tier 1 ratio, as defined under the relevant notification of the Bank of Thailand;

“**Initial Principal Amount**” means the amount of the denomination that the relevant Additional Tier 1 Subordinated Note was issued in;

“**Junior Obligation**” means any class of the Issuer’s share capital (including, without limitation, any preference shares) and any other instrument issued by the Issuer that ranks or is expressed to rank junior to the Additional Tier 1 Subordinated Notes by their terms or by operation of law;

“**Loss Absorption Effective Date**” means the date on which the write-down pursuant to a Trigger Event or a Non-Viability Event, respectively, will take effect that will be specified as such in the Loss Absorption Event Notice;

“**Loss Absorption Event Notice**” means a notice substantially in the form attached as Schedule 5 to the Agency Agreement specifying that a Trigger Event or a Non-Viability Event has occurred, the Write-Down Amount and the Loss Absorption Effective Date, and if the Additional Tier 1 Subordinated Notes are represented in global form at the time of occurrence of the Trigger Event or the Non-Viability Event, such notice shall contain an instruction by the Issuer (through the Paying Agent) to Euroclear and Clearstream to cease all clearance and settlement of transfers in the Additional Tier 1 Subordinated Notes during the Suspension Period;

“**Non-Viability Event**” means, unless otherwise specified herein, the occurrence of the Bank of Thailand and/or any other empowered government agency (the “Relevant Authority”) deciding to grant financial assistance to the Issuer such as in the form of a capital injection, without which the Issuer would become unable to continue its business in any manner, including but not limited to situations as set out below (or any such similar events):

- (i) having insufficient resources to make repayments to its depositors and creditors; or
- (ii) its capital funds having depleted to the extent that its depositors and creditors will be adversely affected; or
- (iii) not being in a position to independently increase its capital base.

“**Parity Loss Absorbing Instrument**” means, at any time, (i) any preference shares which qualify as Additional Tier 1 capital; and (ii) any Parity Obligation all of which contains specific provisions allowing a write-down or conversion into ordinary shares of the Issuer of the principal amount of such instrument on the occurrence of a Trigger Event or a Non-Viability Event and in respect of which, as the case may be, the conditions (if any) to the operation of such provisions are (or with the giving of any certificate or notice which is capable of being given by the Issuer, would be) satisfied;

“**Parity Obligation**” means any instrument issued by the Issuer that ranks or is expressed to rank *pari passu* with the Additional Tier 1 Subordinated Notes by operation of law or contract;

“**Prevailing Principal Amount**” means the Initial Principal Amount of such Additional Tier 1 Subordinated Notes as reduced (on one or more occasions) pursuant to a write-down;

“**Senior Loss Absorbing Instrument**” means, at any time, any Senior Obligations which contain provisions relating to a write-down or conversion into ordinary shares of the principal amount of such instrument on the occurrence of a Non-Viability Event and in respect of which the conditions (if any) to the operation of such provisions are (or with the giving of any certificate or notice which is capable of being given by the Issuer, would be) satisfied;

“**Senior Obligations**” means debts or obligations of the Issuer (including deposits) other than (i) those that are, by their terms or by operation of laws, expressed to rank *pari passu* or junior to the Additional Tier 1 Subordinated Notes and (ii) the Issuer’s ordinary shares and any other class of the Issuer’s shares (including, without limitation, any preference shares);

“**Trigger Event**” means, at any time, the Common Equity Tier 1 Ratio of the Issuer on either a standalone or consolidated basis is less than the Trigger Level;

“**Trigger Level**” means 5.15 per cent.; and

“**Write-Down Amount**” means the amount as determined by the Issuer (as notified to and acknowledged by the Relevant Authority) by which the then Prevailing Principal Amount of each outstanding Additional Tier 1 Subordinated Note is to be written down pursuant to a write-down:

- (i) as of the date on which the Trigger Event occurs, being the minimum of:
  - (A) the amount necessary to restore the Common Equity Tier 1 Ratio above the Trigger Level, considering the pro rata write-down or conversion into ordinary shares (where possible) of the prevailing principal amount of the Parity Loss Absorbing Instruments (if any) to be written down or converted concurrently (or substantially concurrently); and
  - (B) the amount necessary to reduce the Prevailing Principal Amount to zero; or
- (ii) as of the date on which the Non-Viability Event occurs, being the minimum of:
  - (A) the amount (together with the write-down of the other Additional Tier 1 Subordinated Notes on a pro-rata basis and the write-down or conversion into ordinary shares of any Parity Loss Absorbing Instruments on a pro rata basis and/or Senior Loss Absorbing Instruments) as is required to render the Issuer solvent as a going concern as certified by a certificate signed by the authorised director(s) of the Issuer whose name appears on the certification document (affidavit) of the Issuer; and
  - (B) the amount necessary to reduce the Prevailing Principal Amount to zero.

The Issuer will, to the extent necessary, write down the Additional Tier 1 Subordinated Notes in accordance with the provisions of the Thai regulations on “Loss Absorption due to Non-Viability”. Any such write down of the Additional Tier 1 Subordinated Notes shall not constitute an Event of Default nor an effective resolution of the Issuer and Noteholders may take no further action in respect of recovery of any Write-Down Amount.

## 6 Payments and Talons

- (a) **Bearer Notes:** Payments of principal and Distribution on Bearer Notes shall, subject as mentioned below, be made against presentation and surrender of Additional Tier 1 Subordinated Notes (in the case of all other payments of principal or Distributions) in each case at the specified office of any Paying Agent outside the United States by transfer to an account denominated in such currency with, a Bank. “Bank” means a bank in the principal financial centre for such currency or, in the case of euro, in a city in which banks have access to the TARGET System.
- (b) **Registered Notes:**

- (i) Payments of principal in respect of Registered Notes shall be made against presentation and surrender of the relevant Certificates at the specified office of any of the Transfer Agents or of the Registrar and in the manner provided in paragraph (ii) below.
  - (ii) Distribution on Registered Notes shall be paid to the person shown on the Register at the close of business on the fifteenth day before the due date for payment thereof (the “**Record Date**”). Payments of Distribution, as applicable, on each Registered Note shall be made in the relevant currency by transfer to an account in the relevant currency maintained by the payee with a Bank.
- (c) **Payments in the United States:** Notwithstanding the foregoing, if any Bearer Notes are denominated in U.S. dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if (i) the Issuer shall have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Additional Tier 1 Subordinated Notes in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (iii) such payment is then permitted by United States law, without involving, in the opinion of the Issuer, any adverse tax consequence to the Issuer.
- (d) **Payments Subject to Laws:** All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives in the place of payment or other laws to which the Issuer agrees to be subject and the Issuer will not be liable for any taxes or duties of whatever nature imposed or levied by such laws, regulations, directives or agreements, but without prejudice to the provisions of Condition 7. No commission or expenses shall be charged to the Noteholders or Couponholders in respect of such payments or Distributions.
- (e) **Appointment of Agents:** The Fiscal Agent, the Paying Agents, the Registrar, the Transfer Agents and the Calculation Agent initially appointed by the Issuer and their respective specified offices are listed below. The Fiscal Agent, the Paying Agents, the Registrar, the Transfer Agents and the Calculation Agent(s) act solely as agents of the Issuer and do not assume any obligation or relationship of agency or trust for or with any Noteholder or Couponholder. The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent, any other Paying Agent, the Registrar, any Transfer Agent or the Calculation Agent(s) and to appoint additional or other Paying Agents or Transfer Agents, provided that the Issuer shall at all times maintain (i) a Fiscal Agent, (ii) a Registrar in relation to Registered Notes, (iii) a Transfer Agent in relation to Registered Notes, (iv) one or more Calculation Agent(s) where the Conditions so require and (v) such other agents as may be required by any other stock exchange on which the Additional Tier 1 Subordinated Notes may be listed.

In addition, the Issuer shall forthwith appoint a Paying Agent in New York City in respect of any Bearer Notes denominated in U.S. dollars in the circumstances described in paragraph (c) above.

Notice of any such change or any change of any specified office shall promptly be given to the Noteholders.

- (f) **Unmatured Coupons and Receipts and unexchanged Talons:**
  - (i) Upon the due date for redemption of Bearer Notes, such Additional Tier 1 Subordinated Notes should be surrendered for payment together with all unexpired Coupons (if any) relating thereto, failing which an amount equal to the face value of each missing unexpired Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unexpired Coupon that the sum of principal so paid bears to the total principal due) shall be deducted from the amount due for payment in the case of a redemption. Any amount so deducted shall be paid in the manner mentioned above against surrender of such missing Coupon within a period of 10 years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 8).

- (ii) Upon the due date for redemption of any Bearer Note, unmatured Coupons relating to such Additional Tier 1 Subordinated Note (whether or not attached) shall become void and no payment shall be made in respect of them.
  - (iii) Upon the due date for redemption of any Bearer Note, any unexchanged Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.
  - (iv) Where any Bearer Note that provides that the relative unmatured Coupons are to become void upon the due date for redemption of those Additional Tier 1 Subordinated Notes is presented for redemption without all unmatured Coupons, and where any Bearer Note is presented for redemption without any unexchanged Talon relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.
  - (v) If the due date for redemption of any Additional Tier 1 Subordinated Note is not a due date for payment of Distribution, Distribution accrued from the preceding due date for payment of Distribution shall only be payable against presentation (and surrender if appropriate) of the relevant Bearer Note or Certificate representing it, as the case may be.
- (g) **Talons:** On or after the Distribution Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Bearer Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Fiscal Agent in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 8).
- (h) **Non-Business Days:** If any date for payment in respect of any Additional Tier 1 Subordinated Note, Receipt or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day nor to any Distribution or other sum in respect of such postponed payment. In this paragraph, “business day” means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in the relevant place of presentation, in such jurisdictions as shall be specified as “**Financial Centres**” hereon and:
- (i) (in the case of a payment in a currency other than euro) where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency or
  - (ii) (in the case of a payment in euro) which is a T2 Business Day.

## 7 Taxation

All payments of principal and Distribution (if any) by or on behalf of the Issuer in respect of the Additional Tier 1 Subordinated Notes, the Receipts and the Coupons shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by a Relevant Jurisdiction, unless such withholding or deduction is required by law. In that event, the Issuer shall pay such additional amounts as shall result in receipt by the Noteholders and the Couponholders of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable with respect to any Additional Tier 1 Subordinated Note, Receipt or Coupon:

- (a) **Other connection:** to, or to a third party on behalf of, a holder who is liable to such taxes, duties, assessments or governmental charges in respect of such Additional Tier 1 Subordinated Note, Receipt or Coupon by reason of his having some connection with Thailand other than the mere holding of the Additional Tier 1 Subordinated Note, Receipt or Coupon or
- (b) **Presentation more than 30 days after the Relevant Date:** presented (or in respect of which the Certificate representing it is presented) for payment more than 30 days after the Relevant Date except to the extent that the holder of it would have been entitled to such additional amounts on presenting it for payment on the thirtieth such day or
- (c) **Payment by another Paying Agent:** (except in the case of Registered Notes) presented for payment by or on behalf of a holder who would have been able to avoid such withholding or

deduction by presenting the relevant Additional Tier 1 Subordinated Note, Receipt or Coupon to another Paying Agent in a Member State of the European Union.

As used in these Conditions, “**Relevant Date**” in respect of any Additional Tier 1 Subordinated Note, Receipt or Coupon means the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date seven days after that on which notice is duly given to the Noteholders that, upon further presentation of the Additional Tier 1 Subordinated Note (or relative Certificate), Receipt or Coupon being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such presentation. References in these Conditions to (i) “**principal**” and “**Distribution**” shall be deemed to include any additional amounts that may be payable under this Condition. References in these Conditions to “**Relevant Jurisdiction**” means (i) where the Issuer is not acting through any of its branches, Thailand or any political subdivision or any authority thereof or therein having power to tax or any other jurisdiction or any political subdivision or any authority thereof or therein having power to tax to which the Issuer becomes subject in respect of payments made by it of principal and Distribution on the Additional Tier 1 Subordinated Notes or (ii) where the Issuer is acting through its Hong Kong branch, Thailand or any political subdivision or any authority thereof or therein having power to tax, Hong Kong or any political subdivision or any authority thereof or therein having power to tax, or any other jurisdiction or any political subdivision or any authority thereof or therein having power to tax to which the Issuer becomes subject in respect of payments made by it of principal and Distribution on the Additional Tier 1 Subordinated Notes or (iii) where the Issuer is acting through any of its other branches as specified in the applicable Pricing Supplement, Thailand or any political subdivision or any authority thereof or therein having power to tax, the jurisdiction in which the relevant branch of the Issuer is situated or any political subdivision or any authority thereof or therein having power to tax, or any other jurisdiction or any political subdivision or any authority thereof or therein having power to tax to which the Issuer becomes subject in respect of payments made by it of principal and Distribution on the Additional Tier 1 Subordinated Notes.

## 8 Prescription

Claims against the Issuer for payment in respect of the Additional Tier 1 Subordinated Notes, Receipts and Coupons (which for this purpose shall not include Talons) shall be prescribed and become void unless made within 10 years (in the case of principal) or five years (in the case of Distribution) from the appropriate Relevant Date in respect of them.

## 9 Events of Default

If any of the following events (“**Events of Default**”) occurs, the holder of any Additional Tier 1 Subordinated Note may give written notice to the Fiscal Agent at its specified office that such Additional Tier 1 Subordinated Note is immediately repayable:

- (a) **Non-payment:** If default is made in the payment of principal or Distribution due in respect of any of the Additional Tier 1 Subordinated Notes and the default continues for a period of 10 days (in the case of principal) or 15 days (in the case of Distribution), then in order to enforce the obligations of the Issuer, any holder of a Subordinated Note may institute in Winding-Up Proceedings against the Issuer and prove in the Winding-Up Proceedings for the Prevailing Principal Amount together with accrued Distribution, provided that such Noteholder shall have no right to accelerate payment under such Additional Tier 1 Subordinated Note in the case of such default in the payment of principal or Distribution on or other amounts owing under such Additional Tier 1 Subordinated Note or a default in the performance of any other obligation of the Issuer in such Additional Tier 1 Subordinated Note or under the Agency Agreement; or
- (b) **Winding-up:** If an order is made or an effective resolution passed for the Winding-Up, or the Issuer shall apply or petition for a Winding-Up order in respect of itself or ceases or threaten to cease to carry on all or substantially all of its business or operations, in each case except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation on terms approved by an Extraordinary Resolution (as defined in the Agency Agreement) of the Noteholders, any holder of a Subordinated Note may prove in the Winding-Up Proceedings for the Prevailing Principal Amount together with accrued Distribution provided that

such Noteholder shall have no right to take any further action in respect of the Additional Tier 1 Subordinated Notes.

No remedy against the Issuer other than as specifically provided by this Condition 9 (Events of Default) shall be available to the Noteholders, whether for the recovery of amounts owing in respect of the Additional Tier 1 Subordinated Notes or in respect of any breach by the Issuer of any of its obligations under the Additional Tier 1 Subordinated Notes, the Agency Agreement or otherwise.

In these Conditions:

- (i) “**Winding-Up**” shall mean final and effective order or resolution for the winding-up, liquidation, administrative receivership or similar proceeding in respect of the Issuer; and
- (ii) “**Winding-Up Proceeding**” shall mean proceedings in Thailand for the liquidation, winding-up, administrative receivership, or other similar proceeding of the Issuer.

*Note: The terms and conditions of the Additional Tier 1 Subordinated Notes will be subject to applicable legal and regulatory provisions governing the status of capital adequacy and subordinated securities of Thai banks. Accordingly, further provisions relating to the terms of any Additional Tier 1 Subordinated Notes issued under this Programme will, if applicable, be set out in the applicable Pricing Supplement.*

## 10 Meeting of Noteholders and Modifications

- (a) **Meetings of Noteholders:** The Agency Agreement contains provisions for convening meetings of Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in the Agency Agreement) of a modification of any of these Conditions. Such a meeting may be convened by Noteholders holding not less than 10.0 per cent. in nominal amount of the Additional Tier 1 Subordinated Notes for the time being outstanding. The quorum for any meeting convened to consider an Extraordinary Resolution shall be two or more persons holding or representing a clear majority in nominal amount of the Additional Tier 1 Subordinated Notes for the time being outstanding, or at any adjourned meeting two or more persons being or representing Noteholders whatever the nominal amount of the Additional Tier 1 Subordinated Notes held or represented, unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to amend the dates of maturity or redemption or any date for payment of Distribution on the Additional Tier 1 Subordinated Notes, (ii) to reduce the Distribution Rate in respect of the Additional Tier 1 Subordinated Notes or to vary the method or basis of calculating any Distribution in respect of the Additional Tier 1 Subordinated Notes, (iii) to vary the currency or currencies of payment or denomination of the Additional Tier 1 Subordinated Notes, or (iv) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass the Extraordinary Resolution, in which case the necessary quorum shall be two or more persons holding or representing not less than 75.0 per cent. in nominal amount of the Additional Tier 1 Subordinated Notes for the time being outstanding or at any adjourned meeting not less than 25.0 per cent. in nominal amount of the Additional Tier 1 Subordinated Notes for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on Noteholders (whether or not they were present at the meeting at which such resolution was passed) and on all Couponholders.

The Agency Agreement provides that a resolution in writing signed by or on behalf of the holders of not less than 90.0 per cent. in nominal amount of the Additional Tier 1 Subordinated Notes outstanding shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

*These Conditions may be amended, modified or varied in relation to any Series of Additional Tier 1 Subordinated Notes by the terms of the relevant Pricing Supplement in relation to such Series.*

- (b) **Modification of Agency Agreement:** The Issuer shall only permit any modification of, or any waiver or authorisation of any breach or proposed breach of or any failure to comply with, the Agency Agreement, if to do so could not reasonably be expected to be prejudicial to the interests of the Noteholders. For the avoidance of doubt, none of the Agents shall have any responsibility

or liability whatsoever with respect to the determination as to prejudice to the interests of the Noteholders pursuant to this paragraph (b).

#### **11 Replacement of Additional Tier 1 Subordinated Notes, Certificates, Receipts, Coupons and Talons**

If an Additional Tier 1 Subordinated Note, Certificate, Receipt, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and stock exchange or other relevant authority regulations, at the specified office of the Fiscal Agent (in the case of Bearer Notes, Receipts, Coupons or Talons) and of the Registrar (in the case of Certificates) or such other Paying Agent or Transfer Agent, as the case may be, as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Noteholders, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Additional Tier 1 Subordinated Note, Certificate, Receipt, Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such Additional Tier 1 Subordinated Notes, Certificates, Receipts, Coupons or further Coupons) and otherwise as the Issuer may require. Mutilated or defaced Additional Tier 1 Subordinated Notes, Certificates, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

#### **12 Further Issues**

The Issuer may from time to time without the consent of the Noteholders or Couponholders create and issue further notes having the same terms and conditions as the Additional Tier 1 Subordinated Notes (so that, for the avoidance of doubt, references in these Conditions to “**Issue Date**” shall be to the first issue date of the Additional Tier 1 Subordinated Notes) and so that the same shall be consolidated and form a single series with such Additional Tier 1 Subordinated Notes, and references in these Conditions to “**Additional Tier 1 Subordinated Notes**” shall be construed accordingly.

#### **13 Notices**

Notices to the holders of Registered Notes shall be mailed to them at their respective addresses in the Register and deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing. Notices to the holders of Bearer Notes shall be valid if published in a daily newspaper of general circulation in Singapore (which is expected to be the Wall Street Journal Asia). If any such publication is not practicable, notice shall be validly given if published in another leading daily English language newspaper with general circulation in Asia. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the date of the first publication as provided above.

Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the holders of Bearer Notes in accordance with this Condition.

#### **14 Currency Indemnity**

Any amount received or recovered in a currency other than the currency in which payment under the relevant Additional Tier 1 Subordinated Note, Coupon or Receipt is due (whether as a result of, or of the enforcement of, a judgment or order of a court of any jurisdiction, in the insolvency, winding-up or dissolution of the Issuer or otherwise) by any Noteholder or Couponholder in respect of any sum expressed to be due to it from the Issuer shall only constitute a discharge to the Issuer to the extent of the amount in the currency of payment under the relevant Additional Tier 1 Subordinated Note, Coupon or Receipt that the recipient is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so). If the amount received or recovered is less than the amount expressed to be due to the recipient under any Additional Tier 1 Subordinated Note, Coupon or Receipt, the Issuer, shall indemnify it against any loss sustained by it as a result. In any event, the Issuer, shall indemnify the recipient against the cost of making any such purchase. For the purposes of this Condition, it shall be sufficient for the Noteholder or Couponholder, as the case may be, to demonstrate that it would have suffered a loss had an actual purchase been made. These indemnities constitute a separate and independent obligation from the Issuer's other obligations, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by any Noteholder or Couponholder and shall continue in full force and effect despite any other judgment, order, claim or proof for a liquidated amount in respect of any sum due under any Additional Tier 1 Subordinated Note, Coupon or Receipt or any other judgment or order.



## 15 Contracts (Rights of Third Parties) Act 1999

No person shall have any right to enforce any term or condition of the Additional Tier 1 Subordinated Notes under the Contracts (Rights of Third Parties) Act 1999 (the “**Act**”) except and to the extent (if any) that the Additional Tier 1 Subordinated Notes expressly provide for the Act to apply to any of their terms.

## 16 Governing Law and Jurisdiction

- (a) **Governing Law:** The Additional Tier 1 Subordinated Notes, the Receipts, the Coupons and the Talons and any non- contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, English law save that the provisions of Condition 3 (and related provisions of the Agency Agreement) relating to the Subordinated Notes are governed by, and shall be construed in accordance with, Thai law.
- (b) **Arbitration:** the Issuer irrevocably agrees that any legal action or proceedings arising out of or in connection with any Additional Tier 1 Subordinated Notes, Receipts, Coupons or Talons (including any dispute relating to any non-contractual obligations arising out of or in connection with any Additional Tier 1 Subordinated Notes, Receipts, Coupons or Talons) and accordingly any legal action or proceedings arising out of or in connection with any Additional Tier 1 Subordinated Notes, Receipts, Coupons or Talons (including any dispute relating to any non-contractual obligations arising out of or in connection with any Additional Tier 1 Subordinated Notes, Receipts, Coupons or Talons) (“**Proceedings**”) will, upon the written request of any Noteholder, be settled by arbitration in accordance with the Arbitration Rules of the Singapore International Arbitration Centre from time to time in force, which rules are deemed to be incorporated by reference into this Condition 16(b) (the “**Rules**”). The place of arbitration shall be Singapore at the facilities of the Singapore International Arbitration Centre and the language of the arbitration shall be English. The number of arbitrators shall be three, each of whom are appointed in accordance with the Rules, shall be disinterested in the claim, dispute or difference, shall have no connection with the Issuer or any Noteholder and shall be an attorney experienced in international finance transactions. The costs of the arbitration shall be determined and paid by the parties to the arbitration as provided in the Rules.

The Issuer agrees that, if any Noteholder has requested for a Proceeding to be settled by arbitration under the Rules pursuant to this Condition 16(b), save only to enforce in any court having jurisdiction any award rendered by the arbitrators, it shall not institute any Proceedings on the same facts in any other court and shall request for any Proceedings in any other court to be dismissed. In the event that any Proceedings are instituted in any court to enforce any arbitration award, the person or persons against whom enforcement of that arbitration award is sought shall pay all costs, including without limitation, the costs of legal counsel and translation fees, of the person or persons seeking the enforcement of that arbitration award. The arbitration shall be held within six months of the date of the appointment of the arbitrators and the arbitrators are authorised to assess costs against a party who has caused delay or who has failed to comply with any Rules. The decision of the arbitrators shall be final, binding and incontestable and may be used as a basis for judgment thereon in Thailand or elsewhere.

- (c) **Jurisdiction:** Without prejudice to the right of the Noteholders to revert to arbitration pursuant to Condition 16(b), at the courts of England are to have jurisdiction to settle any Proceedings and accordingly any Proceedings may be brought in such courts. The Issuer irrevocably submits to the jurisdiction of the courts of England and waives any objection to Proceedings in such courts on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. This submission is made for the benefit of each of the holders of the Additional Tier 1 Subordinated Notes, Receipts, Coupons and Talons and shall not affect the right of any of them to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not).
- (d) **Service of Process:** The Issuer irrevocably appoints Law Debenture Corporate Services Limited of 8th Floor, 100 Bishopsgate, London, EC2N 4AG, United Kingdom as its agent in England to receive, for it and on its behalf, service of process in any Proceedings in England. Such service shall be deemed completed on delivery to such process agent (whether or not, it is forwarded to and received by the Issuer). If for any reason such process agent ceases to be able to act as such or no longer has an address in London, the Issuer irrevocably agrees to appoint a substitute process

agent and shall immediately notify Noteholders of such appointment in accordance with Condition 13. Nothing shall affect the right to serve process in any manner permitted by law.

## SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM

### 1 Initial Issue of Notes

Global Notes and Global Certificates may be delivered on or prior to the original issue date of the Tranche to a common depository for Euroclear and Clearstream, Luxembourg (the “**Common Depository**”).

Upon the initial deposit of a Global Note with the Common Depository or registration of Registered Notes in the name of any nominee for Euroclear and Clearstream, Luxembourg and delivery of the relative Global Certificate to the Common Depository, Euroclear or Clearstream, Luxembourg will credit each subscriber with a nominal amount of Notes equal to the nominal amount thereof for which it has subscribed and paid.

Notes that are initially deposited with the Common Depository may also be credited to the accounts of subscribers with (if indicated in the relevant Pricing Supplement) other clearing systems through direct or indirect accounts with Euroclear and Clearstream, Luxembourg held by such other clearing systems. Conversely, Notes that are initially deposited with any other clearing system may similarly be credited to the accounts of subscribers with Euroclear, Clearstream, Luxembourg or other clearing systems.

### 2 Relationship of Accountholders with Clearing Systems

Each of the persons shown in the records of Euroclear, Clearstream, Luxembourg or any other clearing system (“**Alternative Clearing System**”) as the holder of a Note represented by a Global Note or a Global Certificate must look solely to Euroclear, Clearstream, Luxembourg or any such Alternative Clearing System (as the case may be) for his share of each payment made by the Bank to the bearer of such Global Note or the holder of the underlying Registered Notes, as the case may be, and in relation to all other rights arising under the Global Notes or Global Certificates, subject to and in accordance with the respective rules and procedures of Euroclear, Clearstream, Luxembourg, or such Alternative Clearing System (as the case may be). Such persons shall have no claim directly against the Bank in respect of payments due on the Notes for so long as the Notes are represented by such Global Note or Global Certificate and such obligations of the Bank will be discharged by payment to the bearer of such Global Note or the holder of the underlying Registered Notes, as the case may be, in respect of each amount so paid.

### 3 Exchange

#### 3.1 Temporary Global Notes

Each temporary Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date:

- (i) if the relevant Pricing Supplement indicates that such Global Note is issued in compliance with the C Rules or in a transaction to which TEFRA is not applicable (as to which, see “*Summary of the Programme – Selling Restrictions*”), in whole, but not in part, for the Definitive Notes defined and described below; and
- (ii) otherwise, in whole or in part upon certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement for interests in a permanent Global Note or, if so provided in the relevant Pricing Supplement, for Definitive Notes.

#### 3.2 Permanent Global Notes

Each permanent Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date in whole but not, except as provided under paragraph 3.4 below, in part for Definitive Notes:

- (i) if the permanent Global Note is held on behalf of Euroclear or Clearstream, Luxembourg or an Alternative Clearing System and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or in fact does so; or
- (ii) if principal in respect of any Notes is not paid when due, by the holder giving notice to the Fiscal Agent of its election for such exchange; or

- (iii) if the Bank has or will become subject to adverse tax consequences which would not be suffered were the Notes represented by the permanent Global Notes in definitive form.

In the event that a Global Note is exchanged for Definitive Notes, such Definitive Notes shall be issued in Specified Denomination(s) only. A Noteholder who holds a principal amount of less than the minimum Specified Denomination will not receive a Definitive Note in respect of such holding and would need to purchase a principal amount of Notes such that it holds an amount equal to one or more Specified Denominations.

### **3.3 Global Certificates**

If the relevant Pricing Supplement states that the Notes are to be represented by a Global Certificate on issue, the following will apply in respect of transfers of Notes held in Euroclear or Clearstream, Luxembourg or an Alternative Clearing System. These provisions will not prevent the trading of interests in the Notes within a clearing system whilst they are held on behalf of such clearing system, but will limit the circumstances in which the Notes may be withdrawn from the relevant clearing system.

Transfers of the holding of Notes represented by any Global Certificate pursuant to Condition 2(b) may only be made in part:

- (i) if the relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so; or
- (ii) if principal in respect of any Notes is not paid when due; or
- (iii) if the Bank has or will become subject to adverse tax consequences which would not be suffered were the Notes represented by the Global Certificate in definitive form,

provided that, in the case of the first transfer of part of a holding pursuant to paragraph 3.3(i) or 3.3(ii) above, the Registered Holder has given the Registrar not less than 30 days' notice at its specified office of the Registered Holder's intention to effect such transfer.

### **3.4 Partial Exchange of Permanent Global Notes**

For so long as a permanent Global Note is held on behalf of a clearing system and the rules of that clearing system permit, such permanent Global Note will be exchangeable in part on one or more occasions for Definitive Notes (i) if principal in respect of any Notes is not paid when due or (ii) if so provided in, and in accordance with, the Conditions (which will be set out in the relevant Pricing Supplement) relating to Partly Paid Notes.

### **3.5 Delivery of Notes**

On or after any Exchange Date (as defined in paragraph 3.6 below) the holder of a Global Note may surrender such Global Note or, in the case of a partial exchange, present it for endorsement to or to the order of the Fiscal Agent. In exchange for any Global Note, or the part thereof to be exchanged, the Bank will (i) in the case of a temporary Global Note exchangeable for a permanent Global Note, deliver, or procure the delivery of, a permanent Global Note in an aggregate nominal amount equal to that of the whole or that part of a temporary Global Note that is being exchanged or, in the case of a subsequent exchange, endorse, or procure the endorsement of, a permanent Global Note to reflect such exchange or (ii) in the case of a Global Note exchangeable for Definitive Notes or Registered Notes, deliver, or procure the delivery of, an equal aggregate nominal amount of duly executed and authenticated Definitive Notes and/or Certificates, as the case may be. In this Offering Circular, “**Definitive Notes**” means, in relation to any Global Note, the definitive Bearer Notes for which such Global Note may be exchanged (if appropriate, having attached to them all Coupons and Receipts in respect of interest or Instalment Amounts that have not already been paid on the Global Note and a Talon). Definitive Notes will be security printed and Certificates will be printed in accordance with any applicable legal and stock exchange requirements in or substantially in the form set out in the Schedules to the Agency Agreement. On exchange in full of each permanent Global Note, the Bank will, if the holder so requests, procure that it is cancelled and returned to the holder together with the relevant Definitive Notes.

### 3.6 Exchange Date

“**Exchange Date**” means, in relation to a temporary Global Note, the day falling after the expiry of 40 days after its issue date and, in relation to a permanent Global Note, a day falling not less than 60 days, or in the case of failure to pay principal in respect of any Notes when due 30 days, after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Fiscal Agent is located and in the city in which the relevant clearing system is located.

## 4 Amendment to Conditions

The temporary Global Notes, permanent Global Notes and Global Certificates contain provisions that apply to the Notes that they represent, some of which modify the effect of the terms and conditions of the Notes set out in this Offering Circular. The following is a summary of certain of those provisions:

### 4.1 Payments

No payment falling due after the Exchange Date will be made on any Global Note unless exchange for an interest in a permanent Global Note or for Definitive Notes or Registered Notes is improperly withheld or refused. Payments on any temporary Global Note issued in compliance with the D Rules before the Exchange Date will only be made against presentation of certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement. All payments in respect of Notes represented by a Global Note will be made against presentation for endorsement and, if no further payment falls to be made in respect of the Notes, surrender of that Global Note to or to the order of the Fiscal Agent or such other Paying Agent as shall have been notified to the Noteholders for such purpose. A record of each payment so made will be endorsed on each Global Note, which endorsement will be prima facie evidence that such payment has been made in respect of the Notes. Condition 8(c) (in the case of Notes other than Additional Tier 1 Notes) and Condition 7(c) (in the case of Additional Tier 1 Notes) will apply to the Definitive Notes only. For the purpose of any payments made in respect of a Global Note, the relevant place of presentation shall be disregarded in the definition of “business day” set out in Condition 7(h) (in the case of Notes other than Additional Tier 1 Notes) and Condition 6(h) (in the case of Additional Tier 1 Notes).

All payments in respect of Notes represented by a Global Certificate will be made to, or to the order of, the person whose name is entered on the Register at the close of business on the Clearing System Business Day immediately prior to the date for payment, where “**Clearing System Business Day**” means Monday to Friday inclusive except 25 December and 1 January.

### 4.2 Prescription

Claims against the Bank in respect of Notes that are represented by a permanent Global Note will become void unless it is presented for payment within a period of 10 years (in the case of principal) and five years (in the case of interest) from the appropriate Relevant Date (as defined in Condition 8 (in the case of Notes other than Additional Tier 1 Notes) and Condition 7 (in the case of Additional Tier 1 Notes)).

### 4.3 Meetings

The holder of a permanent Global Note or of the Notes represented by a Global Certificate shall (unless such permanent Global Note or Global Certificate represents only one Note) be treated as being two persons for the purposes of any quorum requirements of a meeting of Noteholders and, at any such meeting, the holder of a permanent Global Note or a Global Certificate shall be treated as having one vote in respect of each integral currency unit of the Specified Currency of the Notes. (All holders of Registered Notes are entitled to one vote in respect of each integral currency unit of the Specified Currency of the Notes comprising such Noteholder’s holding, whether or not represented by a Global Certificate.)

### 4.4 Cancellation

Cancellation of any Note represented by a permanent Global Note or Global Certificate that is required by the Conditions to be cancelled (other than upon its redemption) will be effected by reduction in the nominal amount of the relevant permanent Global Note or Global Certificate.

#### **4.5 Purchase**

Notes represented by a permanent Global Note may only be purchased by the Bank or any of its respective subsidiaries if they are purchased together with the rights to receive all future payments of interest and Instalment Amounts (if any) thereon.

#### **4.6 Issuer's Option**

Any option of the Bank provided for in the Conditions of any Notes while such Notes are represented by a permanent Global Note shall be exercised by the Bank giving notice to the Noteholders within the time limits set out in and containing the information required by the Conditions, except that the notice shall not be required to contain the serial numbers of Notes drawn in the case of a partial exercise of an option and accordingly no drawing of Notes shall be required. In the event that any option of the Bank is exercised in respect of some but not all of the Notes of any Series, the rights of accountholders with a clearing system in respect of the Notes will be governed by the standard procedures of Euroclear, Clearstream, Luxembourg or any other clearing system (as the case may be).

#### **4.7 Noteholders Options**

Any option of the Noteholders provided for in the Conditions of any Notes while such Notes are represented by a permanent Global Note or Global Certificate may be exercised by the holder of the permanent Global Note giving notice to the Fiscal Agent within the time limits relating to the deposit of Notes with a Paying Agent set out in the Conditions substantially in the form of the notice available from any Paying Agent, except that the notice shall not be required to contain the serial numbers of the Notes in respect of which the option has been exercised, and stating the nominal amount of Notes in respect of which the option is exercised and at the same time presenting the permanent Global Note or Global Certificate to the Fiscal Agent, or to a Paying Agent acting on behalf of the Fiscal Agent, for notation.

#### **4.8 Events of Default**

Each Global Note provides that the holder may cause such Global Note, or a portion of it, to become due and repayable in the circumstances described in Condition 10 (in the case of Notes other than Additional Tier 1 Notes) and Condition 9 (in the case of Additional Tier 1 Notes) by stating in the notice to the Fiscal Agent the nominal amount of such Global Note that is becoming due and repayable. If principal in respect of any Note is not paid when due, the holder of a Global Note or Registered Notes represented by a Global Certificate may elect for direct enforcement rights against the Bank under the terms of a Deed of Covenant executed as a deed by the Bank on 7 September 2012 to come into effect in relation to the whole or a part of such Global Note or one or more Registered Notes in favour of the persons entitled to such part of such Global Note or such Registered Notes, as the case may be, as accountholders with a clearing system. Following any such acquisition of direct rights, the Global Note or, as the case may be, the Global Certificate and the corresponding entry in the register kept by the Registrar will become void as to the specified portion or Registered Notes, as the case may be. However, no such election may be made in respect of Notes represented by a Global Certificate unless the transfer of the whole or a part of the holding of Notes represented by that Global Certificate shall have been improperly withheld or refused.

#### **4.9 Notices**

So long as any Notes are represented by a Global Note or Global Certificate and such Global Note or global Certificate is held on behalf of a clearing system, notices to the holders of Notes of that Series may be given by delivery of the relevant notice to that clearing system for communication by it to entitled accountholders in substitution for publication as required by the Conditions or by delivery of the relevant notice to the holder of the Global Note or Global Certificate.

#### **5 Partly Paid Notes**

The provisions relating to Partly Paid Notes are not set out in this Offering Circular, but will be contained in the relevant Pricing Supplement and thereby in the Global Notes or Global Certificates. While any instalments of the subscription moneys due from the holder of Partly Paid Notes are overdue, no interest in a Global Note representing such Notes may be exchanged for an interest in a permanent Global Note or for Definitive Notes (as the case may be). If any Noteholder fails to pay any instalment due on any Partly Paid Notes within the time specified, the Bank may forfeit such Notes and shall have no further obligation to their holder in respect of them.

## **USE OF PROCEEDS**

The Bank intends to use the net proceeds from each issue of Notes for its funding and general corporate purposes (including, but not limited to, lending and overseas investments).

## CAPITALISATION AND INDEBTEDNESS

As of 30 June 2023, the Bank had a consolidated authorised share capital of Baht 30,246.8 million divided into 3,024,682,097 common shares at par value Baht 10 each and issued and paid-up share capital of Baht 23,693.3 million divided into 2,369,327,593 common shares of Baht 10 each.

The following table sets out the Bank's consolidated capitalisation and indebtedness as of 30 June 2023. This table is derived from the Bank's audited consolidated financial statements as of and for the six-month period ended 30 June 2023 and should be read in conjunction with these consolidated financial statements.

	<b>As of 30 June 2023</b>	
	<b>(Baht in millions)</b>	<b>(U.S.\$ in millions)</b>
<b>Liabilities</b>		
Deposits .....	2,709,500	76,132
Interbank and Money Market Items .....	166,502	4,678
Liabilities Payable on Demand.....	22,620	636
Financial Liabilities Measured at Fair Value through Profit or Loss .....	304	9
Derivative Liabilities .....	58,495	1,644
Debts Issued and Borrowings .....	98,684	2,773
Provisions .....	32,919	925
Deferred Tax Liabilities .....	264	7
Insurance Contract Liabilities.....	521,328	14,648
Customer Balance from Security Business.....	19,658	552
Other Liabilities.....	56,867	1,598
Total Liabilities.....	3,687,141	103,602
<b>Equity</b>		
Issued and Paid-Up Share Capital		
2,369,327,593 Common Shares, Baht 10 par value.....	23,693	666
Premium on Common Shares .....	18,103	509
Other Equity Instruments .....	15,549	437
Other Reserves .....	21,068	592
Retained Earnings.....	437,940	12,305
Non-Controlling Interests .....	64,606	1,815
Total Equity .....	580,959	16,324
Total Liabilities and Equity .....	4,268,100	119,926

Except as disclosed in this Offering Circular, there has been no material change in the Bank's total capitalisation since 30 June 2023. The Bank is not restricted from incurring any new indebtedness.



## DESCRIPTION OF THE BANK

### OVERVIEW

KASIKORNBANK PUBLIC COMPANY LIMITED, formerly known as Thai Farmers Bank, was established on 8 June 1945 and has been listed on the SET since 1976. The Bank's main operating entity is KASIKORNBANK PUBLIC COMPANY LIMITED. See “– Organisation”.

The Bank's core financial services comprise corporate, SME and retail banking services. The Bank's corporate services include loans, cash management, trade financing, supply chain financing and debt and equity capital market products. The Bank's SME services include loans, trade credit, cash management and bancassurance. The Bank's retail services include deposit taking, mortgage loans, personal loans, credit cards, private banking, mutual funds and bancassurance.

As of 30 June 2023, the Bank was the second largest commercial bank in Thailand in terms of total assets, deposits and loans, and had a market capitalisation of Baht 306.8 billion, making it the twelfth largest publicly listed company and the second largest bank in Thailand in terms of market capitalisation. As of 30 June 2023, the Bank had 15.97 per cent. market share of loans and 17.12 per cent. market share of deposits among the 17 Thai commercial banks that submitted the C.B.1.1 report, a monthly summary statement of assets and liabilities published by the BoT. As of 30 June 2023, the Bank had, on a consolidated basis, Baht 4,268.1 billion in total assets, Baht 2,449.3 billion in total loans and Baht 2,709.5 billion in total deposits.

As of 30 June 2023, the Bank had 816 branches in Thailand, as well as 9,074 automated teller machines (“ATMs”), 1,893 cash deposit machines (“CDMs”), 932 passbook update machines (“PUMs”), 88 foreign exchange booths, 161 K-Lobbies, 79 “THE WISDOM” centres, 183 SME business centres, 58 international trade service centres, and 15 cheque direct service offices. The Bank was ranked third in terms of the number of branches in Thailand. In addition, the Bank had two overseas subsidiary banks in China and the Lao People's Democratic Republic (“Lao PDR”), four overseas branches in Hong Kong, the Cayman Islands, Phnom Penh and Ho Chi Minh City, and six representative offices in Beijing, Kunming, Tokyo, Yangon, Hanoi and Jakarta.

The Bank operates its business with prudence, balancing environmental, social, and governance (ESG) dimensions with proactive integrated risk management and appropriate cost management in accordance with the principles of a Bank of Sustainability.

To empower every customer's life and business, the Bank prioritized the development of digital services, re-imagining of lending, democratization of investment and insurance, expansion of the the ASEAN Economic Community (“AEC”)+3 market, improvement in sales and service channel experiences, and strengthening its long-term competitive capability.

Guided by its “Challenger Bank” concept, the Bank leveraged service innovations and business partnerships in Thailand and other countries in order to promote financial inclusion and enhance convenience for a broad range of the general public. The Bank focused on improving the quality of people's lives and society at large within the ecosystem with the aim to achieve growth, while creating sustainable returns for the benefit of all stakeholders.

The Bank is determined to become the ESG leader among banks in Southeast Asia. The Bank unveiled its Net Zero Commitment in 2021 to take concrete actions to become “net zero” in its operations and financed portfolios. The Bank also strives to be a meaningful organization for society. To this end, the Bank aims to build a sustainable society by promoting financial inclusion through innovations and digital banking services for retail customers, collaborations with the Bank's strategic partners, offering quality services using efficient data analytics, and improving the public's financial literacy. Building a sustainable society also includes prevention of cyber threats, maintenance of customer data privacy, and respect for human rights. In terms of corporate governance, the Bank aims to create sustainable returns by integrating ESG into business value chains and making appropriate and careful assessment of ESG risks. The Bank strives to ensure that its operations meet sustainable development goals that can be measured in a concrete manner in line with Thailand's sustainable development context and international standards.

The Bank's operations have gained widespread acceptance both at home and abroad, and the Bank has been selected for inclusion in many major sustainability indices. These achievements reflect the Bank's vital spirit and corporate culture in fully embracing the Bank's role as a Bank of Sustainability in Thailand and the global arena.

In August 2023, guided by the strategy of long-term business growth, the Bank has spun off KASIKORN INVESTURE COMPANY LIMITED (“KIV”), with Mr. Patchara Samalapa assuming the position of Group Chairman of KIV. The move is aimed at enhancing flexibility in its expansion of financial services to retail

customers, especially by leveraging its business partners' capabilities with the Bank's existing infrastructure in order to minimize business cost and credit cost. Currently, there are 14 companies under KIV's structure with a total investment value of approximately Baht 30 billion.

Regarding global business endeavors, the Bank is determined to become a "Regional Digital Bank" through three strategic plays, namely Aggressive Play, Mass Acquisition Play, and Disruptive Play, particularly in CCLVI countries. The Bank has 80 bank partners in 14 countries, 77 overseas service networks in eight countries, as well as 14 operating branches and 46 sub-branches of Bank Maspion in Indonesia. In addition, KASIKORN VISION COMPANY LIMITED was formed to function in joint investments, searching for pioneering digital technologies worldwide. The Bank's objective is to become the "Regional Life Platform of Choice" by facilitating business expansion in the AEC+3 market to accommodate new customers in the future. In 2021, the Bank upgraded the status of its representative office in Ho Chi Minh City, Socialist Republic of Vietnam, to an international branch.

Furthermore, the Bank has maintained its leadership position in the corporate segment and has retained the largest market share in the SME business segment. Because a rising number of consumers are turning to online channels, the Bank is committed to developing a variety of service channels to meet its customers' needs. While the Bank has merged certain physical branches to attain higher efficiencies in branch management, it continues to provide service in all locales to meet customer demand. As of 30 June 2023, the Bank had 816 branches and 10,967 self-service channels to help customers conduct transactions on their own.

Net profit attributable to the Bank's equity holders, on a consolidated basis, decreased by 1.2 per cent. from Baht 22.0 billion in the six-month period ended 30 June 2022 to Baht 21.7 billion in the six-month period ended 30 June 2023. The decrease was attributable to an increase in expected credit loss (ECL) by 32.8 per cent. or Baht 6.3 billion under the Bank's prudent approach of continuous and proactive asset quality management. The Bank set aside higher ECL in light of uncertainties relating to the global economic slowdown and various economic factors that may affect Thailand's economic recovery and certain groups of customers, and the credit deterioration in a large corporate loan. Operating profit before ECL and income tax expense increased by 15.7 per cent. or Baht 7.3 billion mainly from the Bank's strategy, the rising interest rate trend resulting in strong net interest income growth and the Bank's efficient expense management. Net interest income grew by 12.3 per cent. or Baht 7.8 billion due to rising interest rates and new loans expansion in line with the Bank's strategic direction. Although there was an increase in the funding cost resulting from an increase in the rate of contribution to Financial Institution Development Fund to its normal level of 0.46 per cent., the Bank recorded a net interest margin (NIM) of 3.54 per cent. Non-interest income increased by 25.6 per cent. or Baht 4.7 billion mainly due to the increase in mark to market of financial instruments measured at fair value through profit or loss according to market conditions. Other operating expenses increased by 14.6 per cent. or Baht 5.2 billion due to increased business activities and partly due to an increase in employee expenses from a one-time cost of living subsidy measures.

Meanwhile, the Bank's net profit attributable to equity holders of the Bank decreased by 6.0 per cent., from Baht 38.1 billion for the year ended 31 December 2021 to Baht 35.8 billion for the year ended 31 December 2022, mainly due to an increase in expected credit loss by 28.7 per cent. or Baht 11.6 billion. Operating profit before income tax expense and expected credit loss increased by 6.7 per cent., or Baht 6.2 billion, primarily due to an increase in net interest income which increased by 11.4 per cent., or Baht 13.6 billion. The increase in net interest income was primarily due to an increase in interest income from loans to customers, particularly new loans granted to retail and SME business customers, as well as the Bank's strategic direction to increased focus on leveraging data analytics capabilities to offer loan products via digital channels. However, non-interest income decreased by 8.4 per cent. or Baht 3.7 billion, mainly due to a decrease in fees from fund management, brokerage fees and net premiums earned, consistent with market conditions. Meanwhile, other operating expenses increased by 5.2 per cent., or Baht 3.7 billion, mainly due to an increase in marketing expenses in line with increased revenue and business volume and an increase in IT-related expenses to support increased customer demand. The Bank's consolidated NPL ratio for the year ended 31 December 2022 was 3.19 per cent. compared to 3.76 per cent. for the year ended 31 December 2021.

Through its customer-centric strategy, the Bank strives to satisfy the diverse needs of its customers by offering a full array of financial solutions from the Bank, its wholly-owned subsidiaries (or, in the case of KASIKORN SECURITIES PCL ("**KSecurities**"), 99.99 per cent. owned), and MTL. The wholly-owned subsidiaries of the Bank, or so called "K Companies" provide products and services such as fund management, hire purchase and leasing, securities and investment banking, and research services. The K Companies are KASIKORN ASSET MANAGEMENT CO., LTD ("**KAsset**"), KASIKORN RESEARCH CENTER CO., LTD ("**KResearch**"), KSecurities, KASIKORN LEASING CO., LTD ("**KLeasing**"), and KASIKORN FACTORY AND EQUIPMENT CO., LTD ("**KF&E**"). KAsset was ranked first among asset management companies in Thailand in terms of mutual fund assets under management with a 22.6 per cent. market share as of 30 June 2023 according to the Association of Investment Management Companies. KSecurities had a market share of 2.7 per cent. by equity trading volume as of 30 June 2023, excluding proprietary trading. See "*Organisation – The K Companies and MTL*". To maintain its

competitiveness in the new business landscape, which increasingly relies on technology-driven solutions, the Bank has established the KASIKORN BUSINESS-TECHNOLOGY GROUP with the aim of promoting technology and innovation, supporting development and innovation in businesses and strengthening related business support, infrastructure and information systems. The KASIKORN BUSINESS-TECHNOLOGY GROUP comprises five companies: KASIKORN TECHNOLOGY GROUP SECRETARIAT COMPANY LIMITED, KASIKORN LABS COMPANY LIMITED, KASIKORN SOFT COMPANY LIMITED, KASIKORN INFRA COMPANY LIMITED, and KASIKORN X COMPANY LIMITED. To capitalise on opportunities in the AEC and other Asian countries, the Bank is preparing to become a “Regional Digital Bank” designed to facilitate the Bank’s customers’ business expansion plans primarily in AEC member countries, as well as facilitating businesses in China, Japan and the Republic of Korea (“Korea”).

The Bank has a 38.25 per cent. economic interest in MTL, through which the Bank provides its life insurance products and services. MTL ranked fourth out of 21 players in the industry, in terms of total premiums with a market share of 11.9 per cent. as of 30 June 2023 according to The Thai Life Assurance Association. In the bancassurance market, MTL ranked the second out of 16 players in the industry, measured by total premiums, as of 30 June 2023, with a market share of 15.4 per cent., according to The Thai Life Assurance Association.

The registered office of the Bank is located at 400/22 Phahon Yothin Road, Sam Sen Nai Sub-district, Phaya Thai District, Bangkok, Thailand. As of 30 June 2023, the Bank had a consolidated authorised share capital of Baht 30,246.8 million divided into 3,024,682,097 common shares of par value Baht 10.00 each, and an issued and paid up share capital of Baht 23,693.3 million divided into 2,369,327,593 common shares of par value Baht 10.00 each.

## **HISTORY**

KASIKORNBANK PUBLIC COMPANY LIMITED, formerly known as Thai Farmers Bank, was established on 8 June 1945, with a registered capital of Baht 5 million. The Bank has been listed on the SET since 1976.

Over the years, the Bank has provided innovative financial products to its customers and has been recognised for the excellence of its services. In 1993, the Bank was the first bank in Thailand to employ the reengineering system to redesign its branches and service delivery to improve the service quality and experience for its customers. The Bank was one of the few Thai commercial banks to survive the Asian financial crisis in 1997 without asking for state assistance. Following the Asian financial crisis, the Bank conducted a reorganisation process in order to improve its operational efficiency and risk management system.

Since 2005, the Bank has been offering a full array of financial solutions from itself as well as its wholly-owned subsidiaries to customers. In 2009, the Bank expanded into the life insurance business by acquiring additional ordinary shares in Muang Thai Group Holding Co., Ltd., a major shareholder of MTL, from 10.0 per cent. to 51.0 per cent. As a result, the Bank has a 38.25 per cent. economic interest in MTL. The Bank has continued to expand its business both domestically and internationally. See “– Overview”.

To maintain competitiveness in the new business environment, which increasingly relies on technology-driven solutions, the Bank established the KASIKORN BUSINESS-TECHNOLOGY GROUP in 2015 which aims to promote technology and innovation, support development and innovation in businesses and strengthen related business support, infrastructure and information systems. The KASIKORN BUSINESS-TECHNOLOGY GROUP comprises five companies: KASIKORN TECHNOLOGY GROUP SECRETARIAT COMPANY LIMITED, KASIKORN LABS COMPANY LIMITED, KASIKORN SOFT COMPANY LIMITED, KASIKORN INFRA COMPANY LIMITED, and KASIKORN X COMPANY LIMITED.

## **RECENT DEVELOPMENTS**

As of 30 June 2023, the Bank had consolidated assets totalling Baht 4,268.1 billion, which represented an increase of Baht 21.7 billion, or 0.5 per cent., from 31 December 2022. The increase was mainly due to an increase in net interbank and money market items of 9.2 per cent., or Baht 46.3 billion, to Baht 548.8 billion and an increase in net investments of 1.6 per cent., or Baht 15.2 billion, to Baht 988.6 billion. However, loans to customers decreased by 1.8 per cent., or Baht 45.8 billion, to Baht 2,449.3 billion mainly due to non-performing loans management such as sale of loans and written-off loans, despite continued growth in new loans in line with the Bank’s business direction.

The Bank’s consolidated deposits decreased by 1.4 per cent., or Baht 39.2 billion, to Baht 2,709.5 billion, mainly due to a decrease in saving deposits, while fixed deposits increased. The Bank’s NPL ratio slightly increased from 3.19 per cent. for the year ended 31 December 2022 to 3.20 per cent. for the six-month period ended 30 June 2023. As at 30 June 2023, KASIKORNBANK FINANCIAL CONGLOMERATE recorded a capital adequacy ratio of 19.01 per cent. per the Basel III capital requirements, with a Tier-1 capital ratio of 17.04 per cent. (Common Equity Tier 1 ratio was 16.06 per cent.), indicating the Bank’s continued solid capital strength.

The Bank's net profit attributable to equity holders of the Bank for the six-month period ended 30 June 2023 totalled Baht 21.7 billion on a consolidated basis, decreasing by Baht 0.3 billion, or 1.2 per cent., from the six-month period ended 30 June 2022. There was an increase of Baht 6.3 billion in expected credit loss, or 32.8 per cent, to Baht 25.5 billion. Operating profit before income tax expense and expected credit loss increased by Baht 7.3 billion, or 15.7 per cent., compared to the six-month period ended 30 June 2022. The Bank recorded a net interest margin of 3.54 per cent. for the six-month period ended 30 June 2023, which was higher than the net interest margin for the six-month period ended 30 June 2022 in line with interest rate trend.

The Bank's non-interest income increased by Baht 4.7 billion, or 25.6 per cent., from Baht 18.4 billion for the six-month period ended 30 June 2022 to Baht 23.1 billion for the six-month period ended 30 June 2023. The increase was mainly due to the increase in mark to market of financial instruments measured at fair value through profit or loss according to market conditions.

For the six-month period ended 30 June 2023, the Bank's other operating expenses amounted to Baht 40.6 billion, representing an increase of Baht 5.2 billion, or 14.6 per cent., from Baht 35.5 billion in the six-month period ended 30 June 2022. The increase was in line with an increase in operating income, due to increased business activities and partly due to an increase in employee expenses from a one-time cost of living subsidy measures. The Bank's cost to income ratio decreased from 43.18 per cent. for the six-month period ended 30 June 2022 to 42.94 per cent. for the six-month period ended 30 June 2023. This was due to the increase in net total income, despite higher operating expenses.

## **COMPETITIVE STRENGTHS**

The Bank believes it benefits from a number of core competitive strengths which support its financial performance:

### **Leading SME Bank in Thailand**

The Bank believes that it is the leading lender to Thailand's SME business sector with its strong existing relationships with SMEs. The Bank's objective is to foster and promote an array of cutting-edge products and service offerings that cater to the specific business and trading requirements of its SME customers. This includes leading the development of secure and dependable payment innovations for domestic, regional and international transactions. Moreover, the Bank is determined to become a leader in digital payment solutions across all platforms, with the ultimate aim of seamlessly integrating into customers' ecosystems. The Bank's dedicated Relationship Managers (RMs) are readily available to introduce suitable products offered by the Bank and other companies within KASIKORNBANK FINANCIAL CONGLOMERATE to SMEs. In recognition of its commitment to SMEs, the Bank received the "Highly Commended - Excellence in SME Banking" award from Retail Banker International in 2021 and 2022, and the "Best SME Bank in Thailand" award from The Asian Banker in 2022.

### **Strong Retail Banking Business**

The Bank has received "Best Retail Bank in Thailand" awards for fourteen consecutive years from 2010 to 2023, the "Most Selected Main Retail Bank in Thailand and 8th in Asia Pacific" award in the BankQuality Consumer Survey on Retail Banks 2022, the "Most Recommended Retail Bank in Thailand" award and the "Most Selected Main Bank in Thailand" award in the BankQuality Consumer Survey on Retail Banks 2023 from The Asian Banker. The Bank has also received "Best Retail Bank in Thailand" awards from Asian Banking & Finance for six consecutive years from 2014 to 2019, and the "Best Retail Bank for Digital CX – Thailand" award from the Digital Banker for three consecutive years from 2020 to 2022, the "Best Consumer Digital Bank in Thailand" award in 2021-2022 from Global Finance, and the "Best Retail Bank in Thailand" award in 2021 and 2023, and "Highly Commended - Best Retail Bank - Thailand" award in 2023 from Retail Banker International.

Moreover, the Bank was recognised for innovative banking in Thailand and has received a number of awards which recognise the Bank's digital and innovation initiatives. The Bank has received numerous awards in recognition of its digital banking capabilities in the last five years. These awards include the following awards from The Asian Banker: the "Best Credit Evaluation Initiative, Application or Programme – Thailand" and the "Best Frictionless Mobile Initiative, Application or Programme – Thailand" in 2018, the "Best Digital Brand Initiative, Application or Programme" and the "Best Frictionless Customer Relationship Management" in 2019, "Best Mobile Banking Service" and "Best Digital Lending Service in Thailand" in 2021, the "Best Chatbot Initiative" in 2022, the "Best Digital-Only Bank in Thailand" in 2022-2023, the "Best Frictionless Customer Experience Initiative" and the "Best Digital Credit Evaluation Initiative" in 2023. The Bank was also awarded the "Financial Inclusion Initiative of the Year-Thailand" in 2018 and 2022, and the "Winner: New Consumer Lending Product of the Year in Thailand for Digital Consumer Financing on Social Media Platform -LINE BK" award in 2022 from Asian Banking & Finance. The Bank also received the following 11 awards from The Digital Banker: "Winner: Excellence in Next-Gen

Customer Experience”, “Highly Acclaimed: Best Product or Service Innovation”, “Highly Acclaimed: Best Customer Insight & Feedback Initiative”, “Highly Acclaimed: Best App for Customer Experience” in 2019, “Winner: Best Digital Market Entry Strategy” in 2020, “Winner: Best Digital Bank – Thailand”, “Highly Acclaimed: Best Digital CX Partner/Vendor” in 2021, “Winner: Best Digital Bank for CX – Thailand” in 2021 and 2023, “Winner: Best Digital CX in Banking - Social Channels” in 2022 and “Winner: Outstanding Digital CX in FX Services” in 2023. The Bank also received the following eight awards from Retail Banker International: “Highly Commended: Excellence in Service Innovation” in 2019, “Winner - Excellence in Client On-Boarding”, “Highly Commended - Best Mobile Wallet Initiative” in 2020, “Winner - Excellence in Service Innovation” in 2021, “Highly Commended - Best App for Customer Experience”, “Highly Commended- Trailblazing Use of AI or Machine Learning in Financial Services” in 2022, “Winner - Best Open Banking Initiative” and “Highly Commended - Best Mobile Wallet Initiative” in 2023.

The Bank believes that it is one of the market leaders across a variety of retail banking products and services and that its position provides a platform for growth in these areas. The Bank received several awards for its cards and payments service offerings from several organizers from 2018 to present. In 2018, Retail Banker International awarded the Bank the “Dynamic Third Party Collaboration” award for the Bank’s collaboration with FinTech companies and business partners to enable the world’s largest Chinese third-party online payment services at local retailers, from multi-billion corporations to small brick and mortar shops, aiming to provide Chinese tourists with a seamless cross-border payment experience. The Bank also received the “Highly Commended - Best Payment Innovation” awards in 2020 and 2021 from Retail Banker International. Retail Banker International also awarded the Bank the “Highly Commended - Best Debit Card Initiative” award in 2019-2020 for the K-ROV Debit Card product. The K-ROV Debit Card was launched as the first and only debit card in Thailand designed for gamers, offering many privileges specifically for gamers. Asian Banking & Finance also granted the “Credit Card Initiative of the Year in Thailand” award from 2016 to 2018. Visa International (Thailand) named the Bank as the winner of the “Champion Security” award for the Southeast Asia – SMT (Singapore, Malaysia & Thailand) region in 2019, recognizing the Bank’s risk management efforts in effectively combating fraud risks and the Bank’s continued commitment to championing a secure payments ecosystem. At the same time, The Asian Banker granted the “Best E-Commerce Proposition: K+ Market” award in 2019 for K PLUS Market, which is an artificial intelligence-powered electronic platform that provides a business matching service for sellers and buyers, allowing sellers to offer specific items that buyers can then select for purchase. The Digital Banker also awarded the Bank with the “Highly Acclaimed: Best Customer Relations & Brand Engagement Initiative” and “Highly Acclaimed: Outstanding Personalized 1:1 Marketing Initiative” awards in 2019, the “Best Customer Experience – Debit Card” award in 2020 and the “Winner: Outstanding Innovation in Digital CX – Platform/Website” award in 2021. See “*Awards and Commendations*”.

In bancassurance, the Bank was ranked second in Thailand by The Thai Life Assurance Association in terms of new business premium, renewal premium and total insurance premium with a market share of 15.8 per cent., 15.1 per cent., and 15.4 per cent. respectively as of 30 June 2023. The Bank, through its wholly-owned subsidiary, KAsset, also had the highest amount of assets under management in mutual funds among the asset management companies in Thailand as of 30 June 2023, according to the Association of Investment Management Companies.

### **One of the Leading Banks in Thailand for Quality of Service**

The Bank has a “customer-centric” approach in its business operations and believes it has developed a reputation for delivering the highest quality of service to its customers. This is exemplified by the Bank’s focus on customer service in its business strategy, as well as in its continuous efforts to consistently develop, monitor and improve service standards across its operations. The Bank has also developed data analytics capabilities in order to build intelligent customer insights for greater personalization, enabling it to offer products and services tailored to individual customers. As a result, the number of the Bank’s customers has increased by 221 per cent. from 6.9 million in 2007 to 22.2 million in June 2023. According to Net Promoter Score (“NPS”) (Market) surveys conducted by The NielsenIQ Company (Thailand) Ltd., as of December 2022, the Bank’s NPS was at 83, the highest NPS when compared with other banks in Thailand.

### **Strong Corporate Banking Business**

The Bank has strong existing relationships with corporates in Thailand and the Bank’s customer base includes most of the companies comprising the SET 100. According to a survey conducted by the Business Research Specialist in 2018, the Bank’s market share of corporate banking in Thailand among all commercial banks in Thailand was 22 per cent. The Bank focuses on providing not only transaction banking services but also comprehensive fundraising solutions through both debt and equity capital markets in order to fulfil corporate customers’ needs for business

expansion. With respect to its transaction banking services, the Bank focuses on providing collection and payment solutions via both conventional and online platforms, which helps reduce customers' operation costs.

According to a survey in 2018 conducted by the Business Research Specialist, the Bank was a top player in the trade finance market, with a market share of 27 per cent. for multi-corporate businesses and 32 per cent. for large corporate businesses, as well as in the cash management market, with a market share of 24 per cent. for both multi-corporate businesses and large corporate businesses.

As of 30 June 2023, the Bank's securities services business had assets under mutual fund supervisory services of over Baht 1.8 trillion according to the Thai SEC, giving the Bank the largest single market share of 38.8 per cent. in Thailand. According to the Thai SEC, as of 30 June 2023, the Bank's securities services business had assets under provident fund custodial services of over Baht 375.1 billion, representing a market share of 27.0 per cent. Moreover, the Bank has over Baht 172.2 billion of assets under private fund custodial services. In the six-month period ended 30 June 2023, the Bank was ranked second in Thailand in terms of corporate bond underwriting with a volume of Baht 90.9 billion, which represented a 15.5 per cent. market share, and third in terms of trading volume of corporate bonds in Thailand with a trading volume of Baht 52.2 billion, which represented a 15.0 per cent. market share.

### **Strong Balance Sheet and Capital Base**

The Bank has a diversified loan portfolio, in terms of types of borrowers, industry and tenor. As of 30 June 2023, corporate loans (comprising loans to multi-corporate and large corporate businesses), SME loans (comprising loans to medium businesses and small and micro businesses) and retail loans (comprising loans to high net worth individuals, affluent individuals and middle income and mass customers) accounted for 35.4 per cent., 30.7 per cent. and 27.9 per cent. of the Bank's total loan portfolio, respectively. The Bank's loan portfolio also covers a wide range of industries, such as utilities, services, real estate, construction, manufacturing, commerce, agriculture and mining. As of the six-month period ended 30 June 2023, the Bank's top 20 borrowers accounted for only 5.4 per cent. of the Bank's total loan portfolio on a consolidated basis. The Bank's consolidated NPL ratio increased from 3.65 per cent. in the year ended 31 December 2019 to 3.93 per cent. in the year ended 31 December 2020, decreased to 3.76 per cent. in the year ended 31 December 2021 and 3.19 per cent. in the year ended 31 December 2022, and remained stable at 3.20 per cent. as of 30 June 2023. The Bank has closely monitored, provided support for and assured credit quality for customers affected by COVID-19. The Bank's overall NPL level remains manageable. The Bank's Tier 1 capital was Baht 467.1 billion (Common Equity Tier 1 totaled 440.2 billion) and the Bank's Tier 1 capital ratio was 17.04 per cent. and Common Equity Tier 1 ratio was 16.06 per cent. as of 30 June 2023, which was significantly higher than the minimum rate of 9.5 per cent. for Tier 1 and 8.0 per cent. for Common Equity Tier 1 required by the BoT. In addition, the Bank's total capital was Baht 521.0 billion and the Bank's capital adequacy ratio on a consolidated basis was 19.01 per cent., which was significantly higher than the minimum rate of 12.0 per cent. required by the BoT. The Bank believes that its strong capital position enhances its ability to continue its growth and to protect itself against potential risks.

### **Strong and Stable Funding Base**

The Bank has the strongest deposit franchises in the Thai banking sector due to its extensive network, with 816 branches nationwide that cover all of the provinces in Thailand. As part of the Bank's migration to an era of digitization, the Bank caters to its customers' digital lifestyles by offering convenient digital channels that allow customers to conduct real-time transactions. From 2019 to June 2023, the Bank enabled customers to open K-eSavings via K PLUS by verifying their identity via facial recognition technology on K PLUS or at K-Check ID available at the Bank's branches and specific KBank Services (Banking Agents). The Bank also participated in the test of using cross identity verification through the National Digital ID (NDID) platform for opening a digital deposit account, a securities account, an asset management account, asking for digital lending and sharing bank statements in the BoT's Regulatory Sandbox. Deposits accounted for 63.5 per cent. of the Bank's funding as of 30 June 2023. As of 30 June 2023, the Bank had 15.97 per cent. market share of loans and 17.12 per cent. market share of deposits among the 17 Thai commercial banks that submitted the C.B.I.1 report, a monthly summary statement of assets and liabilities published by the BoT. As of 30 June 2023, 80.2 per cent. of the Bank's deposits comprised current and savings accounts which pay no or very low interest. The growth in these types of deposits resulted in an improvement in the Bank's funding structure, as it enabled the Bank to lower its cost of funds and provide a more stable source of funding. The Bank's low cost of funding is reflected in its net interest margin, which stood at 3.54 per cent. as of 30 June 2023.

### **Proven and Experienced Management Team**

The Bank has an experienced management team with extensive industry experience in the Thai banking sector (see "*Management*" for a detailed description of the senior management team). The Bank's senior management team has

proven its ability to provide strategic direction, execute business initiatives and compete in a highly competitive market.

### **Strong Competitive Positioning**

As of 30 June 2023, the Bank was the second largest commercial bank in Thailand in terms of total assets, deposits and loans. According to information provided on The Stock Exchange of Thailand's website, the Bank had a market capitalisation of Baht 306.8 billion as of 30 June 2023, making it the twelfth largest listed company in Thailand and the second largest among listed Thai banks. As of 30 June 2023, the Bank had a 15.97 per cent. market share of loans and a 17.12 per cent. market share of deposits among the 17 Thai commercial banks that submitted the C.B.1.1. report, a monthly summary statement of assets and liabilities published by the BoT. The Bank ranked first among mobile banking services by number of K PLUS users. The Bank's electronic banking services, which include multiple functions such as K-ATM, K-CDM (Cash Deposit Machines) and K-PUM (Passbook Update Machines), provide coverage throughout the country.

### **Strong and Independent Risk Management**

The Bank has established a Risk Oversight Committee with a defined risk policy as well as a corresponding governance structure to ensure that risks are managed efficiently and effectively with an aim to achieve long-term risk-adjusted return and sustainable profitability. The Bank is proactive in its risk management and has in place an integrated risk management system to ensure the accountability of each of its business lines.

## **BUSINESS STRATEGY**

The Bank has established business directions and strategic plans according to the principles of a Bank of Sustainability, balancing three dimensions – environmental, social and governance – with good corporate governance and appropriate risk and cost management. In order to empower every customer's life and business, the Bank prioritizes offering comprehensive solutions and services that can address customer needs anytime and anywhere as a trustworthy service provider under the single brand of KASIKORNBANK. The Bank collaborates and creates synergies with other companies within KASIKORNBANK FINANCIAL CONGLOMERATE, as well as startup firms and its business partners.

In alignment with the K-Strategy, which aims to foster a sustainable bank, the Bank focuses on developing competitive capabilities in a technology-driven business world that goes beyond banking and innovation. The Bank has also built upon its traditional banking business in order to improve customer responsiveness and strengthen services to align with the ever-evolving technology, consumer behavior and environment. The Bank's strategic imperatives are as follows:

1. **To become a Bank of Sustainability:** The Bank operates its business in adherence with all three principles of sustainability – environmental, social and governance (ESG) – under good corporate governance along with appropriate risk and cost management. The Bank has focused on bolstering its competitive capabilities that go beyond banking and innovation and has built upon its traditional banking business to align with the ever-evolving technology, consumer behavior and environment. The Bank also focused on creating a strong brand that accounts for dynamic changes in expectations and needs of all stakeholders, namely customers, the general public, investors, organizations, mass media and its employees. The Bank has conducted brand character surveys and research, adjusted brand loyalty measurement to reflect broad-based market perspectives and established branding management guidelines that align with its strategic imperatives.
2. **To advance the K-Strategy for business growth and customer responsiveness across all segments**
  - *Dominate Digital Payments* across all platforms and accommodate all types of payments. The Bank has leveraged data analytics to grow its business, develop payment innovations domestically, internationally and regionally, and provide an enhanced customer experience through excellent service delivery.
  - *Reimagine Commercial and Consumer Lending* in order to assist the Bank's customers in their lives and businesses. This endeavor generated an additional revenue stream for the Bank under an appropriate reward to risk ratio (RRR). The Bank has analyzed data on digital channels and business transactions obtained from counterparties within value chains in order to acquire customers with sound debt servicing ability and an interest in borrowing. The Bank has conducted risk-based cost management analysis and developed efficient practical guidelines for its three major customer groups as follows.
    - (1) Retail Business: The Bank has prioritized the use of customer data and data analytics to gain relevant insights, allowing it to develop products and services which can efficiently respond to each individual

customer's needs. The Bank has seamlessly integrated all service channels, including the branch network and digital channels, and has collaborated with its partners in various industries to access enhanced business opportunities and new customers. In addition, the Bank has focused on managing risks relating to fraud and asset quality with respect to loans granted to new borrowers. For existing loan customers, the Bank has emphasized up-selling, cross-selling and up-spending through risk-based pricing.

- (2) SME Business: The Bank has emphasized customer assistance and support to ensure that its customers can recover efficiently. The Bank aims to be a Total Solution Provider for its SME customers. To this end, the Bank focuses on building a solid team of Relationship Managers (RMs), who are well-versed in the Bank's products, and branch officers, who have an in-depth understanding of the Bank's customers' businesses and needs. Additionally, the Bank has leveraged its data analytics and innovative capabilities to enhance the efficiency of its customers' business operations and bolster their competitive capability for sustainable growth.
  - (3) Corporate Business: Aiming to meet all of its corporate customers' business needs, the Bank has prioritized funding support and fund mobilization to ensure its customers' cost effectiveness under appropriate risk management. In addition, the Bank has provided support for its customers' transactions via all formats of electronic channels, while offering products and services that cater to the needs of customers, suppliers, and employees throughout the business ecosystem. The Bank has fostered its relationships with corporate clients who are also business partners, which provides enhanced opportunities for loan extensions and enables the Bank to support them in their transition to low-carbon businesses.
- *Democratize Investment and Insurance, targeting previously inaccessible groups.* The Bank has developed applications and channels that equip its customers with sufficient information such that they can make their own investment decisions in an informed and cost effective manner. The Bank's Relationship Managers (RMs) are always on hand to recommend products of the Bank and other companies within KASIKORNBANK FINANCIAL CONGLOMERATE to corporate and high net worth individual customers.
  - *Expand Regional Business:* In accordance with its Asset-Light Digital Banking Strategy, the Bank aims to become a "Regional Digital Bank," focusing on business partnerships with local technology companies and startups in order to develop a broader service network and more advanced technology, which in turn will bolster its competitive capabilities and customer responsiveness. To achieve this, the Bank focuses on three Strategic Plays:
    - (1) Aggressive Play: The Bank has focused on expanding its regional connectivity to offer its loan products to a broader base of corporate customers, especially Chinese clients in Thailand and other AEC+3 countries, Thai customers in other AEC+3 countries and local large corporate (LLC) customers within the AEC region;
    - (2) Mass Acquisition Play: The Bank aims to expand its customer base in the People's Republic of China via partnerships and self-owned digital platforms, while also broadening its reach to clients within the AEC region via digital transactional channels;
    - (3) Disruptive Play: The Bank has expanded into the digital lending space through developing financial technology, which it uses to process data relating to the Bank's and its partners' customers. The Bank has also developed a risk decision engine, which allows it to adopt the bank-as-a-service model, and has started using this engine in the People's Republic of China and the Socialist Republic of Vietnam.
  - *Strengthen Sales and Service Channel Experience:* The Bank has seamlessly integrated all of its service channels through K PLUS, its key service channel. The Bank has also focused on enhancing its service efficiency by leveraging its workforce, technology and business partnerships and continuously improving its technological infrastructure.
- 3. End-to-end work efficiency enhancement:** The Bank prioritizes improving its long-term competitive capabilities through five core attributes:
- 3.1 Data: Developing its data analytics capabilities to enhance business opportunities and operational efficiency
  - 3.2 Human Resources: Being the best place to work, learn and lead
  - 3.3 Information Technology (IT): Adopting modern world-class technology to make the Bank the top regional financial service provider



3.4 Proactive Risk and Compliance: Proactively identifying potential risks and establishing loss prevention and detection

3.5 Value-Based Productivity: Enhancing work efficiency through creating value propositions

### **Expansion into Other Regions Outside Thailand**

To capitalise on opportunities in the AEC region and other Asian countries, the Bank aims to become a “Regional Digital Bank” that will facilitate its customers’ business expansions into AEC member countries, as well as China, Japan, and Korea. The Bank has expanded and will continue to expand into China by focusing on Thai-related businesses in China, leveraging its Thai expertise, and forming business partnerships with large banks in China. Additionally, the Bank has expanded its business network by partnering with 80 banks in 14 countries, including Japan, China (including Hong Kong), Korea, Vietnam, Indonesia, the Lao People’s Democratic Republic (“Lao PDR”), Cambodia, the Philippines, Brunei, Malaysia, Singapore, Italy, Germany, and India, in order to meet the needs of Thai companies seeking to expand their businesses abroad or to invest abroad, as well as to facilitate regional trade and cross-border investments. Regarding international transactions and settlements, the Bank is also expanding its network to better serve customers in AEC nations. It currently has two overseas subsidiary banks in China and Lao PDR, four overseas branches in Hong Kong, the Cayman Islands, Phnom Penh and Ho Chi Minh City, and six representative offices in Beijing, Kunming, Tokyo, Yangon, Hanoi and Jakarta.

### **Continued Focus on Operational Efficiencies**

The Bank intends to improve its operational efficiency by continuously enhancing its support functions, such as human resource management and IT management. The Bank intends to further enhance its operational efficiency through various system implementation projects which improve its operating systems and processes. The Bank also aims to enhance its staff’s capabilities in generating revenue and improving cost efficiency by training its staff to cross-sell the Bank’s non-banking financial services available through the Bank’s branch networks, such as mutual fund, credit card and leasing products.

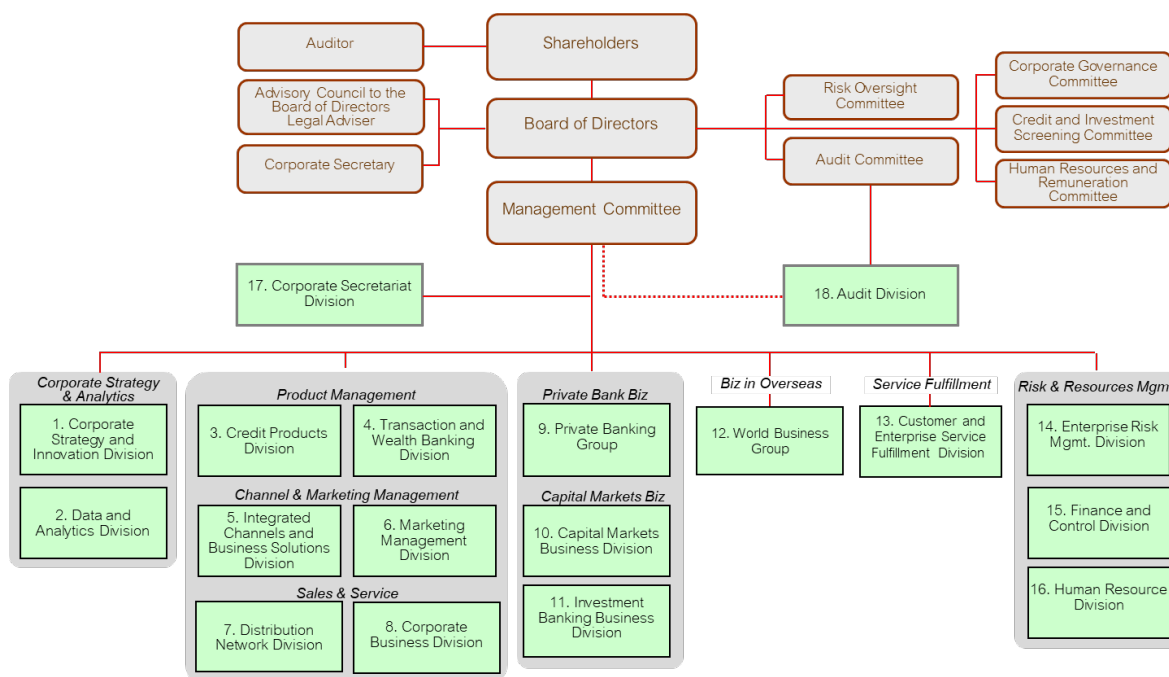
### **Continued Strengthening of Risk Management**

The Bank continues to take steps to strengthen its risk management structure and systems. The Bank has a Risk Oversight Committee that oversees and monitors the Bank’s risk management policies and overall risk profile under the policies and guidelines approved by the Bank’s Board of Directors (the “Board”). The Bank intends to closely monitor compliance with, and the effectiveness of, its risk management structures and systems and to continually improve its risk management personnel and policies, taking into account best practices followed by leading international banks.

### **Continue to Expand the K Companies**

The Bank continues to develop and expand the businesses of the K Companies, whose wide range of financial services complements the core businesses of the Bank. In its fund management business, the Bank aims to maintain its leading position. The Bank also aims for KSecurities and KF&E to maintain their positions as leading securities firms and machinery and equipment leasing service providers in Thailand, respectively. In addition, the Bank also aims for KResearch to be the top-of-mind research house in Thailand in terms of public perception.

## ORGANISATION



The Bank provides its customers with a wide range of corporate, SME and retail services. The primary products and services of the Bank include loans and deposit products, credit facilities, cash management, factoring and credit card and bancassurance services. In addition to these activities, the Bank's subsidiaries also offer fund management, leasing and hire purchase, financial solutions and securities and research services. The Bank's operations are conducted through its domestic and overseas branches and subsidiaries.

### Four Core Business Groups

The Bank divides its business activities into four core businesses:

- Corporate Business;
- Retail Business;
- Treasury and Capital Markets Business and World Business Group; and
- Muang Thai Group Holding Business.

The following table provides information on the net total income contributions of the Bank's core business group customers on a consolidated basis:

	<b>For the six-month period ended 30 June 2023</b>	
	<b>Total Operating income-net</b>	<b>Per cent. of total</b>
	<b>(Baht in millions, except percentages)</b>	
Corporate Business <sup>(1)</sup> .....	42,314	44.71
Retail Business <sup>(2)</sup> .....	32,798	34.65
Treasury and Capital Markets Business and World Business Group <sup>(3)</sup> ..	12,898	13.63
Muang Thai Group Holding <sup>(4)</sup> .....	6,734	7.11
Others <sup>(5)</sup> .....	8,780	9.28
Elimination .....	(8,880)	(9.38)
<b>Total</b> .....	<b>94,644</b>	<b>100.00</b>

Notes:

- (1) The Bank's Corporate Business customers include registered companies and certain private individual business customers, government agencies, state enterprises, and financial institutions. The Bank provides a variety of financial products and services to these customers such as long term loans, working capital, letters of indemnity, trade finance solutions, syndicated loans, cash management solutions, and value chain solutions.
- (2) The Bank's Retail Business comprises individual customers who use the Bank's products and services such as deposit accounts, debit cards, credit cards, personal loans, housing loans, investment products and financial advisory services, and transactional banking services.
- (3) The Treasury and Capital Markets Business and World Business Group comprise the Bank's capital markets and treasury business which carries out activities such as funding, centralised risk management, investing in liquid assets, financial instruments measured at fair value through profit or loss, investment measured at fair value through other comprehensive income and foreign currency exchange services. It also supervises the Bank and its subsidiaries' financial businesses in overseas countries.
- (4) Muangthai Group Holding Business includes a group of companies that operates insurance and brokerage businesses, including MTL.
- (5) "Others" represent other businesses which are not directly attributable to the main business groups.

### The K Companies and MTL

The Bank provides a wide range of financial services through the following K Companies, which are the Bank's major subsidiaries:

- KASIKORN ASSET MANAGEMENT CO., LTD. ("KAsset"), through which the Bank conducts its fund management services;
- KASIKORN LEASING CO., LTD. ("KLeasing"), through which the Bank provides automobile hire-purchase;
- KASIKORN SECURITIES PCL ("KSecurities"), through which the Bank provides a range of financial services, including investment banking, securities underwriting and securities brokerage;
- KASIKORN RESEARCH CENTER CO., LTD. ("KResearch"), through which the Bank conducts its research business; and
- KASIKORN FACTORY AND EQUIPMENT CO., LTD. ("KF&E") through which the Bank provides a range of machinery and equipment hire purchase and leasing services.

The Bank conducts its life insurance business through its 38.25 per cent. owned subsidiary MTL.

The net income of the K Companies was Baht 2.96 billion and accounted for 12.7 per cent. of the Bank's total consolidated net profit for the six-month period ended 30 June 2023.

### Loan Portfolio by Industry

The following table sets forth the Bank's loan portfolio by industry classifications as of 30 June 2023 on a consolidated basis:

	<b>As of 30 June 2023</b>	
	<b>Amount</b>	<b>Per cent. of total</b>
	<b>(Baht in millions, except percentages and number of accounts)</b>	
Agriculture and mining.....	39,046	1.59
Manufacturing and commerce.....	1,020,882	41.68
Property development and construction.....	214,775	8.77
Infrastructure and services.....	350,418	14.31
Housing loans.....	374,419	15.29
Others.....	449,749	18.36
<b>Total.....</b>	<b>2,449,289</b>	<b>100.00</b>

The Bank has a number of subsidiaries and associated companies that engage in various businesses, including fund management, securities, hire purchase, leasing, research, factoring and insurance.

The following table sets out the Bank's investments in ordinary shares of subsidiaries and associated companies as of 30 June 2023:

<u>Company</u>	<u>Type of business</u>	<u>Per cent. Shareholding (Direct and Indirect)</u>	<u>Cost<sup>(1)</sup></u>	<u>Loan<sup>(2)</sup></u>	<u>Contingent liabilities</u>
(Baht in millions, except percentages)					
<b><u>Direct subsidiaries</u></b>					
KASIKORN ASSET MANAGEMENT CO., LTD.	Fund Management	100.00	2,003	-	1
KASIKORN RESEARCH CENTER CO., LTD.	Service	100.00	10	-	-
KASIKORN SECURITIES PCL	Securities Business	99.99	1,512	-	-
KASIKORN LEASING CO., LTD.	Auto Leasing	100.00	900	130,081	-
KASIKORN FACTORY & EQUIPMENT CO., LTD.	Equipment Leasing	100.00	237	19,617	3
KASIKORN TECHNOLOGY GROUP SECRETARIAT CO., LTD.	Service	100.00	5	-	-
KASIKORN LABS CO., LTD.	Service	100.00	5	-	70
KASIKORN SOFT CO., LTD.	Service	100.00	5	-	1,276
KASIKORN INFRA CO., LTD.	Service	100.00	5	-	-
KASIKORN X CO., LTD.	Service	100.00	1,452	-	-
Muang Thai Group Holding Co., Ltd. (“MTGH”)	Investment in Other Companies	51.00	7,575	-	-
KASIKORNTHAI BANK SOLE LIMITED (Formerly: KASIKORNTHAI BANK Limited)	Commercial Banking	100.00	1,770	-	534
KASIKORNBANK (CHINA) COMPANY LIMITED	Commercial Banking	100.00	14,802	-	296
K-SME Venture Capital Co., Ltd.	Venture Capital	100.00	50	-	-
BEACON VENTURE CAPITAL COMPANY LIMITED	Venture Capital	100.00	6,560	-	-
KASIKORN VISION COMPANY LIMITED (“KVision”)	Investment in Other Companies	100.00	17,000	-	-
KASIKORN VISION FINANCIAL COMPANY PTE. LTD. (“KVF”)	Investment in other Companies	100.00	7,237	-	-
Unita Capital Company Limited	Investment in other Companies	100.00	2,976	-	-
KASIKORN INVESTURE COMPANY LIMITED	Investment in other Companies	100.00	15,064	-	-

Company	Type of business	Per cent.	Cost <sup>(1)</sup>	Loan <sup>(2)</sup>	Contingent liabilities
		Shareholding (Direct and Indirect)			
(Baht in millions, except percentages)					
KASIKORN GLOBAL PAYMENT COMPANY LIMITED	Payment Service provider	100.00	200	-	-
Phethai Asset Management Co., Ltd.	Asset Management	100.00	1,400	-	-
PROGRESS PLUS CO., LTD.	Service	100.00	1	-	-
PROGRESS APPRAISAL CO., LTD.	Service	100.00	5	-	-
PROGRESS GUNPAI SECURITY GUARD CO., LTD.	Service	100.00	21	5	-
PROGRESS MANAGEMENT CO., LTD.	Service	100.00	6	-	-
PROGRESS FACILITIES MANAGEMENT CO., LTD.	Service	100.00	5	-	-
PROGRESS SERVICE SECURITY GUARD CO., LTD.	Service	100.00	2	-	-
PROGRESS STORAGE CO., LTD.	Service	100.00	3	-	-
PROGRESS H R CO., LTD.	Service	100.00	1	-	-
PROGRESS SERVICE SUPPORT CO., LTD.	Service	100.00	4	-	-
PROGRESS COLLECTION CO., LTD.	Service	100.00	5	-	-
PROGRESS TRAINING CO., LTD.	Service	100.00	2	-	-
<b><u>Indirect subsidiaries</u></b>					
<u>Subsidiaries of KASIKORN ASSET MANAGEMENT CO., LTD.</u>					
KHAO KLA Venture Capital Management Co., Ltd.	Venture Capital Management	100.00	-	-	-
<u>Subsidiaries of Muang Thai Group Holding Co., Ltd.</u>					
Muang Thai Life Assurance PCL (“MTL”) <sup>(3)</sup>	Life Insurance	38.25	-	-	839
Muang Thai Broker Co., Ltd. <sup>(3)</sup>	Insurance Broker	50.99	-	-	2
FUCHSIA VENTURE CAPITAL COMPANY LIMITED <sup>(3)</sup>	Venture Capital	38.25	-	-	-
AI GEN COMPANY LIMITED <sup>(3)</sup>	Service	49.94	-	1	-
<u>Subsidiaries of Muang Thai Life Assurance PCL</u>					

Company	Type of business	Per cent.	Cost <sup>(1)</sup>	Loan <sup>(2)</sup>	Contingent liabilities
		Shareholding (Direct and Indirect)			
(Baht in millions, except percentages)					
MT Insure Broker Co., Ltd.	Insurance Broker	38.25	-	-	-
<u>Subsidiaries of KASIKORN X CO., LTD.</u>					
BEACON INTERFACE COMPANY LIMITED	Service	100.00	-	-	-
KUBIX DIGITAL ASSET CO., LTD.	Service	100.00	-	-	-
<u>Subsidiaries of KASIKORN LEASING CO., LTD.</u>					
PROGRESS MULTI INSURANCE BROKER CO., LTD.	Insurance Broker	100.00	-	-	-
<u>Subsidiaries of KASIKORN VISION COMPANY LIMITED</u>					
KASIKORN VISION INFORMATION TECHNOLOGY COMPANY LIMITED	Service	100.00	-	-	-
KBTG Vietnam Company Limited	Service	100.00	-	-	81
KASIKORN VISION ANALYTICS COMPANY LIMITED	Service	100.00	-	-	-
<u>Subsidiaries of Unita Capital Company Limited</u>					
ORBIX CUSTODIAN COMPANY LIMITED	Service	100.00	-	-	-
ORBIX INVEST COMPANY LIMITED	Digital Asset Fund Manager	100.00	-	-	-
<u>Subsidiaries of KASIKORN VISION FINANCIAL COMPANY PTE. LTD.</u>					
PT Bank Maspion Indonesia Tbk	Commercial Banking	67.68	-	-	-
<u>Subsidiaries of KASIKORN INVESTURE COMPANY LIMITED</u>					
NGERN HAI JAI CO., LTD.	Service	100.00	-	-	-
KAPTURE ONE COMPANY LIMITED	Service	70.00	-	-	-
<u>Subsidiaries of KASIKORN SOFT CO., LTD.</u>					
Marco Technology Co., Ltd.	Service	75.00	-	-	-
<b><u>Associated companies</u></b>					
Processing Center Co., Ltd.	Service	30.00	15	-	-

Company	Type of business	Per cent.	Cost <sup>(1)</sup>	Loan <sup>(2)</sup>	Contingent liabilities
		Shareholding (Direct and Indirect)			
(Baht in millions, except percentages)					
National ITMX Co., Ltd.	Service	26.73	133	-	-
BCI (THAILAND) CO., LTD.	Service	22.17	118	-	-
Thai Payment Network Co., Ltd.	Service	33.33	262	-	-
<b>Total</b>			81,351	149,704	3,102
<u>Less</u> Allowance for impairment			(1,400)		
Fair value hedge adjustments			684		
Investments in Subsidiaries and Associated Companies – Net			<u>80,635</u>		

Notes:

- (1) Represents the historical cost of the Bank's investment in the entity.
- (2) Represents principal amount only.
- (3) The Bank holds 51.0 per cent. of the total issued shares of MTGH and MTGH holds 97.92 per cent. of total shares issued by AI GEN Company Limited and holds 99.99 per cent. of the total shares issued by Muang Thai Broker Co., Ltd and holds 75.0 per cent. of total shares issued by MTL and FUCHSIA VENTURE CAPITAL COMPANY LIMITED.

## CORPORATE BUSINESS

### Corporate Business Group

The Bank aims to be a trusted partner that enriches customers' businesses with best-in-class financial services and solutions by providing a wide range of banking products and services, including lending, supply chain financing, international trade financing, foreign exchange and derivatives transactions, financial advisory services, debt and equity market products, cash management solutions, and securities services. The Corporate Business Group's principal focus is Thailand's multi-corporate and large corporate businesses. Multi-corporate businesses are companies with annual sales of more than Baht 5.0 billion whereas large corporate businesses are companies with annual sales between Baht 400 million to Baht 5.0 billion. The Bank's customer base includes most of the companies comprising the SET 100. The Bank's Corporate Business Group is served by 58 international trade service centres and 15 cheque direct service offices as of 30 June 2023. As of 2018, the Bank's market share of corporate banking activities in Thailand was 22 per cent. among all commercial banks in Thailand according to a survey conducted by the Business Research Specialist.

The Bank's corporate loans amounted to Baht 866.1 billion as of 30 June 2023, representing a decrease of 1.6 per cent., compared to 31 December 2022.

The Bank is a leading fundraising provider in Thailand with expertise in both debt and equity capital markets. It provides its corporate customers with financial advisory services and risk mitigation tools such as hedging instruments. It is the first bank in Thailand to launch real estate investment trusts (REITs) for customers. The Bank is also the first Thai commercial bank to provide financial advisory and underwriting services to Thailand's first power infrastructure fund. As one of the leading arrangers in Thailand, the Bank continuously supports its customers' fundraising efforts via syndicated loans. The Bank's industry knowledge and credit expertise have allowed the Bank

to lead syndications for many of Thailand's most significant infrastructure projects. The Bank continues to actively monitor market movements and study new product trends suitable for the increasingly volatile environment.

For non-credit services, the Bank has continuously developed infrastructure to address more complicated financial transactions and changes in consumer behaviour, such as K-Cash Connect Plus, K CONNECT-INTER TRADE, K CONNECT-FX, K CONNECT-LG, K-Merchant on Mobile, a payment gateway system, and e-Wallet.

In addition, the Bank provides custodian and mutual fund supervisory services to cover all types of assets invested by its customers. According to the Thai SEC, as of 30 June 2023, the Bank's securities services business had assets under mutual fund supervisory services of over Baht 1.8 trillion, giving it the largest single market share of 38.8 per cent. in Thailand. According to the Thai SEC, as of 30 June 2023, the Bank's securities services business had assets under provident fund custodial services of over Baht 375.1 billion, representing a market share of 27.0 per cent. Moreover, the Bank had over Baht 172.2 billion of assets under private fund custodial services.

## **SME Business Group**

The Bank's SME Business Group focuses on medium businesses and small and micro businesses. Medium businesses are individuals or companies with annual sales of more than Baht 50 million and less than Baht 400 million. Small and micro businesses are individuals or companies with annual sales of less than or equal to Baht 50 million and with credit lines of less than Baht 15 million. These companies mainly comprise small and medium enterprises ("SMEs"), which are one of the core target segments of the Bank and an important driving force for national economic growth. The Bank is the leading lender to SMEs in Thailand. The Bank's SME Business Group caters to the needs of small and medium-sized businesses that are involved in a variety of domestic industries, including construction and construction materials, commercial and e-commerce businesses, export-import companies, materials vendors, wholesalers, retailer and automobile dealerships. As of 30 June 2023, the Bank's SME Business Group is served by 183 SME business centres, 58 international trade service centres, and 15 cheque direct service offices.

The Bank's SME loans totaled Baht 751.0 billion as of 30 June 2023, representing a decrease of 3.7 per cent., as compared to 31 December 2022. The primary products of the SME Business Group include term loans and working capital loans, i.e., overdrafts, promissory notes, import/export bills, and credit guarantees. The Bank also provides a variety of trade-related services including trust receipts, packing credits, confirmations, and remittances for letters of credit and letters of guarantee, foreign exchange and derivatives services, import/export payment services, cash management and bancassurance. The Bank has begun expanding its reach to self-employed/micro entrepreneurs who use or are interested in using digital banking services.

Under the concept "K SME: Bank for SMEs," the Bank provides assistance to SMEs based on the SMEs' actual requirements and financial constraints. The Bank particularly focused on providing assistance to provincial SMEs with limited access to funding sources and knowledge of commercial credit applications. The Bank aims to become the number one commercial bank for SMEs in providing both transactional and financial support. The Bank aims to help its SME customers to become more competitive by providing useful business practice knowledge, such as resource management, and business matching services. The Bank aims to be a one-stop service for SME customers by providing comprehensive financial solutions, spanning value chain solutions, digital solutions, business matching services, resource management solutions, funding and transaction services and business solutions. In order to achieve this goal, the Bank has established the theme of "Cross-functional One Team Collaboration" for its Relationship Managers (RMs). By emphasizing collaboration among Relationship Managers, this theme helps address the lack of Relationship Manager (RM) experience in certain products and increase customer satisfaction in the Bank's comprehensive financial solutions.

## **SME Business After the Height of the COVID-19 Pandemic**

During the COVID-19 pandemic, the Bank implemented various programs to help SMEs, tailored to the specific needs of each customer segment. These programs helped SMEs weather the challenges posed by the pandemic and aided recovery as the COVID-19 situation gradually subsided.

## **RETAIL BUSINESS**

### **Retail Business Group**

The Bank offers full financial services, including retail lending products (mortgages, credit cards and consumer loans), deposit and investment products (checking accounts, savings accounts, fixed deposits, and mutual funds) and other retail customer products and services (bancassurance, payment services via credit or debit cards and merchants,



bill payments, money transfers, payrolls and others) and private banking services. These products and services are delivered via a variety of channels including branches, electronic banking and ATMs, telephone banking, internet banking and mobile phone banking. As of 30 June 2023, the Bank's retail customers were served by a network of 816 branches, 9,074 ATMs, 1,893 CDMs, 932 PUMs, 161 K-Lobbies and 79 "THE WISDOM" centres and corners. The Bank intends to grow its retail banking business through its emphasis on empowering every customer's life and business. To this end, the Bank will focus on providing digital payment services, reimagining consumer lending, democratizing investment and insurance and strengthening harmonized sales and service experiences. The Bank is committed to fostering payment innovations that offer heightened security and reliability, aiming to fully address the requirements of retail customers. Additionally, the Bank has expanded commercial and consumer lending by extending loans to previously underserved groups by leveraging technology to facilitate an end-to-end digital loan application process. This process encompasses customer screening, risk-based pricing, and swift approval within minutes. To help ensure a sound financial footing, the Bank maintains a cautious credit policy while continuously refining risk assessment tools, all with the objective of striking a harmonious balance between asset quality management and competitiveness, underpinned by effective risk management. The Bank aims to democratize investment and insurance, specifically targeting previously underserved groups. To achieve this, the Bank has harnessed digital channels to empower customers in making well-informed investment decisions independently. The Bank places a high priority on fostering innovation and advancing digital technology to bolster financial service channels capable of adapting to the dynamic shifts in customer behavior during financial transactions. The primary objective is to instill confidence and ensure security in these transactions. To achieve this, the Bank has implemented robust measures to safeguard customers' assets against potentially fraudulent activities, including online scams and other forms of financial fraud.

The Retail Business Group focuses on the following customer segments:

- high net worth individuals, comprising individual wealth<sup>(1)</sup> with the Bank and its wholly-owned subsidiaries of greater than or equal to Baht 50 million (i.e.  $\geq 50\text{MB}$ );
- affluent individuals, comprising individual wealth<sup>(1)</sup> with the Bank and its wholly-owned subsidiaries of Baht 10 million to less than Baht 50 million (i.e.  $\geq 10\text{MB}$  to  $< 50\text{MB}$ );
- middle income customers, comprising individual wealth<sup>(1)</sup> with the Bank and its wholly-owned subsidiaries of Baht 15,000 to less than Baht 10 million (i.e.  $\geq \text{Baht } 15,000$  to  $< 10\text{MB}$ ); and
- mass customers, comprising individual wealth<sup>(1)</sup> with the Bank and its wholly-owned subsidiaries of less than Baht 15,000.

---

(1) Wealth with the Bank and its wholly-owned subsidiaries is defined as savings and investments, such as deposit products with the Bank, mutual funds with KAsset and the monthly income of an individual customer.

## **Retail Lending Products**

The Bank offers consumers various loan products, including residential mortgage loans, credit cards and consumer loans. As of 30 June 2023, the Bank's retail loans amounted to Baht 684.3 billion and comprised 27.9 per cent. of the Bank's consolidated total loan portfolio.

As of 30 June 2023, 88 per cent. of the Bank's retail loans were main lending products that comprised housing loans totalling Baht 437.5 billion, credit card loan totalling Baht 99.9 billion, and consumer loans totalling Baht 64.7 billion. The remaining 12 per cent. of the Bank's consolidated retail loan portfolio were other loans.

The Bank offers consumers various types of retail loan products in order to best support consumer needs. The Bank aims to bundle various product offerings, which include residential mortgage loans, credit cards and consumer loans.

In terms of services, the Bank offers alternative methods of loan repayment at both physical venues and electronic channels for the convenience and flexibility of retail customers. These repayment channels include automatic transfer system repayments, repayments via ATM, telephone banking (K-Contact Center), internet banking (K BIZ), mobile phone banking (K PLUS), as well as repayments "over-the-counter" at any branch. The Bank also continues to provide lending products and services at convenient locations throughout Thailand. The Bank continues to study demographic information and customer behaviour to reach customers beyond the Bangkok Metropolitan Area and across the country.

## ***Mortgage Lending***

Housing loans are the Bank's primary retail lending product. The Bank's consolidated mortgage lending portfolio was Baht 437.5 billion as of 30 June 2023. The Bank ranked third in the mortgage lending market among all commercial banks in Thailand as of 30 June 2023. With its quality housing loan portfolio, the Bank's percentage of NPLs was shown as average in comparison to the rest of the industry.

The Bank markets its mortgage lending products by targeting professional and middle-class customers who generally are interested in purchasing newly developed houses. The Bank intends to further establish strong relationships with selected housing developers with well-known reputations for undertaking and completing high quality residential developments. Establishing such relationships may lead to these developers recommending the Bank as a source of mortgage financing to purchasers of property in their developments.

Residential mortgages are primarily floating rate loans in Thailand, but adjustable-rate mortgages with "teaser rate" low interest payments for the first, second or third years are increasingly popular. All floating rate mortgage loans are typically made at either MRR or MLR minus a predetermined spread, and the Bank is currently using MRR rate. Most residential mortgages have a maturity of up to 30 years.

The Bank launched marketing campaigns to support customer needs and to create awareness of its home loan position in the market, focusing on its quality portfolio profile. The campaign provided various types of interest packages with additional premiums from the Bank's home and lifestyle partners, tailored to each target customer group.

The Bank also provided a wide range of services and information through digital channels to address customers' needs in obtaining home loans. For example, on its website, the Bank posted home loan knowledge articles and useful information relating to obtaining home loans easily. The Bank also provided special interest rate offerings on home loan promotions and loan refinancing for customers seeking to buy a new home. Customers who already own a house and need credit line for other purposes can use the Bank's mortgage calculator to check their preliminary credit limit and apply for a home loan online.

The Bank also focuses on promoting a green society through environmental conservation and energy saving efforts. To this end, the Bank has launched the following green home loan product campaigns:

1) Through the Green Home Loan Campaign, the Bank collaborates with 15 leading developers who prioritize environmental conservation in their work to cater to customers who are seeking a new home that saves energy. More than 550 projects of these developers' are eligible for privileges, special interest rates and credit lines of up to 110 per cent. of Loan to Value (LTV).

2) Through the Green Zero Loan Campaign, the Bank offers solar roof installation loans to customers who already have a house and interested in installing a solar roof. Such customers will receive special interest rates and special privileges from the Bank's partners.

## ***Credit Cards***

According to the BoT report in June 2023, the credit card spending market is valued at Baht 223.5 billion, and the outstanding loan amount was Baht 99.9 billion. As of 30 June 2023, the Bank had 4 million credit cards in circulation and represented 16 per cent. of the total number of credit cards in the market.

The improving Thai economy and the reopening of the country have resulted in increased employment and inbound and outbound tourism, as well as overall recovery for the service and hospitality industries. The implementation of the "Shop and Refund Program" tax measure in 2023 has led to higher household consumption and business investments, thus benefiting the credit card and personal loan industry. As of June 2023, the Bank has a market share of 22 per cent. in the credit card industry. Although interest rates have been rising, the Bank's financial costs can still support the Bank's growth target.

To prepare for future economic expansion after the easing of lockdown measures, the Bank is accelerating the adoption of artificial intelligence (AI) and machine learning (ML) for its credit card business to drive growth, reduce costs, increase efficiency for process automation and operational efficiency, and explore and experiment to unleash the power of data. The Bank aims for real-time insights into decision-making regarding marketing campaigns and credit and fraud risk management.

The Bank remains top-of-mind for its partners, card schemes, merchants, and business alliances due to its tremendous customer base, qualified spending, and innovation capabilities. Leveraging its partnership ecosystem, the Bank can

synergize and co-create marketing strategies to maintain its leadership in card usage and empower its customers to fulfill their lifestyles. Such marketing strategies include:

- To attract small-pocket customers, up to December 2023, the Bank added a privilege of 0 per cent. interest rate for a 3-month installment service for KBank Titanium MasterCard's credit card holders with minimum spending of 1,000 Baht. Cardholders can apply for this installment service themselves via K PLUS.
- Throughout 2023, the Bank unveiled special promotions on the Shopee application exclusively for cardholders of the KBank-Shopee Credit Card during Double Dates. Such promotions, which include 6.6 on the 6th date of the 6th month, 9.9 on the 9th date of the 9th month, and Payday from the 25th of each month to the end of each month, provide online shoppers myriad benefits under the Bank's "Best Value" concept.
- KBank LINE POINTS Credit Card targets customers who prioritize collecting credit card points. Cardholders of the KBank LINE POINTS Credit Card receive 1 LINE POINTS from every THB 100 spent on the credit card at most merchants with instant spending and notification of expected points earned. Cardholders of the KBank LINE POINTS Credit Card can earn their LINE POINTS within one day. LINE POINTS can be used at up to 300,000 merchants in Thailand and can be used for bill payment via LINE wallet.
- KBank has partnered with PTT Oil and Retail Business Public Company Limited ("OR") in revamping the PTT Blue Credit Card to better meet today's customers' needs. The card has been rebranded to "Blue Credit Card" with a modern design, while maintaining the main benefits of the card. Moreover, cardholders of the Blue Credit Card also enjoy quarterly promotions that offer cashback or extra point rewards on their spending on fuel at PTT stations and spending at EV car charging stations. As OR has invested their capital in many retail brands under ORZON Ventures, the Bank also offers lifestyle retail brand promotions from time to time at merchants such as Hungry Hub, Traveloka, Pomelo Fashion, Pacamara, Kouen and Gowabi. The Bank's goal is to have cardholders use the Blue Credit Card as their main card for everyday spending. OR and its partner merchants aim to cover all online and offline spending nationwide.
- The Bank and Visa launched the FIFA World Cup Qatar 2022™ campaign to celebrate the most prestigious football tournament, which in 2022 coincided with the year-end international tourism season.
- KBank credit cardholders received special privileges for Central 75th Anniversary at all branches of Central Department Store, Central Chat & Shop, and Central Call & Shop.
- To keep its leading market share in online spending and based on overflowing response in April 2023, the Bank has continued to partner with VISA International (Thailand) Ltd. in launching the "Monday's Code Frenzy Season 3" campaign, where discount codes were offered every Monday for three consecutive months. KBank Visa credit cardholders who used the code every Monday received a special discount on food, travel, and shopping platforms.
- To motivate customers to adopt greener behavior, the Bank offers special privileges for those who are interested in installing solar panels with Dragon Energy under the Bank's GO GREEN Together campaign. Such special privileges include special promotions and discounts. The Bank has also collaborated with Siam Discovery on another green campaign, which allows shoppers to receive a special discount or more when spending with KBank credit cards at ECOTOPIA, Asia's fullest-range eco-friendly lifestyle space.

The Bank is confident that these marketing strategies were or will be successful. The empirical results of such marketing strategies were reflected in the Bank's achievement of its goals relating to the number of new cards, outstanding spending, and sustainability banking.

### ***Consumer Loans***

The Bank's consolidated consumer loans were Baht 64.7 billion as of 30 June 2023.

In the first half of 2023, demand for personal loans increased due to increased living costs amidst the economic recovery after Thailand's reopening. To maintain the Bank's leading market position in digital financial inclusion, the Bank focuses on the two main areas below:

1. The Bank aims to focus on managing its loan portfolio in accordance with its risk-monitoring framework. The Bank plans to continuously improve its loan approval capabilities by using alternative data to make loan decisions. The Bank will focus on developing its ability to analyze credit needs in order to be able to offer solutions that meet customer needs and ensure access to financial services for both new and existing customers. The Bank also will focus on developing the self-application process and after-sales services on K PLUS to enhance convenience for the Bank's customers. Such services include Xpress cash's witty cash & brilliant pay, Xpress Loan's prepayment, and K-Pay Later inquiry, which can all be completed efficiently by customers themselves through K PLUS. The Bank's achievements and initiatives include:

- In June 2023, the Bank was awarded the Best Digital Credit Evaluation Initiative from the Asian Banker for its commitment to leveraging data analytics for personalized credit decisions and fraud prevention, as well as for implementing innovative credit approval and monitoring solutions driven by big data analytics.
- The Bank's Buy Now, Pay Later loan, "K PAY LATER," is available to self-employed or undocumented-income customers, whether high or low income, who do not have time to visit a bank branch. Their credit decisions will be approved based on alternative scoring. K PAY LATER covers payments at department stores, supermarkets, gas stations and shops.

2. The Bank aims to offer sustainable and innovative products, services and campaigns.

The personal loan market continues to grow significantly because low earners still need liquidity. At the same time, financial technology has lowered access costs for retail customers, thus allowing new players to enter the market. However, the Bank is confident in its substantial experience in credit underwriting and its data analytics capabilities, which are driven by financial technology and knowledge from KASIKORN BUSINESS-TECHNOLOGY GROUP ("KBTG") and the Bank's global tech partners. Through experience and capabilities, the Bank was able to provide customer offerings such as:

- In December 2022, the Bank and its solar-rooftop partners offered XPC customers who purchased solar roofs special cashback and installment payments up to 36 months.
- XPC cardholders can now securely shop online by registering for UnionPay 3-D secure identity verification before shopping online.
- Customers who use the Xpress Cash card to withdraw money or scan QR codes via ATMs receive special cashback.
- XPC customers can also swipe to pay at PTT, Bangchak, SUSCO stations with the UnionPay sign with no cash withdrawal fee. Spending on goods or services valued at 1,000 Baht or more can be converted into monthly installments with interest for up to 36 months via K PLUS.

## **Deposits and Mutual Funds**

### ***Deposits***

The Bank provides a variety of deposit products, which include demand (checking) accounts, savings accounts and fixed deposit-taking. As of 30 June 2023, the Bank's consolidated financial statements recorded Baht 147.5 billion in current deposits, Baht 2,025.9 billion in savings deposits and Baht 536.1 billion in fixed-term deposits.

The Bank's consolidated deposits of Baht 2,709.5 billion as of 30 June 2023 represent one of the strongest deposit bases in Thailand. As of 31 December 2022, the Bank's domestic deposits represented 92.8 per cent. of the Bank's consolidated deposits. The Bank had a current account and savings account ("CASA") ratio of 80.2 per cent. as of 30 June 2023, with deposits comprising of 19.8 per cent. term deposits, 74.8 per cent. savings deposits, and 5.4 per cent. current deposits.

### ***Mutual Funds***

Mutual funds are administered by KAsset, a wholly-owned subsidiary of the Bank. See "*Fund Management*".

## **Other Retail Customer Products and Services**

### ***Bancassurance***

The Bank, through its subsidiary, MTL, was ranked second in the bancassurance market in Thailand, in terms of new business premium, renewal premium and total insurance premium with a market share of 15.8 per cent., 15.1 per cent., and 15.4 per cent. respectively as of 30 June 2023, according to The Thai Life Assurance Association. In order to maintain its market position, the Bank focuses on cross-selling efforts, product development and distribution via digital channels to match customers' lifestyles. The Bank, in collaboration with MTL, has introduced new products from 2018 to present that are tailored to the needs of specific customer groups. For affluent customers, the Bank offers the following products: "Life Insurance: Endowment 11/3", featuring a short-term life insurance product with low risk and annual return; "Life Insurance: Endowment 99/1", featuring a Single Premium long-term life insurance product for legacy planning and allows customers to receive annual returns as passive income till age 98; "Life Insurance: Endowment 520", featuring savings for children; "Elite Health Plus", featuring health insurance with medical coverage as high as Baht 100 million for customers and their family members; "Whole Life 85/5" for those seeking to leave an estate for their heirs with an option to purchase a health insurance rider; and "Unit-Linked Life Insurance", featuring alternative investment vehicles that are suited to the different circumstances of each customer, using asset allocation techniques to control or minimize risks. Moreover, the Bank introduced life insurance products served by RMs and experts who provide recommendations on investment opportunities along with policy consolidated advice on life and health insurance plans that are tailored to the demands of clients, with VIP services available at branches and across all other bank channels.

The Bank has products that cater to the middle income segment, such as the "Retirement 70/7" for customers who are concerned about legacy for family and need a lump sum at age 70 for retirement expenses; "615 Dividend (Global)", featuring a middle-term life insurance product that provides customers with an opportunity to receive higher returns from dividends and guarantee returns; "Pro Saving 510", which caters to those seeking to pay short-term premiums and gain tax saving benefits without any health check-up requirements; "Life Insurance: Endowment 1020", which offers a cash benefit of three per cent. every year for children; and "Life insurance with health rider designed for KBank Payroll customers," which provides customers more options for purchasing insurance at low premiums in addition to their welfare benefits. The Bank offers "PA for Kids", covering seven common childhood diseases. The Bank together with the Islamic Bank of Thailand also offer "Takaful Life Insurance: (Endowment) 410 and 1520, and Whole Life (95/20)" designed for the Bank's Muslim customers. During the COVID-19 outbreak, the Bank offered free insurance coverage for illness or death from COVID-19 to K PLUS customers who registered via LINE KBank Live, as well as the COVID-19 insurance products offered via branches and RMs to ensure increased coverage for the Bank's customers. In addition, the Bank launched "Sick but Safe Insurance", featuring a life insurance product plus a health rider, and "personal accident insurance PA+" to expand access for low-income customers to a valuable insurance plan with the option of a monthly premium installment payments. The Bank has also collaborated with Muang Thai Insurance PCL, a Thai insurance provider, to offer different non-life insurance products in response to the diverse needs of the Bank's clients, including insurance coverage for motor vehicles, personal accidents, international and domestic travel and burglary.

In alignment with customer lifestyles in the digital age, the Bank offers its customers international travel insurance via K PLUS, which covers medical expenses, trip delays and emergency assistance services. From 2019 to June 2020, the Bank upgraded new travel insurance via K PLUS with several options for cheaper premiums for international travel insurance, and launched new domestic travel insurance and personal accident insurance products. The Bank also offers the option to apply for "Life Insurance One Plus 10/1" via K PLUS, which caters to customers seeking to pay single premiums allowing such customers to gain tax saving benefits without any health check-up requirements, as well as cash benefits of two per cent. every two years.

To conduct sales of life insurance policies, the Bank uses tablet computers to provide comprehensive information as well as a more convenient and faster service to its customers. The Bank continues to invest in human resources and provides training to its branch employees on various insurance products, including training on all bancassurance process improvement efforts to align with the BoT's new regulations regarding market conduct.

### ***Card Services***

The Bank introduced its debit card series, which includes the K Debit, K My, and K Max Plus cards, in October 2022 with the concept "SPARK THE SENSES" to associate its debit cards with the ideal living experience. The Bank's debit cards provide year-round perks that cater to clients' habits, including perks relating to dining, traveling, movies, transportation and online shopping. In November 2022, the Bank introduced a new virtual card called the "K Online Debit Card" that caters to individual client preferences. Customers can apply for this card via the K PLUS Application. The Bank automatically registers a customer's online purchases by using the customer's registered

telephone numbers on the K PLUS Application; however, the customers have independent control over their cards. To make purchases online, customers use their 16-digit card number, CVV and card expiration date. K Online Debit Card was officially released in February 2023. As part of a special promotion running until 31 July 2023, customers who apply for a new K Online Debit Card will receive a waiver of the joining fee of 100 Baht, as well as a waiver of the annual fee of 150 Baht for the first year. The Bank is also the leader in the market for non-card and card accepting merchant services, with a market share of more than 30 per cent. as of 30 June 2023. Furthermore, the Bank has been continuously developing its network of card-accepting merchants and creating new products and services to cater to its customers' changing lifestyles and an increasingly cashless society. For example, amidst the COVID-19 pandemic in 2020, the Bank established a policy to promote contactless acceptance for all inter and local card schemes in order to support customers' new normal lifestyles.

The Bank has also conducted a PR campaign to promote greater QR payment acceptance with Thai QR Payment, MyPromptQR and Credit Card QR via the K SHOP merchant application. As a part of this campaign, the Bank did not collect any fees or service charges from crisis-hit customers for payments made through Thai QR Payment. From 2019 to June 2020, the Bank continued to develop the K SHOP merchant application in alignment with the BoT's policy guidelines regarding the Thai QR Payment standard, which requires merchants to generate a standardized QR code payment platform for payment acceptance, along with features that enable merchants to check payment data from the QR code on buyers' e-slips. In addition, the Bank has developed the QR Credit Card as another channel for accepting QR payments. Cardholders of the QR Credit Card can use QR codes to pay in place of their physical cards. The Bank also continued to improve the K SHOP merchant application to ensure greater service efficiency and stability and to accommodate payments of Chinese tourists via Alipay and WeChat Pay e-Wallets. Moreover, the Bank developed K-Merchant to accommodate Xpress Cash and to accept installment payments for goods/services for up to 36 months (Sale Finance) and full payments (Single Purchase) via UPI (UnionPay International) on EDC and via merchant websites in order to provide greater convenience to retail clients in need of Xpress Loans. In addition, the Bank has developed various projects to promote e-Wallet spending, including developing the Blue CONNECT application for payments for goods and services at PTT stations and stores affiliated with PTTOR. Through this application, users can register for a personal loan product called "K PAY LATER", which allows users to create installments of up to 5 months for their gas bills from PTT stations. Since February 2022, users are able to pay their K PAY LATER installments via the Blue CONNECT application. Furthermore, PTTOR has developed the "xpIORe App", an all-in-one business solution that facilitates online and offline payments of goods and services and provides discount vouchers for purchases at other stores (Standard QR code Tag30). In addition, the Blue CONNECT wallet enables users to use e-money from the bank to pay for goods and services. The Bank also developed a social payment feature on the K SHOP merchant application, which provides greater convenience for both buyers and sellers by enabling various functions such as voice-based notifications of incoming funds, authorization of users to receive notifications of incoming funds, creation of stamp collection cards and other promotional campaigns to spur greater use of the Bank's services.

The Bank has taken steps to enter the international travel market after many countries have reopened their borders to tourists. The Bank developed Cross-Border QR Payment via the K SHOP merchant application, which is a payment system that allows foreign tourists to use mobile banking applications to scan THAI QR codes and pay via K SHOP for goods and services at merchants in Thailand, thus enabling foreign tourists to utilize the convenience, speed and security of K SHOP. Additionally, the Bank offers Cross-Border QR Payment Linkages to Malaysian, Singapore, Vietnamese, Indonesian and Cambodian tourists visiting Thailand. Through such initiatives, the Bank promotes regional financial integration for ASEAN payment connectivity.

### ***Private Banking Services***

The Bank provides private banking services through "KBank Private Banking" (KPB) to high net worth individuals with assets under management of Baht 50 million and above. KPB is designed to deliver "Perfect Wealth" through international comprehensive wealth management services. This all-inclusive service consists of family wealth planning, investment advisory and other privileges to be delivered to clients by professional private bankers together with a team of specialists in all areas.

Aimed to facilitate clients in transferring wealth to the next generation, the Bank's family wealth planning service is tailored to assist clients on preserving and passing on wealth and legacy while the Bank's investment advisory service focuses on growing wealth through both capital and non-capital markets. In addition, KPB provides exclusive world-class privileges in various other aspects.

To ensure an international standard of services, KPB has collaborated with one of the oldest and most reputable private banks in Switzerland, Lombard Odier. The cooperation combines the Bank's local knowledge with Lombard Odier's global expertise to meet local market demands with a global standard of services.

### ***Financial Literacy Service (KWEALTH)***

A change in wealth management has been driven by evolving customer demographics, demand for customized and diversified investment solutions, and enhanced technology. To prepare its customers for such changes, the Bank has designated “KWEALTH” as its responsive unit to improve financial literacy among its clients and the general public via a wide range of methods, including online information, news and investment outlook reports.

KWEALTH started providing services in October 2021. From October 2021 to June 2023, KWEALTH has posted more than 300 online articles and clip videos on its websites as part of its efforts to improve the financial literacy among the Bank’s clients and the general public. The website was accessed approximately 2,000,000 times and more than 200,000 people viewed the website contents. The Bank believes that KWEALTH can continue to accumulate more followers month-over-month throughout this year.

KWEALTH provides these services for the purpose of supporting customers of the Bank and the general public in continually growing and sustaining their wealth and developing a better understanding of financial products. In providing such support, the Bank aims to become the top-of-mind provider of financial knowledge and investment outlook services.

### **CHANNEL HARMONIZATION**

The Bank strategically designs each channel to cater to its customers’ diverse needs, lifestyles and evolving behavior amidst the digital era. The Bank’s objective is to ensure a harmonized and seamless customer experience across physical and digital channels. To achieve this, KBank collaborates with various partners, integrates new technologies, and leverages data to offer excellent financial services and products, ensuring the best customer experiences for individuals from all walks of life.

#### ***Branch Network:***

The shift in customer behavior toward digital services impacts the transaction numbers of each branch. The number of transactions for each branch is decreasing and is likely to continue decreasing in the future. In light of this downtrend, each branch’s strategy is to focus on optimization. Nonetheless, it is crucial for each branch to maintain a physical presence to serve non-migratable transactions and sophisticated customers. Thus, KBank uses its Physical Footprint strategy to allocate the number of branches. This strategy utilizes three factors – population density, potential area, and penetration rate – to analyze and design the approach for each specific area. The Bank also employs this strategy to prioritize branch mergers. Furthermore, the Bank’s branch network has achieved full strategic coverage nationwide, especially in more geographically viable locations, allowing the Bank to meet its customers’ demands effectively. The following table illustrates the composition of the Bank’s branch network by region as of 30 June 2023.

<b>Channel</b>	<b>Bangkok Metropolitan</b>	<b>Rest of Thailand</b>	<b>Total</b>
Branches	304	512	816

In this context, the Bank continued to improve branch efficiency and enhance the quality of sales and services through technology integration and operating cost management, with services such as opening of accounts via tablet computers and customer ID card self-verification by machine. Moreover, the Bank ensured that the present number of branches is sufficient to meet customer expectations and cover all important locations.

In addition, the Bank has developed KLOUD by KBank, a prototype of a bank branch in the 5.0 era that focuses on sustainability and customer engagement in each location. Centering on the concept of a “Sustainable Bank,” this prototype branch design is created to accommodate customers’ behavior and needs by integrating technology with the format and structure of the bank branch. KLOUD by KBank is an Innovative Iconic Green Building located in the heart of Siam Square. This building is designed to be environmentally friendly, utilizing 100 per cent. renewable energy according to the International Renewable Energy Certificate (IREC) standards. It also incorporates efficient energy management according to LEED and Fitwell standards. Additionally, it implements a systematic waste management system to achieve a Zero Waste to Landfill goal. Furthermore, KLOUD by KBank serves as a creative and innovative space that connects people’s lifestyles and utilizes cutting-edge technology and innovation. This building is open to the public, students, and individuals without any charge and serves as a learning and creative hub for the new era.

### ***KBank Service:***

In response to changing customer behavior and as part of its efforts to broaden its customer base in provincial areas where KBank branches are not available, the Bank has continued to expand its “KBank Service”, through which the banks appoints agents who are business partners with extensive network coverage to provide banking services to customers. Such agents are regarded as the most cost-efficient physical channel.

Services provided by these agents include accepting cash deposits into KBank accounts, cash withdrawal, bill payment, and identity verification for the opening of electronic bank accounts for retail customers. KBank Service is now available at various service points, including Thailand Post offices, counter service at 7 -Eleven convenience stores, Big C, Lotus, Family Mart, Tops, CJ Express, Jaymart, Siam Global House, Maxvalu and other physical retail locations.

The Bank has the highest number of touchpoints, partners, and the largest coverage area in Thailand in comparison to other banks in Thailand. The Bank has more than 220,000 KBank Service touchpoints via counters and machines available nationwide. By expanding KBank Service, the Bank can penetrate untapped markets, serve the increasing demand of the customers in the most efficient manner, and raise the standard of KBank Service touchpoints. The Bank is also increasing brand awareness through public relations and marketing to reach more customers.

### ***Electronic Machine:***

The Bank provides electronic channels to meet customer demand and to ensure that the Bank can grow sustainably and remain the preferred banking option for customers. The Bank has different types of self-service machines, ranging from ATMs to CDMs to PUMs, which are equipped to handle a variety of functions to serve customers’ needs at various locations. As of 30 June 2023, the Bank had 9,074 ATMs and 1,893 CDMs placed countrywide, with the capability to complete transactions such as deposits, withdrawals, balance enquiries, bill payment services, fund transfer services, and international links to ATMs within the VISA, MasterCard, China UnionPay (CUP), JCB, American Express (AMEX), Diners and Cross-border networks. The Bank emphasizes the development of its electronic network to provide “round-the-clock” financial services, especially through self-service machines. All K-ATM machines are now equipped with a multilingual function, displaying 12 languages, to facilitate transactions and provide convenience to the Bank’s foreign clients. Additionally, the Bank optimizes its physical channel network by taking the distance between each location, customer demands and its channel network into account in order to maintain an appropriate number of service points for specific areas, provide broader service coverage and ensure cost efficiency and customer satisfaction. To maintain its leadership in innovation, the Bank constantly improves its electronic machine capabilities. The Bank has the largest number of machines that allow customers to carry out dip chip authentication with 8,346 service points as of 30 June 2023. The Bank has focused on using the ATM for dip chip authentication service to bolster the Bank e-Savings product as well as products of its business partners. The Bank also develops ATMs to extend the range of no-card services provided to customers and plans to continue expanding such services by collaborating with potential business partners. These improvements not only serve the Bank’s purpose of supporting its customers’ increasingly digital lifestyles, but also play an important role in digitalizing transactions that originally were carried out at the Bank’s branches, thus allowing the Bank to free up its staff capacity, which is an essential part of the Bank’s channel network optimization plan. As of 30 June 2023, the Bank had 11,899 self-service machines in total.

<b>Electronic Machine</b>	<b>Bangkok Metropolitan</b>	<b>Rest of Thailand</b>	<b>Total</b>
ATMs	4,276	4,798	<b>9,074</b>
CDMs	947	946	<b>1,893</b>
PUMs	435	497	<b>932</b>
Total	5,658	6,241	<b>11,899</b>

In summary, to meet customer demand, the Bank’s physical channel strategy focuses on harmonizing and improving the effectiveness of each physical channel while supporting the adoption of digital channels by customers. This strategy must be analyzed based on specific circumstances and customer behavior to ensure that customers’ demands are met. This strategy will have to maximize benefits and minimize costs in order to achieve sustainable growth and long-term returns.



### ***Digital Banking – Internet Banking (K BIZ) and Mobile Banking (K PLUS)***

The Bank's digital banking services consist of internet banking and mobile banking. The Bank launched its internet banking service in 2000. The Bank has three online internet banking services, which are K-Cyber Trade, K-Cyber Invest, and K BIZ. K-Cyber Trade provides customers with a convenient, quick and safe platform to make online investments in equity and derivatives whilst K-Cyber Invest offers the Bank's customers a convenient way to invest in mutual funds via the internet. In 2022, KBank upgraded its internet banking services, including K-Cyber, K-Cyber for SME, and K-BizNet, to become a full-fledged digital banking platform under the name of K BIZ.

K BIZ is an online banking platform, tailored for both individuals and juristic persons to meet their business needs. K BIZ offers a diverse array of robust business features, such as multiple user access, thus enabling businesses to manage their operations efficiently. Additionally, customers can download statements in a usable format (Excel or PDF) for convenient business management.

Moreover, to make K BIZ a comprehensive Total Solution Platform, the Bank has introduced a Payroll service that provides free benefits for group accident insurance coverage for those who use the Payroll service on K BIZ. Furthermore, K BIZ has enhanced its display of credit information across six product groups, including OD (Overdraft), LG (Letter of Guarantee), PN (Promissory Note), Commercial Loan, Personal Loan, and Home Loan. This allows customers to review and track their credit limits more effectively.

The Bank is committed to providing the best mobile banking application for customers. In 2008, the Bank launched the ATM SIM, Thailand's first service innovation that combines financial transaction services with communication technology, enabling customers to conduct transactions via their mobile phones. The Bank upgraded K-Mobile Banking Plus to a new version based on the concept "The Best Answer for Your Future" in 2013. All features have been completely revamped to make them more user-friendly and appropriate for diverse customers, while retaining the highest security standards. In 2017, K-MOBILE BANKING PLUS was rebranded to K PLUS with a logo change for easier recognition, together with the launch of an advertising campaign based on the concept "Change for a Simpler Life". The Bank was the first mover in Thailand to introduce "Mutual Fund Account opening" and "K-eSavings Account (Second Savings Account opening)" to its mobile application users. Moreover, customers can apply for a new debit card via K PLUS, which enables them to make and accept payments via QR payment features. The Bank also offers the "K PLUS SME", a mobile banking application specifically designed for SME clients to conduct transactions online, with features that allow them to access data and manage their finance and business on their own. In 2018, the Bank introduced a new version of K PLUS based on a "With change, we understand you better" concept, along with a new logo and a single transaction button for all main financial features. The new K PLUS leverages the "K PLUS AI-Driven Experience: KADE", which uses artificial intelligence (AI) to analyze big data in order to develop more responsive services.

K PLUS strengthens its leading position by enhancing security levels and fully integrating with customers' digital lifestyles. K PLUS prioritizes security to provide a safer experience by implementing facial recognition to verify credit limit extensions and transactions, as well as adjusting credit for children under 15 years old. Each customer is allowed to use one K PLUS account and is required to complete the awareness test of mobile banking risks in accordance with the regulations from the BoT. K PLUS leverages the K-ecosystem to connect with the Bank's business partners, ensure complete linkage within a digital lifestyle ecosystem and deliver the best customer experience through new technology-driven services and innovations. K PLUS has developed cross-platform authentication and seamless payment services with key partners such as Grab Pay Wallet, PTT Blue Connect Wallet, LINE BK, Meta Pay, Shopee, True Money Wallet, DTAC, AIS and LINEMAN. These services include "Authen with K PLUS", which allows customers to apply for an e-Wallet service and identity verification via K PLUS, and "PayPLUS", which enables customers to use K PLUS to make payments or top-up their wallets on the Bank's partner platforms seamlessly without switching applications. K PLUS allows customers to manage their finances by adding multiple sources of funds beyond savings and current accounts, such as K Points, Partner Points, and the KBank Credit Card.

Additionally, K PLUS has elevated its service capabilities to fulfil customer needs and enhance customer experience. Such capabilities include (1) applications for Virtual Debit Card; (2) international fund transfers that cover 14 currencies and 32 countries worldwide; (3) QR payments in more than 30 million shops, including shops in Japan, China, and 40 other countries; (4) e-slip customization and purchase of themes through K PLUS Market for special occasions or individual preferences; (5) K PAY LATER, which offers credit lines for bill payments, allowing customers to make instalment payments, apply for the service or spend via K PLUS at their convenience with no documents required; (6) dStatement, which enables customers to directly submit a digital bank statement for loan applications with different banks; and (7) Wealth Plus, which acts as a personal assistant that helps customers manage their investment portfolios to achieve personal targets. K PLUS has also integrated certain companion services, such as KhunThong, a social chatbot on the LINE application that allows customers, especially customers in the new

generation segment, to directly access K PLUS services. KhunThong enables customers to share bills (both one-time bills and monthly scheduled bills), request payments and make payments using K PLUS and other mobile banking applications. Through such companion services and integration with other mobile banking applications, K PLUS caters to customers' digital lifestyles.

As of 30 June 2023, K PLUS reached a record number of 21.1 million users, representing 14 per cent. year-on-year growth, with around 73 per cent. of active K PLUS users who log-in at least one time per month. The number of K PLUS transactions continuously grew at 35 per cent. year-on-year, and the transaction value grew at 8 per cent. year-on-year. K PLUS remains the leading mobile banking application in Thailand, with the highest monthly active users (MAUs) and the highest cumulative application downloads (from 2017 to now). K PLUS contributes one-third of the total payment volume in the Thai market.

From 2017 to present, the Bank has received numerous awards in recognition of its digital banking capabilities. The Asian Banker awarded the Bank the following seven awards: "Mobile Payment Product of the Year - Thailand" (2017), "Best Credit Evaluation Initiative, Application or Programme - Thailand", "Best Frictionless Mobile Initiative, Application or Programme -Thailand" (2018), "Best Digital Brand Initiative, Application or Programme", "Best Frictionless Customer Relationship Management" (2019), "Best Mobile Banking Service" (2021) and "Best Mobile Banking Service"(2023). Asian Banking & Finance awarded the Bank the following three awards: "Mobile Banking Initiative of the Year - Thailand" (2017), "Financial Inclusion Initiative of the Year - Thailand" (2018) and "Mobile Banking & Payment Initiative of the Year - Thailand" (2022). The Bank received the following four awards in 2019 from The Digital Banker: "Winner: Excellence in Next-Gen Customer Experience", "Highly Acclaimed: Best Product or Service Innovation", "Highly Acclaimed: Best Customer Insight & Feedback Initiative" and "Highly Acclaimed: Best App for Customer Experience". The Bank was also awarded the "Highly Commended: Excellence in Service Innovation" award from Retail Banker International. App Annie has also awarded the Bank the following awards: "Thailand Top 10 Finance Applications by MAU (K PLUS)" (January 2021) and #2 of Top 10 Retail Bank Applications by South East Asian – HQ'd Banks by Worldwide Sessions per User (the second quarter of 2020). Thai-Cashless-Society FB Page also awarded the Bank "#1 of Top Mobile Banking Applications in Thailand" (January 2021).

#### ***K-Contact Centre***

K-Contact Centre was launched in 1988. K-Contact Centre is open on a 24-hour basis and also provides a channel through which customers can inquire about the Bank's products and services and resolve issues regarding self-service channel usage. Customers can also reach the K-Contact Centre via non-voice channels such as e-mail, a chatbot and a live chat agent via the LINE application. In addition, the Bank provides specific groups of customers with phone-based services, such as the "KBank Private Banking Contact Centre", which caters to high net-worth individuals, and a "Foreign Languages Contact Centre", which serves foreigners who work or live in Thailand.

In addition, the Bank had continuously improved its services in five aspects:

1. The Bank has improved the voice agent's service quality by enhancing empathy and mindset skills, as well as sharing experiences in dealing with customers to help ensure quality customer experience.
2. The Bank has improved the case and incident management process to address issues for individuals and large groups of customers, both online and offline. Improving this process help ensure that customers' problems are resolved quickly and clearly, reducing negative impacts on customers and the Bank's image.
3. The Bank has improved its service delivery processes by simplifying complicated procedures and increasing convenience, aiming to enhance customer fulfillment from their first contact (First Call Resolution). Such improvements include expanding online channels for customers to conveniently submit documents and developing a new contact channel on the K PLUS Application with high security through the K-Contact Centre.
4. The Bank has developed and enhanced the capabilities of an intelligent chatbot, by expanding its scope to provide more accurate information more efficiently about the Bank's services and products.
5. The Bank has developed a Knowledge Management & Smart Agent Portal to deliver faster and better service quality.

K-Contact Centre has launched a dedicated service channel hotline (02-888-8888 ext. 001), which customers can directly call to report financial fraudulent activities. Moreover, the Bank has developed a process to connect all departments within the Bank, other banks and relevant government agencies to be able to stop suspicious transactions in a timely manner.

#### ***National e-Payment Master Plan***

On 22 December 2015, the Economic Cabinet of the Thai Government approved in principle the National e-Payment Master Plan (the "**e-Payment Plan**"). The e-Payment Plan aims to transform Thailand's payment systems to e-Payment to simplify financial transactions and business activities. The e-Payment Plan is comprised of five major

programs, namely: (i) PromptPay (Any ID), (ii) EDC and Card Acceptance Expansion, (iii) e- Tax, (iv) e-Payment Government, and (v) Market Education and Activation Program. The Bank is determined to maintain its digital banking leadership, in line with technological advancements and government policies promoting a digital economy, including the e-Payment Plan. The Bank has devised operational guidelines and upgraded its information technology system to accommodate such changes:

- PromptPay (Any ID): The Bank is developing its information technology system to accommodate the Any ID Money Transfer whereby registered IDs, including national IDs and mobile phone numbers, can be used as a reference. The program is intended to promote e-Payment to reduce the use of cash in the market and to accommodate the distribution of government welfare funding to the general public in the future. The Bank is coordinating with other banks and related parties to support and implement this newly developed payment infrastructure. On 15 July 2016, the individual registration phase was launched and since 27 January 2017, individuals have been able to transfer money via PromptPay. The registration phase for juristic persons was further opened on 27 January 2017, and since 1 March 2017, juristic persons have been able to transfer money via PromptPay. More PromptPay programs were launched from 2017 onwards as follows:
  - e-Wallet Service Provider (15 September 2017): The service allows e-Wallet users to transfer, pay or receive money via PromptPay ID.
  - Cross-bank bill payment (18 November 2017): A biller can register with one biller bank to receive payment from any service bank / agent via the PromptPay infrastructure.
  - Request to Pay (17 February 2018): Individuals or billers can request others for payments through e-channels such as mobile banking applications. Notifications will be sent to the payee on their mobiles to confirm payment.
  - Actual Account Proxy (24 March 2018): Users can use bank account numbers to transfer interbank via the PromptPay infrastructure.
- EDC and Card Acceptance Expansion: To reinforce its number-one position in the debit card market, the Bank has expanded its debit cardholder base with the issuance of debit cards under the local card scheme. In addition, the Bank is preparing for the expansion of card acceptance services to promote e-Payment via, for example, debit cards and mobile phones.
- e-Tax: Guidelines have been established for the development of comprehensive payment systems (for example, e-Tax Invoicing, e-Receipts and e-Withholding Tax), to assist customers in business management. Additionally, the Bank consistently upgrades its electronic channels to better serve its customers, while also equipping them with knowledge on the benefits, convenience and safety of electronic transactions to encourage their migration to e-Payment.
- e-Payment Government: The Bank has set out a plan to implement a system which allows customers to register for e-Payment with a national ID that can be linked to the central database. This new payment method is expected to accommodate direct funds transfers for welfare disbursement and provide improved access to customers in need. The Revenue Department commenced transferring tax refunds to taxpayers via PromptPay in the beginning of 2017.
- Market Education and Activation Program: To remain at the forefront as a digital banking provider, the Bank plans to enhance its capacities for digital banking channels to meet the diverse needs of customers. The Bank aims to provide educational information to the public about e-transaction safety to promote greater use of electronic payment.

In late 2022, the BoT unveiled a directional paper titled “Directions for Development of Payment Systems Under the New Financial Sector Landscape of Thailand.” According to this paper, the payment system development strategy operates under three key principles: Openness, Inclusivity, and Resiliency for 2022–2024. These principles are in line with the overall financial sector policy landscape. Additionally, the BoT aims to upgrade the Thai payment system to align with the digitalization of the economy.

## **INTERNATIONAL BANKING**

### **Overseas Network Activity**

As of December 2022, the Bank's overseas network banking activities accounted for 3.57 per cent. of the Bank's loans. The Bank has two overseas subsidiary banks in China and Lao PDR, four overseas branches in Hong Kong, the Cayman Islands, Phnom Penh and Ho Chi Minh City, and six representative offices in Beijing, Kunming, Tokyo, Yangon, Ho Chi Minh City, Hanoi and Jakarta. Currently, only the Bank's subsidiaries in China and Lao People's Democratic Republic, as well as the Bank's branches in Hong Kong, Phnom Penh, and Ho Chi Minh City, can lend in their respective host country. The Bank's other overseas branches, representative offices, and relationships with partner banks facilitate cross-border trade and investments.

The Bank aims to increase its international presence through a number of establishments and developments, including Representative Office Settlement, Branch Establishment, Locally Incorporated Institute (LII) Ownership, and Worldwide Financial Institute Business Alliance Development.

With respect to international banking operations, China is the Bank's primary focus. The Bank's business in China concentrates on the development of expansion strategies that are tailored to each customer segment and the current competitive landscape, as well as an operational system and procedures that are in strict compliance with Thai and Chinese laws and regulations. To capitalize on opportunities in the AEC, the Bank continues to expand its business in domestic trade, cross-border investment, and foreign customers in AEC member nations. The "AEC Plus Three" framework is established to create connectivity in ASEAN, China, Japan, and Korea by leveraging the Bank's presence and collaborative business networks with selected partner banks overseas. As of July 2023, the Bank has partnered with 80 banks in 14 countries, including Japan, China (including Hong Kong), Korea, Vietnam, Indonesia, Lao People's Democratic Republic, Cambodia, the Philippines, Brunei, Malaysia, Singapore, Italy, Germany, and India, in order to meet the needs of Thai companies seeking to expand their businesses and invest abroad.

## **TREASURY**

The Strategic Treasury Management Department's principal function is to manage the Bank's overall interest rate and liquidity position through implementing strategies that are aligned with the Bank's policy and risk appetite while closely monitoring the Bank's daily local and foreign currency cash flows and reporting these positions. The Central Treasury Department fulfills the aforementioned strategies by providing short-term and long-term funding sources as well as investing in highly liquid assets in both domestic and foreign currencies together with monitoring and reporting money market conditions and interest rate movement. The Bank is a major participant in the Baht interbank market and continues to pursue its strategy of maintaining transaction volume with other financial institutions and expanding its borrowing and lending sources in order to help sustain the Bank's status as the BOT-appointed primary dealer. In addition to the acquisition of stable deposits, the Bank takes advantage of its long-term funding sources to strengthen its funding portfolio.

## **INSURANCE**

The Bank owns a 38.25 per cent. economic interest in MTL as of 30 June 2023, through which the Bank offers a range of life insurance products such as credit life insurance, whole life insurance, term life insurance and endowment life insurance. MTL's total premiums were Baht 69.3 billion for the year ended 31 December 2022 and Baht 35.8 billion for the first half of 2023.

In the bancassurance market, MTL ranked the second out of 16 players in the industry, as measured by total premiums, with a market share of 15.4 per cent. as of 30 June 2023. MTL's bancassurance was ranked second in terms of new business premiums with a 15.8 per cent. market share as of 30 June 2023, a decrease of 2.5 per cent., as compared to 31 December 2022. MTL was the fourth largest life insurance provider in Thailand in terms of total premiums with a market share of 11.9 per cent. as of 30 June 2023.

MTL's bancassurance services are available at 816 of the Bank's branches, as of 30 June 2023. See "*–Retail Business – Other Retail Customer Products and Services – Bancassurance*".

The total asset size of MTL was Baht 625.0 billion as of 31 December 2022. The Bank believes that there is an opportunity to grow its insurance business in Thailand as the penetration rate is currently low in the country.

## **FUND MANAGEMENT**

The Bank's wholly owned subsidiary, KASIKORN ASSET MANAGEMENT CO., LTD. or KAsset, provides fund management services including mutual funds, provident funds and private funds. As of 30 June 2023, assets under

management of KAsset was Baht 1,563 billion\*, of which 72 per cent. were mutual funds\*\*, 15 per cent. were provident funds, and 13 per cent. were private funds. Among asset management companies in Thailand, KAsset remains the largest in terms of asset under management in mutual funds. KAsset offers its products and services through the Bank's 819 branches\*\*\* and 52 other agents across Thailand and as well as through the K-Contact Centre, K-Cyber Invest, K PLUS, and K-My Funds. KAsset provides its customers with opportunities to invest in diverse types of funds with different terms and risk levels. As of 30 June 2023, KAsset had 243 mutual funds on offer.

\* Mutual Fund, provident funds and private funds of 30 June 2023, AIMC

\*\* Include Real Estate Investment Trust, AIMC

\*\*\* As of 31 March 2023

## **HIRE PURCHASE**

The Bank's wholly-owned subsidiary, KASIKORN LEASING CO., LTD, or KLeasing, offers automobile hire purchase, financial leases, car registration loans and floor plans. As of 30 June 2023, KLeasing's outstanding loans amount to Baht 144.8 billion. Hire purchase, financial leases, car registration loans and floor plans constituted 70.2 per cent., 16.8 per cent., 5.8 per cent. and 7.2 per cent. of KLeasing's total outstanding loans, respectively, as of 30 June 2023. The total asset size of KLeasing was Baht 145.6 billion as of 30 June 2023.

## **SECURITIES**

KASIKORN SECURITIES PUBLIC COMPANY LIMITED, or KSecurities, the Bank's 99.99 per cent. owned subsidiary, conducts securities trading as a brokerage firm and provides securities underwriting, financial advisory services, investment banking services and other businesses permitted by the Office of Securities and Exchange Commission of Thailand. KSecurities has a total asset size of Baht 29.11 billion and has a market share of 2.7 per cent. by equity trading volume, excluding proprietary trading, for the six-month period ended 30 June 2023. KSecurities derived 93.4 per cent. of its revenue through brokerage and 6.6 per cent. of its revenue through investment banking.

## **RESEARCH**

KASIKORN RESEARCH CENTER CO., LTD., or KResearch, is the only research house affiliated with a bank in Thailand. KResearch provides knowledge in economics, business, money and banking.

## **EQUIPMENT LEASING**

KASIKORN FACTORY AND EQUIPMENT CO., LTD. or KF&E, provides a range of machinery and equipment hire purchase and leasing services for corporate and SME customers. KF&E has a total asset size of Baht 23.11 billion and outstanding loans of Baht 24.06 billion as of 30 June 2023. In 2023, KF&E is focused mainly on supporting green financing by coordination and launching product programs with KBank.

## **INFORMATION TECHNOLOGY**

The Bank continues to upgrade its IT infrastructure in order to better service its customers. As part of the K-Transformation project's ITC programme, the Bank has developed a new core banking system, with the deposit module completed in July 2015 and the lending module successfully launched in 2017. Through the new core banking system, the Bank aims to develop a constructive and harmonious corporate culture as well as a new IT platform to provide unique tools to develop its customer-centric strategy. To maintain its competitiveness in the new business landscape, which increasingly relies on technology-driven solutions, the Bank has established KBTG with the aim of promoting technology-related ideas, supporting development and innovation in businesses and strengthening related business support, infrastructure and information systems. KBTG comprises five companies: KASIKORN TECHNOLOGY GROUP SECRETARIAT COMPANY LIMITED, KASIKORN LABS COMPANY LIMITED, KASIKORN SOFT COMPANY LIMITED, KASIKORN INFRA COMPANY LIMITED, and KASIKORN X COMPANY LIMITED. KBTG aims to maintain its leading position in the financial business operations field, which is increasingly impacted by technology, especially in the banking sector. The objectives of these companies are to conduct research and development on novel technology and business platforms and manage and support the Bank's infrastructure and IT system.

## PROPERTIES

The Bank's headquarters are located at 400/22 Phahon Yothin Road, Sam Sen Nai Sub-district, Phaya Thai District, Bangkok, Thailand. As of 30 June 2023, the Group's net premises and equipment totaled Baht 60.7 billion.

## HUMAN RESOURCES

The Bank believes its nationwide staff of dedicated employees is one of its strengths. The Bank pays performance bonuses based on staff evaluation. Headcount stood at 18,466 as of 30 June 2023. The following table sets forth the number of the Bank's employees on an unconsolidated basis as of the periods indicated:

	As of 31 December			As of 30 June
	2020	2021	2022	2023
Head offices and main buildings	7,437	7,192	7,385	7,454
Others <sup>(1)</sup>	12,425	11,837	11,263	11,012
Total	19,862	19,029	18,648	18,466

The Bank believes that it needs to continuously train its staff to maintain a competitive position. The Bank devotes substantial resources to year-round training of its professional staff. It has also implemented a training programme to develop selected employees. The Bank's employees are represented by one labour union. The Bank, from time to time, meets with the union to discuss and resolve labour-related issues. The Bank has not experienced a work stoppage or strike on the part of the union, and it believes its labour relations are good.

Note: (1) "Others" comprises the Metropolitan Business Network, Business Network, Asset Quality Management Network and World Business Network

## AWARDS AND COMMENDATIONS

As a testimony of the Bank's banking excellence, the Bank has received the following highlighted awards and commendations:

Awarded by	Description of award/accolade	Year
Asian Banking & Finance .....	Strategic Partnership of the Year - Thailand	2022
	Best for ESG in Thailand	2021
	Thailand Domestic Cash Management Bank of the Year	2013-2015, 2017-2019, 2021-2022
	Thailand Domestic COVID Management Initiative of the Year	2021
	Best for HNW in Thailand	2021
	Best Private Bank Thailand	2021
	Best Private Bank for Client Experience	2021
	Advertising Campaign of the Year – Thailand	2019
	Mobile Banking Initiative of the Year in Thailand	2016, 2017-2018, 2022
	Credit Card Initiative of the Year in Thailand	2016, 2017-2018

<b>Awarded by</b>	<b>Description of award/accolade</b>	<b>Year</b>
	Thailand Domestic Retail Bank of the Year	2014-2017
	Best CEO in Thailand	2016
	Best Management Bank in Thailand	2016
	Digital Banking Initiative of the Year in Thailand	2016
	Best Branch Innovation – Bronze	2015
	Thailand Online Banking Initiative of the Year	2014-2015
	Best Social Media Project	2014
	Best Branch Innovation – Silver	2014
	Thailand Domestic Trade Finance Bank of the Year	2013
Alpha Southeast Asia .....	Best Cash Management in Thailand	2012-2016 2019, 2021-2022
	Best Bond Deal for Retail Investors in Southeast Asia; SCG Chemicals PCL’s Bath 60 billion Bonds	2022
	Best Local Currency Bond Deal of the Year (Thailand) : SCG Chemicals PCL’s Baht 60 billion Bonds	2022
	Best Sustainability-Linked Transaction of the Year : BTS Group Holdings PCL’s Baht 31 billion Sustainability-Linked Bonds	2022
	Best Bond House in Thailand	2019,2021
	Best FX Bank for Retail Clients	2020-2021
	Best FX Bank for Structured Products: Commodities, Credit, Equity, FX and Multi-Assets	2019-2021
	Best Corporate Treasury Sales and Structuring Team	2019-2021
	Best Wealth Management Bank in Thailand	2020
	Best ESG Green Financing in Southeast Asia: Thailand - PTT Greenbond	2020
	Best Local Currency Bond Deal of the Year, Thailand – CPF	2020
	Best Bond Deal for Retail Investors in Southeast Asia – CPF	2020
	Best FX Bank for Corporates and Financial Institutions	2011-2012, 2016,2019
	Best Local Deal in Thailand	2019
	Most Improved Bond House	2019
	Best Refinancing Deal in Southeast Asia	2019
	Top 5 Bookrunners of Southeast Asia Local Currency Bonds (rank 3)	2019
	Best Bank in Thailand	2012-2013, 2015

<b>Awarded by</b>	<b>Description of award/accolade</b>	<b>Year</b>	
Aon Hewitt .....	Top Company for Leaders Awards (TCFL)	2011, 2014	
ASEAN Corporate Governance Awards .....	Top 50 Publicly Listed Companies from ASEAN	2015	
Asian Private Banker	Best for Mass Affluence/HNW in Thailand	2022	
	Asian Private Banker 7 <sup>th</sup> Awards for Distinction	2018	
Asiamoney.....	Best Private Bank – Thailand Domestic	2019	
	Asiamoney Private Banking Awards	2022	
	Best for Mass Affluence/ HNW in Thailand	2022-2023	
	Best Domestic Bank in Thailand	2021	
	Best for ESG in Thailand	2020-2021	
	Best Domestic FX Provider for FX Product and Services	2014, 2016	
	Best Domestic FX Option	2014, 2016	
	Best Domestic FX Research & Market Coverage	2014, 2016	
	Best Domestic Bank in Thailand	2016-2017	
	Best Overall for Corporate Governance in Thailand	2016	
	Best Domestic Debt House in Thailand	2016	
	Best for Disclosure and Transparency in Thailand	2016	
	Best for Investor Relations in Thailand	2016	
	The Asian Banker .....	Best Retail Bank in Thailand	2009-2023
		Best SME Bank in Thailand	2022
		Most Selected Main Retail Bank in Thailand and 8 <sup>th</sup> in Asia Pacific	2022
Best Chatbot/Voice Banking Initiative Application in Thailand		2022	
Best Digital Lending Service in Thailand		2021	
Best Merchant Services: Facebook Pay		2021	
Best Mobile Banking Service: K Plus		2021-2022	
Best Home Loan Product in Thailand		2021	
Best Home Loan Product: New Income Verification Standard for Business Owner, Freelance and Refinance Customers		2020	
Best Digital Brand Initiative, Application or Programme		2019	
Best Frictionless Customer Relationship Management		2019	
Best Wealth Management Services in Thailand: Private Banking Digitalisation		2019	
Best Data Analytics Initiative, Application or Programme		2019	
Best Service Provider Cash Management, Thailand	2019		
Best Service Provider: E-Solutions Partner, Thailand	2019		



<b>Awarded by</b>	<b>Description of award/accolade</b>	<b>Year</b>
	Best E-Commerce Proposition: K+ Market	2019
	The Bankers Choice Awards in Thailand	2012
	The Leading Counterparty Bank in Thailand	2012
	Best Cash Management Bank in Thailand	2012-2016 2019, 2022
	Best Managed Banks Achievement	2013
	Best Transaction Bank in Thailand	2012-2016
	SME Bank of the Year	2017
	Mobile Payment Product of the Year	2017
	Best Private Wealth Bank in Thailand	2017
	Best Data & Analytics Project	2017
	The International Excellence in Retail Financial Service Awards	2018
	The Best Credit Evaluation Initiative	2018
	The Best Frictionless Mobile Initiative	2018,2022
	Most Recommended Retail Bank in Thailand	2023
The Asset.....	Best Service Provider Cash Management, Thailand	2017-2022
	Best Service Provider: E-Solutions Partner, Thailand	2018-2022
	Best IPO	2022
	Best Private Banking for Digital Marketing & Communication in Asia	2021
	Digital Private Banking of the Year – Thailand	2021-2022
	Winner : Best Private Bank for Digital CX - Thailand	2022
	Triple A Best Private Bank, Thailand	2022
	Digital Infrastructure Deal of the Year (Thailand)	2022
	Renewable Energy Deal of the Year – Solar (Vietnam)	2022
	Best Sustainability-Linked Bond in Thailand	2022
	Best Local Currency Bong in Thailand, for the Distribution of CP ALL PCL’s shares	2022
	Top Arranger – Investors’ Choice for Primary Issues, Corporate Bonds (Thai Baht, Rank1)	2022
	Tor Arranger – Investors’ Choice for Primary Issues, Government Bonds (Thai Baht, Rank1)	2022
	Top sell-side Firm in the Secondary Market, Government Bonds (Thai Baht, Rank3)	2022
	Best Individual Thailand – Research (Thai Baht Bond, Rank 1)	2022
	Project Finance House of the Year in Thailand	2015- 2019, 2021-2022
	Tripple A Best Private Banker – HNWIs Thailand	2019-2022

<b>Awarded by</b>	<b>Description of award/accolade</b>	<b>Year</b>
	Best Private Bank Thailand	2019-2021
	Battery Storage Deal of the Year	2021
	Power Deal of the Year	2021
	Green Project of the Year	2021
	Green Project of the Year	2021
	The Thai Baht Bond Research Rank 1	2021
	Top Investment Houses in Asian Local Currency Bond (Rank 1)	2015-2021
	Platinum Award: Excellence in Environmental Social and Governance	2019-2020
	Jade Award: Excellence in Environmental Social and Governance	2021
	Top Bank Arrangers - Investors' Choice for Primary Issues in Asian Currency Bonds - Corporate Bonds in Thailand	2016-2020
	Top Bank Arrangers - Investors' Choice for Primary Issues in Asian Currency Bonds – Government bonds in Thailand	2016-2020
	Top Sellside Firm in Secondary Market Corporate Bonds Thailand	2019-2020
	Top Sellside Firm in Secondary Market Government Bonds Thailand	2016-2020
	Innovation Leader of The Year	2020
	Best Bond Adviser - Thailand	2020
	Best Service Provider – Transaction Bank	2020, 2022
	Best Individual Thailand – Research	2020, 2022
	Best Individual Thailand – Sale	2020, 2022
	Renewable Energy Deal of the Year, Thailand	2017, 2019, 2022
	The Region's Best Local Currency Bond Individuals for Research in Thailand	2016, 2017, 2019
	The Region's Best Local Currency Bond Individuals for Sales in Thailand (First Runner-up Prize)	2016, 2019
	Best IPO, Thailand: Guff Energy Development Public Company Limited	2019
	Top Sellside Firm in Research Thailand	2019
	Best in Treasury and Working Capital-LLCs	2018
	Best Cash Management Solution, Thailand for Thai Union	2017
	Triple A Cash Management Bank	2013-2017
	Triple A Trade Finance Bank in Thailand	2015

<b>Awarded by</b>	<b>Description of award/accolade</b>	<b>Year</b>
	Project Finance Bank of the Year, Laos	2017
	Best Power Deal in Thailand	2016, 2017
	Best Power Deal in Laos	2017
	Project Finance Bank of the Year, Laos	2017
	Triple A Cash Management Bank	2013-2017
	Platinum Award: Finance Performance, Management Acumen, Corporate Governance, Social Responsibility, Environmental Responsibility and Investor Relations	2010-2012 2015-2016
	Best Regional Cash Management Solution	2011-2012, 2016
	Triple A Editor's Triple Star PTT Fill &Go	2016
	Triple A Best Cash Management Solution in Thailand for Thep Sombat	2016
	Best Energy/Renewable Energy Deal - Industrial Waste in Thailand	2016
	Best Energy/Renewable Energy Deal - Wind in Thailand	2016
	Triple A Trade Finance Bank in Thailand	2015
	Best Individual in Research in Thai Baht Bonds	2014
	Best Thai SME Bank in Treasury & Working Capital	2014
	Best Asset Management Company of the Year 2014 (Thailand)	2014
	The Asset's Excellence in Management and Corporate Governance Benchmarking Awards	2014
	Top Investment House Thai Baht Bonds, Thailand	2014
	Most Astute Investors in Thailand	2014
	The Asset's Platinum Awards	2011-2013
	Platinum Award, Banking and Finance sector	2013
	Best in Treasury and Working Capital	2013
	Highly Recommended Research Analyst in Thai Baht Bonds	2013
	Best SME Bank Thailand	2010-2012
	Best Domestic Bond House Thailand	2011-2012
	BTS Group Holding 11 billion Baht Multi-tranche Sustainability-linked Debentures	2023
Asia Risk .....	House of the Year, Thailand	2011-2012
ASEAN Capital Markets Forum (ACMF) and Asian Development Bank (ADB)	ASEAN CG Scorecard – ASEAN Asset Class Publicity Listed Companies 2021	2022
Banker .....	Best Private Bank in Thailand	2013, 2018 2021
	Best Cash Management in Thailand	2015

<b>Awarded by</b>	<b>Description of award/accolade</b>	<b>Year</b>
Bank of Thailand.....	Top Outright Primary Dealer	2020
	Best Payment Service Provider	2015
Bill Payment Asia.....	Channel Excellence in Branch	2013
Bloomberg.....	Bloomberg Gender-Equality Index (GEI)	2019-2022
Business.....	Thailand Top Company Awards: Financing & Banking Sector	2014
Business Media International .....	HR Asia Best Companies to Work for in Asia™ (Thailand Edition)	2019
BrandAge .....	Thailand’s Most Admired Brand & Why We Buy: Credit Card	2014-2020 2022
	Thailand’s Most Admired Brand & Why We Buy: K Plus	2020,2022
	Thailand’s Most Admired Brand & Why We Buy: SME	2019
	The Most Trusted Credit Card Brand	2016
	Thailand’s Most Admired Brand: Mobile Banking	2023
Brandon Hall Group .....	Best Recruitment Marketing and Employer Branding Program - Silver	2019
	Best Learning Program Supporting a Change Transformation Business Strategy - Bronze	2019
	Best Advance in Competencies and Skill Development - Gold	2020
	Best Advance in Leadership Development - Silver	2020
Carbon Disclosure Project (CDP)....	“Level A (Leadership)”, based on the Climate Change Program	2022
	“Level A- (Leadership)”, based on the Climate Change Program	2019, 2021
	“Level B” (Management Level) rating in assessment of climate change management	2018, 2020
Cards & Electronic payments International Journal.....	Best Merchant Acquiring Initiative of the Year APAC	2014
	Best Merchant Acquiring Technology Solution, High Commended	2017
	Best Debit Card of the Year – Thailand	2014
	Best Card Design Asia-Pacific	2014-2015
	Best Credit Card Offering - Thailand– Highly Commended	2015
	Best Loyalty Program	2016
	Best Marketing Campaign – Overall	2016, 2017
	Best Card Offering - Southeast Asia	2016
	Best Debit Card Product for Asia-Pacific and Highly Commended	2017

<b>Awarded by</b>	<b>Description of award/accolade</b>	<b>Year</b>
China-ASEAN Business Council: CABC.....	Successful ASEAN Enterprise Entering China	2016
Contact Center Associations Asia Pacific	Platinum Award for Customer Experience	2022
Corporate Governance Asia.....	Asia's Best CSR	2022
	Asia's Icon on ESG	2021
	Asian Corporate Director Award	2021
	Asia's Best CEO (Investor Relations)	2011-2013 2015-2016 2021-2022
	Asia Best CFO (Investor Relations)	2013 2021-2022
	Best Investor Relations Professional (Thailand)	2015-2016, 2021-2022
	Best Investor Relations Company (Thailand)	2011-2013 2015-2016, 2021-2022
	Asia Corporate Director Recognition Awards	2010-2012
	Corporate Governance Asia Recognition Awards	2005-2012
	Asian Corporate Director Recognition Awards to CEO and President	2011-2012
	The Best of Asia 2014: Asia's Icon on Corporate Governance	2014
The Corporate Treasurer.....	Best Cash Management House in Thailand	2012
	Best Bank in Thailand	2016
The Digital Banker .....	Winner: Best Retail Bank – Thailand	2021-2022
	Best Retail Bank for Digital CX-Thailand	2022
	Winner : Best Private Bank for Digital CX-Thailand	2022
	Outstanding Interactive Chatbot Service by a Retail Bank	2022
	Winner: Outstanding Omni-channel Integration by a Retail Bank	2021
	Outstanding Innovation in Digital Customer Experience - Platform/Website in Private Banking	2021
	Outstanding Innovation in Digital Customer Experience - Investment Product/Service in Private Banking	2021
	Winner: Best Fintech for Digital Customer Experience - Alternative Wealth Management (FinVest)	2021
	Winner: Best Digital Bank for Customer Experience (LINE BK Powered by KBank)	2021

<b>Awarded by</b>	<b>Description of award/accolade</b>	<b>Year</b>
	Highly Acclaimed: Best Digital Customer Experience Partner/Vendor (LINE BK Powered by KBank)	2021
	Winner: Excellence in Next-Gen Customer Experience	2019
	Highly Acclaimed: Best Product or Service Innovation	2019
	Highly Acclaimed: Best Customer Insight & Feedback Initiative	2019
	Best Private Bank in ASEAN	2019
	Best Private Bank in Thailand	2019,2022
	The Winner: Best Retail Bank Thailand	2019
	Highly Acclaimed: Outstanding Digital Innovation in SME Banking	2019
	Highly Acclaimed: Best Customer Centric Business Model	2019
	Highly Acclaimed: Outstanding Innovation Program	2019
	Highly Acclaimed: Best App for Customer Experience	2019
	Highly Acclaimed: Best Customer Relations & Brand Engagement Initiative	2019
	Highly Acclaimed: Outstanding Personalized 1:1 Marketing Initiative	2019
	Highly Acclaimed: Outstanding Staff Training, Learning & Development Program	2019
	Winner: Best Private Bank- Digitally Empowering RMs	2020
	Winner: Best Digital Customer Experience in Wealth Management	2020
	Winner: Outstanding Customer Experience for Loans (MADFUND by KBank for Lazada Sellers)	2020
	Loan Offering of the Year (MADFUND by KBank for Lazada Sellers)	2020
	Best Customer Experience – Debit Card (JOURNEY Card)	2020
	Highly Acclaimed: Outstanding Private Bank Growth Strategy	2020
	Highly Acclaimed: Best Private Bank- Digital Client Communication	2020
	Highly Acclaimed: Best Private Bank for HNWIs	2020
	Highly Acclaimed: Best Digital Customer Experience in Private Banking	2020
	Highly Acclaimed: Best Digital Customer Experience – Loan Application (MADFUND by KBank for Lazada Sellers)	2020
Energy Service Company – ESCO .	Excellence ESCO Financial Supporting Award	2012-2016

<b>Awarded by</b>	<b>Description of award/accolade</b>	<b>Year</b>
Euromoney .....	Trade Finance Award for Excellence	2013-2014
	Best Private Banking Services Overall in Thailand	2016, 2018-2019
Euromoney Private Banking and Wealth Management Survey ....	Best Local Bank in Thailand	2013
The European .....	Best Green Bond Issuer – Thailand	2021
	Most ESG Responsible Banking Service – Thailand	2021
	Most Innovative Digital Transformation Bank – Thailand	2021
	SME Bank of the Year – Asia	2013
European Financial Management Association (EFMA) and Accenture .....	Global Financial Services Awards for the digital marketing category	2014
Faculty of Commerce and Accounting, Chulalongkorn University .....	Thailand’s Top Corporate Brand Values	2017-2020
FinanceAsia .....	Best Sustainable Bank in Thailand	2021
	Best Bank in Thailand	2015-2016, 2021
	Best Private Bank in Thailand	2019-2021
	Best DCM House in Thailand	2015, 2017-2020
	Best Bond House in Thailand	2012
	FTSE and Russell .....	Selected as a constituent of the FTSE4Good Emerging Index based on operational assessment on environmental, social and governance (ESG) factors
Global Finance .....	Best Trade Finance Provider in Thailand	2013-2019, 2021, 2023
	Best Consumer Digital Bank in Thailand	2021-2022
	Best Foreign Exchange Providers – Thailand	2019
Global Private Banking .....	Winner : Best private Bank Thailand	2022
Global Trade Review.....	Best Local Trade Finance Bank in Thailand	2015
	GTR Asia Leaders in Trade	2016
HR Asia .....	HR Asia Most Caring Companies Award (Thailand Edition)	2020
	HR Asia Best Companies to Work for in Asia (Thailand Edition)	2020,2022
	Overall HREA Winner, given to the organization with the most outstanding performance in human resource management at the organizational and individual levels	2022

<b>Awarded by</b>	<b>Description of award/accolade</b>	<b>Year</b>
	HR Leader of the Year, Gold Level, awarded to Ms. Sansana Sukhanunth, Executive Vice President	2022
	Excellence in HR Change Management, Gold Level	2022
	Excellence in Workforce Flexibility, Gold Level, in recognition of the “Work That FITS” Project	2022
	Excellence in Work-Livfe Harmony, Bronze Level	2022
	Excellence in Leadership Development, Bronze Level	2022
	Employer of the Year, Bronze Level	2022
	HR Asia Best Companies to Work for in Asia (Cambodia Edition)	2022
IFR Asia .....	Thailand Capital Markets Deal of the Year - Asset World’s billion Baht 48 IPO	2020
	Thailand Bond House of the Year	2020
	Thailand Bond House Award	2016
	ESG Bond: BTS Group’s Bt20bn sustainability-linked bond	2023
Institutional Investors .....	ASEAN Most Honored Companies	2019
	ASEAN Overall Best ESG/SRI Reporting	2019
	Best CFO-Thailand	2019
	Best CEO: Mr. Bantoon Lamsam (Rank 3)	2020
	Best CFO: Mr. Chongrak Rattanapian (Rank 2)	2020
	Best IR Professionals (Rank 3)	2020
	Best IR Team (Rank 2)	2020
	Best Investor Relations Professional – Nominated by the Buy Side	2012
International Business magazine	Best Private Bank in Thailand	2022
International Data Corporation Asia/Pacific	Future Enterprise of the Year	2022
IR Magazine .....	Best Investor Relations by a Thai Company	2003-2005, 2012-2017
	Best Investor Relations by a CEO	2014
	Global Top 50 - Silver	2015
	Global Top 50 - Gold	2016
	Best Overall Investor Relations(large cap)	2016, 2017
	Best Investor Relations Officer	2016-2017
	Best Investor Relations in Financial Sector	2016-2017
	Best Use of Technology	2016-2017
	Best Sustainability Practice	2016-2017
LEED-NC Platinum.....	LEED NC Platinum – New Building in Thailand	2013



<b>Awarded by</b>	<b>Description of award/accolade</b>	<b>Year</b>
	LEED NC Platinum – New Building in Thailand	2017
LINE Thailand .....	Best LINE TODAY in Finance & Insurance: KBankxBLACKPINK	2020
Ministry of Labour .....	Excellence Labour Relation and Welfare Award	2006-2020 2022
Money & Banking .....	Bank of the Year	2022
	Bank of the Year for SME Loans	2022
	Best Design Excellence for KBank’s large exhibition booth	2022
	Best Retail Banking of the Year	2008-2015
	Outstanding Booth Award	2014-2016
MSCI .....	MSCI ESG Ratings at “AA”	2019-2022
The National Council of Woman of Thailand under the Royal Patronage of Her Majesty The Queen	The Distinguished Thai Women of the Year Awards 2021, from Her Majesty The Queen	2022
Professional Wealth Management (Financial Times).....	Private Bank in Thailand	2022
	Best Private Bank for Digital Culture in Asia	2019
	Best Private Bank for Digitally Empowering Relationship Managers in Asia	2019
	Best Private Bank for Portfolio Management Technology – Asia	2020
Private Banker International.....	Highly Commended: Outstanding Private Bank – Southeast Asia	2021
	Highly Commended: Best Bank for Sustainability and ESG Leadership	2021-2022
	Winner- Most Innovative Digital Offering	2020
	Highly Commended Achievement - Most Effective Investment Service Offering	2020
PWM Wealth Tech	Best Private Bank in Thailand for Digital Marketing & Communication, Asia	2022
Retail Banker International.....	Highly Commended: Excellence in Service Innovation	2019-2021
	Highly Commended - Best Payment Innovation	2020-2021
	Highly Commended Achievement-Excellence in SME Banking	2020-2022
	Best Strategic Partnership	2022
	Best In-Person (or virtual) Customer Event	2022
	Most Dynamic Third-Party Collaboration	2022

<b>Awarded by</b>	<b>Description of award/accolade</b>	<b>Year</b>
	Highly Commended – Best App for Customer Experience	2022
	Highly Commended – Best Content Marketing Program	2022
	Highly Commended – Excellence in Omni-Channel Integration (K CHECK ID)	2022
	Highly Commended – Trailblazing Use of AI or Machine Learning in Financial Services (from the Digital Commercial Loan for Shopee’s Merchants Project)	2022
	Best Retail Bank in Thailand	2021, 2023
	Highly Commended Achievement -Best Social Media Marketing Campaign	2021
	Highly Commended: Best Staff Training and Development Programme	2019-2020
	Highly Commended - Best Debit Card initiative	2019-2020
	Winner – Excellence in Client On-Boarding	2020
	Highly Commended - Best Mobile Wallet Initiative	2020, 2023 Global Finance
	Highly Commended - Best Loan Offering	2020
Reader’s Digest Trusted Brand.....	Gold Winner – Investor Fund	2012
IAA Award .....	Best Chief Executive Officer	2009-2010, 2012-2013
	Best Chief Financial Officer	2014-2015
	Best Investor Relations Officer	2009-2015, 2021
S&P Global.....	Selected as a component of the Dow Jones Sustainability Indices (DJSI), including the DJSI World Index and DJSI Emerging Markets Index Indices (DJSI), including the DJSI World Index and DJSI Emerging Markets Index	2016-2022
	The Gold Class of Global Sustainability in banking industry group	2021
	The Bronze class of the banking industry group	2017-2020
	The Silver Class of the banking industry group for the	2021
SET Awards .....	SET Award of Honor for Excellence in Investor Relations (2010-2012)	2012
	SET Award of Best Investor Relations	2004, 2008, 2010-2011, 2014, 2016, 2017
	Outstanding Company Performance Award	2013, 2015
	SET Award of Outstanding Corporate Social Responsibility	2013-2014

<b>Awarded by</b>	<b>Description of award/accolade</b>	<b>Year</b>
	SET Awards of Highly Commended in Sustainability Awards	2018-2019, 2021
	Best CEO Award	2015
	SET Award of Outstanding Investor Relations Award	2013-2016
	Outstanding Innovative Company Award	2016
Stock Exchange of Thailand (Sustainability Excellence).....	Thailand Sustainability Investment (THSI)	2015, 2017-2022
Stock Exchange of Thailand.....	Outstanding Sustainability Report Awards	2015-2016
Thailand Management Association	Royal award granted by HRH Princess Maha Chakri Sirindhorn – Financial Management Excellence Award	2022
	SMEs Excellence Awards – Gold Award in the category of Manufacturing Industry, Jointly earned with Prolog Titanium Corporation Co., Ltd.	2022
	SME Excellence Awards – Silver Award in the category of Retail and Wholesale Business, jointly earned with Caffa Coffeemaker Co., Ltd.	2022
	Thai Digital Champion for Cultural Transformation	2021
	Thailand Corporate Excellence Awards (Sustainability)	2021
	SMEs Excellence Awards (Silver Awards)	2021
	Thailand ICT Excellence Awards 2015: Innovations Project	2015
The Thai Bond Market Association	Deal of the Year Award from the underwriting of PTT PCL’s debentures	2022
	Most prominent Fund House in Corporate Bond Market	2018-2021
	Corporate ESG Bond of the Year	2022
	Top Underwriting Bank	2019-2020 2022
	Deal of the Year	2011-2013 2020, 2022
	Best Outright Primary Dealer	2020
	Most Creative Deal	2011-2013
	Most Innovative Deal	2022
	Best Bond House	2008-2016, 2019, 2022
	Best Ministry of Finance’s Counterparty	2013
	Best Dealer Compliance	2013
	Best Sales Staff of the Year	2015-2016
Thailand Energy Awards.....	Thailand Energy Awards	2013

<b>Awarded by</b>	<b>Description of award/accolade</b>	<b>Year</b>
Thailand Greenhouse Gas Management Organization (Public Organization) .....	Carbon Neutral Certificate	2018-2021
Thai Institute of Directors Association .....	“Excellence” from the Corporate Governance Report of Thai Listed Companies	2008-2022
Thai Investors Association, Office of the Securities and Exchange Commission, and Thai Listed Companies Association .....	“Excellence” from the AGM Assessments Program	2014-2022
Thai Listed Companies Association	Investor Choice Award	2014
Thaipat Institute .....	Sustainability Disclosure Award	2018-2020, 2022
	ESG 100 Certificate, as one of 100 listed companies that have outstanding environmental, social and governance (ESG) performance	2016-2022
Thoth Zocial Co., Ltd .....	The Best Customer Service on Social Media	2016
	The Best Online Crisis Management	2016
Thai Contact Center Trade Association .....	The Best Contact Centre in Thailand	2017,2019 2022
	The Best Asia Pacific Contact Centre Innovation Award	2019
Thailand’s Marketeer .....	No.1 Brand Thailand for the Bank for SME category	2016
	No.1 Brand Thailand for the Bank for Credit Cards	2014-2016
	No.1 Brand Thailand for the Bank for Debit Cards and Bank Deposit category	2016
Thailand Greenhouse Gas Management Organization (Public Organization)	Excellence award under the Low Carbon and Sustainable Business Index (LCSi) Project for the second consecutive year	2022
Trailblazer Award .....	Product Excellence in Debit Cards	2012
	Strategy Excellence in Business Innovation	2012
	Excellence in Mass Affluent Banking	2017
	Best Social Media Marketing Campaign	2017-2018
	Excellence in Service Innovation	2018
	Dynamic Third Party Collaboration	2018
VISA International .....	Best Business Leader of the Year in the Overall Business Performance	2013
Wechat .....	WeChat Smart Life Best Case	2017
WISESIGHT (THAILAND) .....	Best Brand Performance on Social Media:Banking	2020
World Business Outlook magazine	Best private Bank in Thailand	2022
World Finance .....	Thailand Best Wealth Management Provider	2014-2015

## **LITIGATION**

The Bank is a defendant in various litigation proceedings against the Bank, which it believes are not material to the Bank's financial position or results of operations. This includes cases of wrongful acts brought against the Bank, with total claims amounting to approximately Baht 3,946 million and Baht 3,337 million as of 31 December 2022 and 30 June 2023, respectively.

## **DESCRIPTION OF THE BANK'S HONG KONG BRANCH**

KASIKORNBANK PUBLIC COMPANY LIMITED, Hong Kong branch was registered on 26 June 1991 under the Banking Ordinance Chapter 155 with its present registered office at Unit 3316, 33/F, China Merchants Tower, Shun Tak Centre, No. 168 – 200 Connaught Road Central, Hong Kong and license number 60. It obtained its Restricted Banking license for conducting banking business in Hong Kong on 1 November 1991 and is an authorised institution under the Banking Ordinance of the Hong Kong SAR. The Bank's Hong Kong branch conducts the corporate banking business of the Bank in Hong Kong.

## **RISK MANAGEMENT**

### **Risk Oversight Committee**

The Bank's organisation is structured to facilitate risk management. The Risk Oversight Committee assists the Board of Directors in overseeing that the overall risk management of the Financial Conglomerate is at appropriate level and that the Bank possesses efficient and effective risk management that covers all types of risk, including emerging risks. In addition, there are sub-committees that oversee specific risks, including the Credit Risk Management Sub-committee, Credit Process Management Sub-committee, Market Risk Management Sub-committee, Asset and Liabilities Management Sub-committee, Operational Risk Sub-committee, Capital Management Sub-committee, Business Continuity Management Sub-committee, Information Technology Strategy Sub-committee, Digital-Oriented Risk, Data and Cyber Security and IT Risk Management Sub-committee, Sustainable Development Sub-committee and Digital Asset Sub-committee.

The Risk Oversight Committee has nine members comprising three independent directors, three executive directors, four non-executive directors and one executive. The Risk Oversight Committee has the duties and responsibilities as mandated in the Bank's Risk Oversight Committee Charter, which is approved by the Board of Directors. These duties and responsibilities include conducting an annual review of the Bank's overall risk management policies and strategies, risk appetite and compliance with laws and regulations in order to ensure that such risk management policies and strategies align with the Bank's strategic and business plans and enhance business capacity through value-added risk efficiency and risk stability activities.

The Risk Oversight Committee also monitors the Bank's risk profile on various dimensions, conducts impact analysis of economic, social, political and regulatory changes in technology and cybersecurity, provides guidance regarding approaches to and implementation of stress testing programs and formulates a risk management strategy in anticipation of a changing environment. The Risk Oversight Committee holds at least one meeting a quarter and report its findings to the Board of Directors.

The Credit Risk Management Sub-committee oversees the credit risk management of the Bank which includes credit strategy, credit policy, management of the credit portfolio, credit tools and overall credit system.

The Credit Process Management Sub-committee oversees the credit process of the Bank in order to ensure that it is consistent with the Bank's overall business strategy and that it complies with all of the relevant regulations.

The Market Risk Management Sub-committee oversees the market risk management infrastructure, sets market risk control limits, and provides enterprise-wide oversight of all market risks and their management.

The Asset and Liabilities Management Sub-committee monitors and manages the Bank's liquidity and the risks posed by changes in interest rates and foreign exchange rates.

The Operational Risk Sub-committee supervises the operational risk management of the Bank and monitors the progress of key operational risk management projects.

The Capital Management Sub-committee oversees the Bank's capital adequacy as well as its capital planning.

The Business Continuity Management Sub-committee oversees the Bank's business continuity management policies, guidelines and strategies in line with the Bank's business strategies and objectives and supervises efficient business continuity management and compliance with best practices.

The Information Technology Strategy Sub-committee oversees the Bank's information technology strategies and overall policies and provides guidelines for information technology-related risk management and actions against non-compliance with related laws and regulations.

The Digital-Oriented Risk, Data and Cyber Security and IT Risk Management Sub-committee oversees the management of digital-oriented risk, data and cyber security risk and IT risk, in accordance with the Bank's business strategies and targets.

The Sustainable Development Sub-committee oversees the Bank's sustainable development performance in conformity with the Bank's sustainable development principles, requirements, and national and international standards.

The Digital Asset Sub-committee oversees the Bank's digital asset-related business in conformity with the Bank's strategic plans and policies to ensure regulatory compliance and manages related risks.

## **Credit Risk Management**

Credit risk refers to the risk that a counterparty or borrower may default on contractual obligations or agreements. Credit risk management is fundamental to the Bank's business since most of the Bank's assets comprise loans. The Bank has established comprehensive credit risk management procedures, which comprise the following steps:

### **Portfolio Management**

In managing its portfolio, the Bank sets defined loan targets using a value-based management concept in order to appropriately balance potential risk and return. These loan targets are also consistent with the Bank's overall business strategy. In addition, the Bank monitors the quality and return of its portfolio actively and conducts audits on a regular basis in order to ensure that its portfolio is in line with the Bank's risk appetite and concentration. The Bank also conducts stress tests for setting the appropriate risk management guidelines.

Although individual SME customers pose a higher credit risk than corporate customers, their risk-adjusted return on capital is high. The Bank manages the risks associated with its SME portfolio through (i) having a higher collateral coverage ratio on the SME portfolio than that on the corporate portfolio, (ii) diversification, in terms of industry, region and loan size and (iii) having a higher profit margin net of credit cost than that of the corporate portfolio.

### **Origination**

The Bank's credit underwriting and approval process is based on transparent and standardised information and has been designed to meet the needs of the Bank's different customer segments. For example, for large-scale corporate customers with complex financial needs and medium-sized business clients, relationship managers with a solid understanding of corporate financial needs and risks are assigned to conduct analysis and to propose the products and services appropriate for such customers. These relationship managers are then required to submit credit request proposals to the relevant underwriting departments for approval and to monitor the status of their customers on a regular basis. The Bank also sets prices according to the relevant customer's risk ratings which has been determined by the Bank's quantitative and qualitative tools.

Similar approval processes and structures have been employed for institutional clients with transactions in financial markets. In the underwriting and approval processes of retail lending, which comprises housing loans, credit card services and other personal loans, including loans for small and micro businesses, the Bank utilises a credit scoring system based on the Bank's customer credit history. The Bank places an emphasis on the verification of personal data and the assessment of income-liability information accuracy and consistency for each customer. A customer credit model has also been utilised for effective customer risk assessment in order to achieve an efficient underwriting and approval process.

### **Monitoring**

The Bank centralises its monitoring functions for post-credit approval operations, including credit data support. The Bank monitors the behaviour, business performance, compliance with credit contracts and debt servicing ability of its customers. The Bank's Credit Monitoring and Asset Management Unit assesses the debt quality of its corporate customers whilst a collection scoring system has been implemented in respect of its SME and retail customers. In doing so, the Bank aims to detect any early negative signals which may affect the ability of its customers to service their debt and to take prompt actions to prevent credit deterioration. The results of the monitoring process described above are reported to the Risk Oversight Committee and relevant executives on a regular basis.

### **Collection and Recovery**

The debt recovery process begins as soon as defaults on debt payments occur. The Bank forecloses pledged assets efficiently in order to recover loan losses. The Bank also adopts guidelines, methods and tools which are aimed at assisting customers to resume their debt servicing ability in order to minimise the impacts on the quality of the Bank's loan portfolio and which are in compliance with the BoT's regulations. These include the restructuring of viable customers to prevent NPLs. The status of debt collection and recovery is reported to the Credit Risk Management Sub-Committee and relevant executives on a regular basis.

### **Market Risk Management**

Market risk is the risk of potential loss to future earnings, fair values or future cash flows that may result from changes in interest rates, foreign exchange rates, equities securities prices, commodities and credit spread or credit



derivatives, which can have an adverse effect on income, capital, the economic value of assets and liabilities or off-balance sheet items. The Bank has developed a comprehensive process in order to manage market risks in order to improve its efficiency in risk assessments and analysis in order to cope with market volatility. The Bank has also established a new decision-making and management process to manage any negative signals about the financial position of its counterparties to ensure the effectiveness and timely implementation of its risk management.

The Bank realises the importance of performance measurement and compensation schemes of business units. The Bank has in place a policy for fair-value appraisal of financial instruments and derivative contracts for trading-book activities. The policy has been implemented as a key mechanism to maintain the balance of risk management, performance measurement and compensation schemes for business units involved with trading book activities. This includes the gradual revenue recognition for illiquid products and valuation adjustment of financial instruments and derivative products based on various types of risk (e.g., counterparty risk). The Bank adopts the fair value option in the valuation of the issued structured notes.

### **Liquidity Risk Management**

Liquidity risk is defined as the risk caused by the Bank's inability to meet its obligations when they are due because of an inability to convert assets into cash, or to obtain sufficient funds to meet its funding needs at the appropriate costs within a limited time period. The main objective of the Bank's liquidity risk management is to ensure that its liquidity level is sufficient to facilitate its business undertakings with the appropriate operating costs.

The Bank has established a liquidity risk management system that is efficient, flexible and adaptable to the current market conditions, as well as liquidity risk controls which are consistent with the Bank's risk appetite and optimal operating costs. The Bank assesses and analyses its liquidity risk on a continuous basis to ensure that it has adequate liquidity for its business operations during normal and crisis situations. The Bank also procures short and medium-term funds regularly to ensure that its liquidity is adequate for both current and future requirements.

The Bank conducts regular stress tests for liquidity crisis situations and continues to develop its liquidity risk management tools to be in line with international standards, such as standards on the LCR, NSFR and other liquidity-related ratios. This includes tools to measure and monitor foreign-currency liquidity risk to ensure a suitable level of foreign-currency denominated liquid assets, consistent with growth in foreign-currency deposits, to guard against any heightened liquidity risk stemming from volatility in the global economy.

Thai commercial banks must comply with the LCR requirement set out under the BoT Notification No. 9/2558, which requires a commercial bank to have an adequate stock of HQLA that can be converted into cash easily and immediately at little or no loss of value to meet its total net cash outflows over a 30-day period under the prescribed liquidity stress scenario. See "*Supervision and Regulation – Liquidity Coverage Ratio*". The BoT Notification No. 9/2558 also sets out characteristics of HQLA and methods for calculating the LCR. Since January 2016, the Bank has been well-positioned to meet the LCR requirements. Moreover, the BoT issued the BoT Notification No. 2/2561, which requires commercial banks to disclose their LCR, total liquid assets and the amount of net cash outflow within 30 days on a half-year basis, starting from June 2018, in order to meet international standards and to increase the awareness and understanding of the stakeholders.

Apart from the LCR, Thai commercial banks must comply with the NSFR requirement set out in the BoT Notification No. 1/2561 effective on 1 July 2018. This BoT notification requires commercial banks to measure their liquidity adequacy over a period of one year and to maintain a stable source of funds that match the assets that require stable funding. The available stable funding (ASF) factors and the required stable funding (RSF) factors are calibrated to reflect the relevant features of each item, such as funding type, funding tenor, asset tenor, counterparty and liquidity value. The commercial banks must submit reports on their NSFRs to the BoT on a quarterly basis. Since January 2016, the Bank has been well-positioned to meet the NSFR requirements.

### **Operational Risk Management**

Operational risk refers to the risk of direct or indirect losses in earnings and capital funds resulting from failure or inadequacy of processes, personnel, operating and IT systems or external events. The Bank emphasizes effective operational risk management and aims to implement systematic operational risk management practices using a single standard across the Bank.

The Bank's operational risk management has been implemented through systematic and effective risk identification, assessment, management and monitoring processes. The Bank's business units are required to continuously report their operational risk exposures, designed controls, and risk prevention initiatives. The Bank also employs advanced risk management tools such as key risk indicators, a risk event database and other IT systems in order to enhance the effectiveness of risk monitoring and prevention. The Bank established the Operational Risk Sub-Committee in 2011

to supervise the operational risk management of the Bank and to closely monitor the progress of key operational risk management projects. The Bank also emphasizes strong cooperation among the operational risk management team, Compliance Department and the Bank's Internal Audit Department. Such emphasis has helped enhance efficiency of the Bank's risk management, compliance management and internal audit procedures.

Due to the current digitization trends, the Bank emphasizes the use of information technology and the ability to address cyber risks. The Bank has placed measures for managing relevant risks under an operational risk management framework, and established additional IT risk management policies and frameworks to enhance efficiency in work processes, controls and systematic risk management. The Bank's frameworks are based on international standards, such as ISO 27001 and NIST Cybersecurity Framework, and are in accordance with the BoT's policies and guidelines. The Bank prioritizes risk controls, including efficient risk identification, detection, prevention and response, as well as the establishment of a cyber-hygiene culture. The Bank also established the Digital Oriented Risk, Data & Cyber Security and IT Risk Management Sub-Committee (DCSC) to ensure that qualified committee members and stakeholders are performing risk management and supervision. In addition, as data privacy and data protection play an increasingly important role in demonstrating transparency and gaining customer trust in today's businesses, the Bank has established personal data protection policies, processes, and supporting technology to ensure that the Bank has proper safeguards in place and uses customer data in accordance with objectives communicated to its customers and global standards.

### **Strategic Risk Management**

Strategic risk arises from the formulation and implementation of strategic and business plans that are unsuited to and inconsistent with internal factors and the external environment, which may affect earnings, capital funds or the Bank's stability.

The Bank's strategic risk management is under the supervision of the Board of Directors, Risk Oversight Committee and the Management Committee. The Strategic Integration Department is responsible for strategic plan formulation and revision as well as monitoring the Bank's performance. The Strategic Integration Department also presents the Bank's strategic directions to the Management Committee, Risk Oversight Committee and the Board of Directors for their consideration and approval.

The Bank tracks and evaluates its actual performance compared with its business and budget plans through the Management Committee in multi-level performance assessments.

### **Capital Management**

The Bank's capital management is in line with international practices as well as Basel III requirements. In 2011, the Bank established the Capital Management Sub-Committee to oversee the Bank's capital adequacy as well as its capital planning.

The Bank has implemented Basel III since 1 January 2013. See "*Supervision and Regulation – Capital Adequacy Requirements*".

## DESCRIPTION OF ASSETS AND LIABILITIES

The following information should be read together with the Bank's financial statements included elsewhere in this Offering Circular. The following analysis of the Bank's loan portfolio is reported on a consolidated basis. All loan data, unless otherwise specified, represent principal amount less deferred revenue and exclude accrued interest.

### LOANS PORTFOLIO

As of 30 June 2023, the Bank's consolidated total loans were Baht 2,449.3 billion, a decrease of 1.84 per cent. from Baht 2,495.1 billion as of 31 December 2022.

The following table provides information on the consolidated loans portfolio contribution by the Bank's business groups:

	As of 31 December						As of 30 June	
	2020		2021		2022		2023	
	Amount	Per cent. of total	Amount	Per cent. of total	Amount	Per cent. of total	Amount	Per cent. of total
(Baht in millions, except percentages)								
Corporate <sup>(1)</sup> .....	1,546,768	68.90	1,609,411	66.45	1,660,279	66.54	1,617,066	66.02
Retail <sup>(2)</sup> .....	637,910	28.42	711,243	29.37	702,856	28.17	684,277	27.94
Others <sup>(3)</sup> .....	60,143	2.68	101,159	4.18	131,942	5.29	147,946	6.04
<b>Total</b> .....	<b>2,244,821</b>	<b>100.00</b>	<b>2,421,813</b>	<b>100.00</b>	<b>2,495,077</b>	<b>100.00</b>	<b>2,449,289</b>	<b>100.00</b>

Notes:

- (1) The Bank's Corporate Business customers include registered companies, certain private individual business customers, government agencies, state enterprises, and financial institutions. The Bank provides a variety of financial products and services to these customers such as long term loans, working capital, letters of indemnity, trade finance solutions, syndicated loans, cash management solutions, and value chain solutions.
- (2) The Bank's Retail Business comprises individual customers who use the Bank's products and services such as deposit accounts, debit cards, credit cards, personal loans, housing loans, investment products, financial advisory services and transactional banking services.
- (3) "Others" is comprised of loans through the World Business Group, insurance business (MTL), and other loan types not directly attributable to the main business groups. Before 2020, other loans were loans in Enterprise Risk Management Division (NPL + Performing Restructured Loans) reclassified based on their respective customer segments.

The following table sets forth the composition of the Bank's consolidated loans portfolio by type as of the dates indicated:

	As of 31 December						As of 30 June	
	2020		2021		2022		2023	
	Amount	Per cent. of total	Amount	Per cent. of total	Amount	Per cent. of total	Amount	Per cent. of total
(Baht in millions, except percentages)								
Overdrafts.....	273,702	12.90	286,095	12.47	302,248	12.71	298,499	12.77
Loans.....	1,284,356	60.53	1,438,245	62.70	1,417,551	59.62	1,374,878	58.83
Bills.....	453,473	21.37	440,555	19.21	496,462	20.88	500,433	21.41
Hire purchase receivables	102,846	4.85	112,758	4.92	123,970	5.21	130,213	5.57
Finance lease receivables.	19,321	0.91	20,828	0.91	20,081	0.84	19,887	0.85
Others.....	111,123	5.24	123,332	5.38	134,765	5.67	125,379	5.37
<b>Total loans to customers..</b>	<b>2,244,821</b>	<b>105.80</b>	<b>2,421,813</b>	<b>105.59</b>	<b>2,495,077</b>	<b>104.93</b>	<b>2,449,289</b>	<b>104.80</b>
Add Accrued interest receivables and undue interest income.....	11,272	0.53	16,599	0.72	16,226	0.68	15,961	0.68
<b>Total loans to customers and accrued interest receivables.....</b>	<b>2,256,093</b>	<b>106.33</b>	<b>2,438,412</b>	<b>106.31</b>	<b>2,511,303</b>	<b>105.61</b>	<b>2,465,250</b>	<b>105.48</b>
Less Allowance for expected credit loss.....	(134,393)	(6.33)	(144,772)	(6.31)	(133,529)	(5.61)	(128,160)	(5.48)

	As of 31 December						As of 30 June	
	2020		2021		2022		2023	
	Amount	Per cent. of total	Amount	Per cent. of total	Amount	Per cent. of total	Amount	Per cent. of total
	(Baht in millions, except percentages)							
Total loans to customers and accrued interest receivables - net .....	2,121,700	100.00	2,293,640	100.00	2,377,774	100.00	2,337,090	100.00

## Loan Maturity Profile

The following table sets out the breakdown of the Bank's consolidated loan portfolio as of the dates indicated:

	As of 31 December						As of June 30	
	2020*		2021*		2022*		2023*	
	Amount	Per cent. of total	Amount	Per cent. of total	Amount	Per cent. of total	Amount	Per cent. of total
	(Baht in millions, except percentages)							
Loan								
Up to 1 year .....	952,391	42.21	980,901	40.23	1,078,144	42.93	1,052,055	42.67
Over 1 year to 5 years..	498,520	22.10	529,714	21.72	614,164	24.46	587,689	23.84
More than 5 years .....	805,182	35.69	927,797	38.05	818,995	32.61	825,506	33.49
Total loans .....	2,256,093	100.00	2,438,412	100.00	2,511,303	100.00	2,465,250	100.00

Note:

\* Represents principal amount and accrued interest receivables and undue interest receivables.

## Industry Concentration

The following table sets forth the Bank's consolidated loan portfolio by industry as of the dates indicated:

	As of 31 December							
	2019		2020		2021		2022	
	Amount	Per cent. of total	Amount	Per cent. of total	Amount	Per cent. of total	Amount	Per cent. of total
	(Baht in millions, except percentages)							
Agriculture and mining.....	34,547	1.73	35,257	1.57	34,297	1.42	37,789	1.51
Manufacturing and commerce.....	880,456	43.98	936,403	41.71	981,576	40.53	1,050,668	42.11
Property development and construction .....	179,823	8.98	193,584	8.62	207,669	8.57	208,652	8.36
Infrastructure and services	256,720	12.82	317,600	14.15	355,609	14.68	361,549	14.49
Housing loans. ....	323,406	16.15	385,722	17.18	414,678	17.12	379,506	15.21
Others.....	302,136	15.09	376,255	16.76	427,984	17.67	456,913	18.31
<b>Total.....</b>	1,977,088	98.76	2,244,821	100.00	2,421,813	100.00	2,495,077	100.00
Credit balance transaction.	1,693	0.08	-	-	-	-	-	-
Loan from life insurance business.....	23,175	1.16	-	-	-	-	-	-
<b>Total.....</b>	2,001,956	100.00	2,244,821	100.00	2,421,813	100.00	2,495,077	100.00

Loans in the manufacturing and commerce, infrastructure and services sectors and housing loans have historically accounted for the most significant portion of the Bank's consolidated loan portfolio and comprised 71.81 per cent. of the loan portfolio as of 31 December 2022. The following discussion sets forth information with respect to the most significant concentrations of the Bank's loan portfolio by major industry classification.

***Agriculture and Mining Sector.*** The Bank's agriculture and mining loan portfolio accounted for 1.51 per cent. of the Bank's consolidated loan portfolio as of 31 December 2022. Agriculture and mining customers are related to agriculture products such as agriculture trading and livestock.

***Manufacturing and Commerce Sector.*** The Bank's largest loan concentration is in the manufacturing and commerce sector, which comprised 42.11 per cent. of its consolidated loan portfolio as of 31 December 2022. The Bank's manufacturing and commerce customers represent a broad range of businesses, which typically involve the production and wholesale and retail distribution of a variety of products which then divide into 21 sub-sectors. The Bank's manufacturing and commerce customers range from individuals to large corporations, and include many of the major manufacturing companies in Thailand.

***Property Development and Construction Sector.*** The Bank's property development and construction loan portfolio accounted for 8.36 per cent. of the Bank's consolidated loan portfolio as of 31 December 2022. Real estate sector loans consist primarily of loans to real estate developers and purchasers for various types of real estate projects. Construction sector loans consist primarily of loans to construction companies, who specialise in multi-use project development, residential housing, residential condominiums and special project construction.

***Infrastructure and Services Sector.*** The Bank's infrastructure and services loans comprised 14.49 per cent. of its consolidated loan portfolio as of 31 December 2022. Many of the Bank's infrastructure and services customers are participants in electricity, water and transportation projects. Most of the infrastructure loans are secured. In addition, many of the Bank's infrastructure loans are secured by long-term take-or-pay contracts, which typically reduce risks to both borrowers and their lenders.

***Housing Loans Sector.*** The Bank's consolidated housing loans comprised 15.21 per cent. of its loan portfolio as of 31 December 2022. Housing loans consists of loans to finance housing, land and buildings or to purchase land to build additional buildings as well as to improve housing.

## LOAN CLASSIFICATION AND PROVISIONING FOR LOAN LOSSES

### Stage 1 Performing

Performing assets are financial assets that are initially recognised, have no significant increase in credit risk (SICR) since being recognised, or have no credit-impaired or financial instruments that are considered to have low credit risk at the reporting date. Nevertheless, these do not include financial assets that are credit-impaired on initial recognition (POCI). Expected credit losses represent the lifetime cash shortfalls arising from possible default events up to 12 months into the future from the reporting date.

### Stage 2 Under-performing

SICR is assessed by comparing the risk of default of an exposure at the reporting date to the risk of default at the recognition date, the significance of which is determined by using a number of quantitative and qualitative factors.

Financial assets that are equal to or greater than 30 days past due and are not credit-impaired will always be considered to have a significant increase in credit risk.

Quantitative factors include the number of days past due and a comparison of credit risk indicators with predetermined thresholds. Qualitative factors include those linked to current credit risk management processes, such as lending placed on internal watch-lists and subject to closer monitoring. Indicators could include weak operating results or observed liquidity issues among a number of other qualitative factors.

### Stage 3 Non-performing

Financial assets that are credit-impaired or in default represent those that are at least 90 days past due in respect of principal and/or interest or those where customers are unlikely to pay.

Evidence that a financial asset is credit-impaired includes observable data about the following events:

- Significant financial difficulty of the issuer or borrower;
- Breach of contract such as a default or a past due event;
- Likelihood that the borrower will enter bankruptcy or other financial reorganization
- The disappearance of an active market for the applicable financial asset due to financial difficulties of the borrower; or
- Purchase or origination of a financial asset at a deep discount that reflects incurred credit losses.

Stage 2 and stage 3 financial assets can be reclassified to performing assets when there is no longer any indicator that such assets should be classified as stage 2 and stage 3 financial assets. Expected credit losses of stage 2 and stage 3 financial assets represent the lifetime cash shortfalls arising from possible default events from the reporting date.

### Expert credit judgement

Estimation of expected credit loss requires assumptions and forecasting of macroeconomic factors. This may result in ambiguities or involve recent events that are not captured in the financial models. If the Bank and its subsidiaries determine that recent events affect or will affect customers' ability to pay debt, the managements of the Bank and its subsidiaries will account for an increase in expected credit loss based on their judgement and experience.

### Modified financial instruments

Where the original contractual terms of a financial asset have been modified for credit reasons and the instrument has not been derecognised, the resulting modification gain or loss is recognised within credit impairment in the statement of profit or loss with a corresponding decrease in the gross carrying value of the asset.

The Bank and its subsidiaries classify financial assets and estimate expected credit loss based on customers' ability to pay debt under new contractual terms.

In circumstances of troubled debt restructuring under stage 3, such assets can be reclassified as stage 2 when a debtor repays loan three consecutive times and can be reclassified as stage 1 after a nine-month monitoring period with no debt overdue in the debtor's account.

In circumstances of pre-emptive debt restructuring under stage 2 where such asset has previously never been classified as stage 3, such asset can be reclassified as stage 1 when a debtor repays loan three consecutive times or when there is confidence that a debtor can comply with the new contractual terms. If such asset is reclassified as stage 1, its credit rating at origination will be reset to a new credit rating on the date of reclassification as stage 1.

As of 30 June 2023, the Bank had consolidated allowance for expected credit loss of Baht 128.2 billion. The following table sets forth movements in the Bank's allowance for expected credit loss of loans to customers and accrued interest receivables, on a consolidated basis, for the years indicated:

As of 30 June 2023				
	Stage 1 (Performing)	Stage 2 (Under - performing)	Stage 3 (Non - performing)	Total
	(Baht in millions)			
Balance at the beginning of the period .....	46,612	46,075	40,842	133,529
Stage transfer .....	8,417	(8,206)	(211)	-
Net remeasurement of loss allowance .....	(8,452)	7,851	16,113	15,512
New financial assets originated or purchased .....	9,760	122	37	9,919
Financial assets that have been derecognised .....	(9,761)	(5,286)	(12,232)	(27,279)
Write-offs .....	-	-	(3,521)	(3,521)
Balance at the end of the period .....	46,576	40,556	41,028	128,160

As of 31 December 2022				
	Stage 1 (Performing)	Stage 2 (Under - performing)	Stage 3 (Non - performing)	Total
	(Baht in millions)			
Balance at the beginning of the period .....	47,459	51,060	46,253	144,772
Stage transfer .....	10,616	(20,529)	9,913	-
Net remeasurement of loss allowance .....	(18,165)	28,130	41,478	51,443
New financial assets originated or purchased .....	27,881	876	1,196	29,953
Financial assets that have been derecognised .....	(21,207)	(13,463)	(29,447)	(64,117)
Acquired from business acquisition .....	28	1	49	78
Write-offs .....	-	-	(28,600)	(28,600)
Balance at the end of the period .....	46,612	46,075	40,842	133,529

As of 31 December 2021				
	Stage 1 (Performing)	Stage 2 (Under - performing)	Stage 3 (Non - performing)	Total
	(Baht in millions)			
Balance at the beginning of the period .....	42,954	49,439	42,000	134,393
Stage transfer .....	12,312	(21,279)	8,967	-
Net remeasurement of loss allowance .....	(22,223)	33,625	27,708	39,110
New financial assets originated or purchased .....	37,214	1,427	874	39,515
Financial assets that have been derecognised .....	(22,798)	(12,152)	(20,991)	(55,941)
Write-offs .....	-	-	(12,305)	(12,305)
Balance at the end of the period .....	47,459	51,060	46,253	144,772

As of 31 December 2020				
	Stage 1 (Performing)	Stage 2 (Under - performing)	Stage 3 (Non - performing)	Total
	(Baht in millions)			
Balance at the beginning of the period .....	40,492	40,836	36,240	117,568
Stage transfer .....	(9,393)	(3,736)	13,129	-
Net remeasurement of loss allowance .....	(4,800)	13,502	4,638	13,340
New financial assets originated or purchased .....	32,344	12,901	203	45,448
Financial assets that have been derecognised .....	(15,689)	(14,064)	(5,029)	(34,782)
Write-offs .....	-	-	(7,181)	(7,181)
Balance at the end of the period .....	42,954	49,439	42,000	134,393

## Statistical Information on NPLs

From 1 January 2020, the Bank classified loans for provisional purposes into the following categories: “Stage 1 Performing,” “Stage 2 Under-performing” and “Stage 3 Non-performing”. The following tables set forth information with respect to the Bank’s consolidated classified loans calculated for provisioning purposes as of the dates indicated:

	As of 31 December		As of 31 December		As of 31 December		As of 30 June	
	2020*		2021*		2022*		2023*	
	Amount	Per cent. of total	Amount	Per cent. of total	Amount	Per cent. of total	Amount	Per cent. of total
(Baht in millions, except percentages)								
Stage 1 Performing.....	1,951,216	86.49	2,130,347	87.37	2,229,656	88.78	2,192,421	88.93
Stage 2 Under-performing .....	201,382	8.92	201,878	8.28	188,303	7.50	178,995	7.26
Stage 3 Non-performing .....	103,495	4.59	106,187	4.35	93,344	3.72	93,834	3.81
<b>Total .....</b>	<b>2,256,093</b>	<b>100.00</b>	<b>2,438,412</b>	<b>100.00</b>	<b>2,511,303</b>	<b>100.00</b>	<b>2,465,250</b>	<b>100.00</b>
NPL gross (Stage 3 Non-performing).....	101,007	3.93	104,036	3.76	92,536	3.19	92,864	3.20
Actual provisioning for loan loss .....	134,393		144,772		133,529		128,160	
<b>Total allowance for expected credit loss to NPL gross (Coverage ratio)</b>		<b>149.19</b>		<b>159.08</b>		<b>154.26</b>		<b>147.31</b>

Note:

\* Represents principal amount and accrued interest receivables and undue interest receivables.

As of 30 June 2023, the Bank’s consolidated NPL ratio amounted to 3.20 per cent. compared to 3.19 per cent. as of 31 December 2022. The Bank’s consolidated coverage ratio decreased from 154.26 per cent. as of 31 December 2022 to 147.31 per cent. as of 30 June 2023. The decrease was mainly due to a decrease in allowance.

## MODIFIED LOAN

The Bank and its subsidiaries engaged in modification contracts with the debtor. During the six-month periods ended 30 June 2023 and 30 June 2022, there were loans before modification amounting to Baht 6,929 million and Baht 9,538 million respectively and incurred losses amounting to Baht 260 million and Baht 181 million respectively.

For the six-month periods ended 30 June 2023 and 30 June 2022, customers with current carrying amount of Baht 2,596 million and Baht 402 million respectively, that have performed per new terms and conditions are moved from lifetime ECL to 12-month ECL.

## Re-entry of NPLs

Loans that have been restructured, or are undergoing restructuring, may become non-performing loans again as a result of failed restructurings. The re-entry of non-performing loans is a problem faced by many banks in Thailand, including the Bank. As of 30 June 2023, the Bank’s re-entry of non-performing loans is 9.2 per cent. of the Bank’s total restructured loans, compared to 16.5 per cent. as of 31 December 2022.

The Bank’s re-entry NPL position is difficult to assess quantitatively. The Bank, like other commercial banks in Thailand, files with the BoT information on NPL increases and decreases on a monthly basis. The information filed segregates the gross NPL increases by “New NPLs” and “Re-entry NPLs”. Analysing the percentage of re-entry NPL increases to total NPL increases over a period of time may allow the Bank to make general observations concerning re-entry behaviour in its loan portfolio.

## Re-entry of NPLs Management

The Bank seeks to minimise the re-entry of non-performing loans by ensuring that the Bank’s debt monitoring processes are regularly reviewed. When re-entry of non-performing loans does occur, the Bank attempts to minimise potential losses by having systems in place to collect and recover debts as quickly and efficiently as possible.



## SECURITIES PORTFOLIO

The Bank's securities portfolio on a consolidated basis consisted of the following as of the dates indicated:

	As of 31 December						As of 30 June	
	2020		2021		2022		2023	
	Amount	Per cent. of total	Amount	Per cent. of total	Amount	Per cent. of total	Amount	Per cent. of total
(Baht in millions, except no. of contracts)								
Government and state enterprise securities .....	431,226	55.44	652,743	63.10	609,411	62.05	622,693	62.31
Private enterprise debt instruments ..	153,632	19.75	165,347	15.99	167,501	17.05	171,021	17.11
Foreign debt instruments.....	109,306	14.06	117,694	11.38	119,716	12.19	113,375	11.34
Marketable equity securities .....	68,464	8.80	77,621	7.50	74,831	7.62	77,596	7.76
Non-marketable equity securities .....	3,944	0.51	2,686	0.26	5,185	0.53	9,168	0.92
Add (Less): Allowance for revaluation .....	10,302	1.33	16,428	1.59	(1,857)	(0.19)	(3,788)	(0.38)
Less: Allowance for expected credit loss .....	(1,135)	(0.15)	(1,985)	(0.19)	(1,429)	(0.15)	(1,503)	(0.15)
Investments, net .....	775,739	99.74	1,030,534	99.63	973,358	99.10	988,562	98.91
Investments in subsidiaries, associated companies and joint ventures, net .....	2,051	0.26	3,838	0.37	8,819	0.90	10,863	1.09
Total Investments, net.....	<u>777,790</u>	<u>100.00</u>	<u>1,034,372</u>	<u>100.00</u>	<u>982,177</u>	<u>100.00</u>	<u>999,425</u>	<u>100.00</u>

Debt securities comprise a majority of Government and state enterprise securities, as well as private debt instruments. Government and state-owned enterprise (“SOE”) securities are typically held as part of the Bank’s high quality liquid assets requirement and can be used as collateral against credit extended to the Bank by the BoT and other counterparties under repurchase agreements. As of 30 June 2023, the Bank held Baht 309,978 million in total value of Government and SOE securities.

All equity investments in scope of IFRS 9 are measured at fair value through profit or loss, unless the Bank elects to present fair value changes in OCI. The option to designate an equity instrument at FVTOCI is available at initial recognition. This designation results in all gains and losses being presented in OCI except dividend income which is recognised in profit or loss.

## FUNDING SOURCES

Historically, the Bank has satisfied a substantial portion of its funding requirements through deposits. Other sources of funding include interbank and money market items and debts issued and borrowings. As of 30 June 2023, deposits accounted for 63.5 per cent. of the Bank’s total assets, which were mainly from domestic branch network.

The Bank offers a wide variety of deposit accounts, including non-interest-bearing demand as well as interest-bearing savings and fixed-term accounts for terms ranging from three months to three years. The Bank sets the rate of interest it pays on deposits in accordance with market conditions and its strategy to promote deposit growth. Rates offered vary according to the maturity and tier of the deposit as well as whether the customer is a financial institution, non-financial institution or retail customer. The Bank’s offering of deposit accounts is intended to serve a variety of target customers for different time periods, from short-term to medium-term to long-term, to match each type of customers’ requirements. When a normal term deposit matures, it will be rolled over automatically by applying the same tenor and using the announced interest rate at that time. A special fixed-term deposit program, with the competitive rate in each situation, is offered as an alternative. For savings deposits, the applicable interest rates are based on market and competitive conditions.

Foreign currency deposits constituted 2.8 per cent. of total liabilities as of 30 June 2023. Such deposits are not material as a whole to the Bank’s deposit base. When the Bank does require foreign currency, mainly U.S. dollars, it borrows onshore and offshore mainly through public offerings and private placements of debt instruments, and private arrangements with selected financial institutions.

The following table sets forth a breakdown of the sources of the Bank's consolidated funding and liability profile as of the dates indicated:

	As of 31 December						As of 30 June	
	2020		2021		2022		2023	
	Amount	Per cent. of total	Amount	Per cent. of total	Amount	Per cent. of total	Amount	Per cent. of total
(Baht in millions, except percentages)								
Deposits								
Baht.....	2,271,041	62.07	2,519,554	61.39	2,634,824	62.05	2,605,152	61.04
Foreign currency.....	73,958	2.02	79,076	1.93	113,861	2.68	104,348	2.44
Total deposits.....	2,344,999	64.09	2,598,630	63.32	2,748,685	64.73	2,709,500	63.48
Interbank and money market items								
Domestic.....	77,779	2.13	153,439	3.74	137,541	3.24	128,578	3.01
Foreign.....	10,018	0.27	33,010	0.80	17,699	0.42	37,924	0.89
Total interbank and money market.....	87,797	2.40	186,449	4.54	155,240	3.66	166,502	3.90
Short-term debt issued and borrowings	1,365	0.04	27,838	0.68	20,166	0.47	28,521	0.67
Others.....	733,351	20.04	753,807	18.38	755,198	17.79	782,618	18.34
<b>Total equity.....</b>	<b>491,286</b>	<b>13.43</b>	<b>536,675</b>	<b>13.08</b>	<b>567,080</b>	<b>13.35</b>	<b>580,959</b>	<b>13.61</b>
<b>Total sources of funds.....</b>	<b>3,658,798</b>	<b>100.00</b>	<b>4,103,399</b>	<b>100.00</b>	<b>4,246,369</b>	<b>100.00</b>	<b>4,268,100</b>	<b>100.00</b>

The following table sets forth a breakdown of the Bank's deposits on a consolidated basis classified by maturity for the periods indicated:

	As of 31 December						As of 30 June	
	2020		2021		2022		2023	
	Amount	Per cent. of total	Amount	Per cent. of total	Amount	Per cent. of total	Amount	Per cent. of total
(Baht in millions, except percentages)								
Up to 1 year	2,322,875	99.06	2,581,587	99.34	2,721,860	99.02	2,681,911	98.98
Over 1 year to 5	22,124	0.94	17,043	0.66	26,825	0.98	27,589	1.02
<b>Total</b>	<b>2,344,999</b>	<b>100.00</b>	<b>2,598,630</b>	<b>100.00</b>	<b>2,748,685</b>	<b>100.00</b>	<b>2,709,500</b>	<b>100.00</b>

The following table sets forth a breakdown of the Bank's consolidated deposits in Thai Baht (and in the case of deposits denominated in the U.S. dollar or other currencies, the Baht equivalent) by currency and residence of the customer for the periods indicated:

	As of 31 December									As of 30 June		
	2020			2021			2022			2023		
	Domestic	Foreign	Total	Domestic	Foreign	Total	Domestic	Foreign	Total	Domestic	Foreign	Total
Baht.....	2,161,145	109,896	2,271,041	2,393,400	126,154	2,519,554	2,495,549	139,275	2,634,824	2,462,346	142,806	2,605,152
U.S.\$.....	49,310	7,358	56,668	48,994	6,306	55,300	51,647	13,076	64,723	40,590	9,612	50,202
Others.....	8,464	8,826	17,290	2,625	21,151	23,776	4,776	44,362	49,138	6,950	47,196	54,146
<b>Total.....</b>	<b>2,218,919</b>	<b>126,080</b>	<b>2,344,999</b>	<b>2,445,019</b>	<b>153,611</b>	<b>2,598,630</b>	<b>2,551,972</b>	<b>196,713</b>	<b>2,748,685</b>	<b>2,509,886</b>	<b>199,614</b>	<b>2,709,500</b>

The following table sets forth a breakdown of the sources of the Bank's deposits by product on a consolidated basis as of the dates indicated:

	As of 31 December						As of 30 June	
	2020		2021		2022		2023	
	Amount	Per cent. of total	Amount	Per cent. of total	Amount	Per cent. of total	Amount	Per cent. of total
	(Baht in millions, except percentages)							
Current accounts .....	133,802	5.71	161,303	6.20	158,343	5.76	147,516	5.44
Savings accounts.....	1,748,237	74.55	1,960,581	75.45	2,084,414	75.83	2,025,910	74.77
Fixed-term deposit accounts	462,960	19.74	476,746	18.35	505,928	18.41	536,074	19.79
<b>Total .....</b>	<b>2,344,999</b>	<b>100.00</b>	<b>2,598,630</b>	<b>100.00</b>	<b>2,748,685</b>	<b>100.00</b>	<b>2,709,500</b>	<b>100.00</b>

## CAPITAL ADEQUACY

The Bank is subject to the capital adequacy requirements of the BoT (based on Basel III) for commercial banks in Thailand. The Bank adopted the BoT's guidelines with effect from 1 January 2013.

In line with the BoT guidelines, the Bank's capital adequacy is currently computed on both a standalone and consolidated basis. The Bank has adopted the "Standardised Approach" for measuring its credit risk, market risk and operational risk in order to compute its regulatory capital requirements.

Commercial banks registered in Thailand are required to maintain a total minimum capital ratio of no less than 8.5 per cent. of total risk-weighted assets, a Tier 1 capital ratio of no less than 6.0 per cent. and a Common Equity Tier 1 Ratio of no less than 4.5 per cent. The Bank's Common Equity Tier 1 capital comprises issued and paid up share capital, the premium on ordinary shares, legal reserves, net income after appropriation and other comprehensive income. On 1 January 2020, D-SIBs registered in Thailand must increase, in the form of capital conservation buffer and D-SIB buffer, their Common Equity Tier 1 ratio to 8.0 per cent., Tier 1 ratio to 9.5 per cent. and total capital ratio to 12 per cent. of total risk-weighted assets. In addition, if there is excess credit growth in Thailand resulting in a build-up of system-wide credit risks, the BoT may further require commercial banks registered in Thailand to increase their Common Equity Tier 1 ratio within a range of 0 per cent. to 2.5 per cent. of their total risk-weighted assets as a countercyclical buffer. However, detailed requirements have not been issued by the BoT. The BoT may from time to time introduce additional criteria for commercial banks to set aside additional provisioning in addition to their existing provisions.

The following table sets forth details of the Bank's regulatory capital adequacy information as of the dates indicated:

### The Bank (Basel III)

	As of 31 December			As of 30 June
	2020	2021	2022	2023
	(Baht in millions, except percentages)			
<b>Tier 1 Capital</b>				
Common Equity Tier 1 Capital (CET1)				
Issued and paid-up share capital, premium on common shares.....	41,796	41,796	41,796	41,796
Legal reserves.....	3,050	3,050	3,050	3,050
Net profit after appropriation.....	298,857	324,562	356,356	358,095
Other comprehensive income .....	17,132	18,755	19,800	20,921
Capital adjustment items on CET1	-	56	(3,167)	(4,140)
Less Capital deduction items on CET1.....	(31,304)	(31,003)	(30,070)	(29,530)
Total Common Equity Tier 1 Capital (CET1)	329,531	357,216	387,765	390,192
Additional Tier 1 Capital				
Additional Tier 1 Capital instruments	15,604	27,317	27,317	27,317
Less Capital deduction items on Additional Tier 1	-	-	(543)	(404)
Total Additional Tier 1 Capital	15,604	27,317	26,774	26,913
Total Tier 1 Capital Base.....	345,135	384,533	414,539	417,105
<b>Tier 2 Capital</b>				
Tier 2 Capital instruments .....	38,508	32,008	24,508	24,508
General provision .....	26,156	28,114	29,252	28,979
<b>Total Tier 2 Capital Base .....</b>	<b>64,664</b>	<b>60,122</b>	<b>53,760</b>	<b>53,487</b>
<b>Total Capital Base .....</b>	<b>409,799</b>	<b>444,655</b>	<b>468,299</b>	<b>470,592</b>
<b>Total Risk-Weighted Assets .....</b>	<b>2,310,674</b>	<b>2,493,784</b>	<b>2,598,068</b>	<b>2,587,979</b>
Tier 1 Capital ratio.....	14.94	15.42	15.96	16.12
Common equity Tier 1 ratio.....	14.26	14.32	14.93	15.08
Tier 2 Capital ratio.....	2.80	2.41	2.06	2.06
Capital adequacy ratio .....	17.74	17.83	18.02	18.18
Minimum capital adequacy ratio required <sup>(2)</sup> .....	12.00	12.00	12.00	12.00

## KASIKORNBANK FINANCIAL CONGLOMERATE<sup>(1)</sup>

### Basel III

Capital Adequacy Ratio	Minimum requirements including Buffer requirements <sup>(2)</sup>	As of 31 December 2020	Minimum requirements including Buffer requirements <sup>(2)</sup>	As of 31 December 2021	Minimum requirements including Buffer requirements <sup>(2)</sup>	As of 31 December 2022	As of 30 June 2023
Tier 1 Capital ratio	9.50	16.13	9.50	16.49	9.50	16.84	17.04
<i>Common Equity</i>							
<i>Tier 1 ratio.....</i>	<i>8.00</i>	<i>15.48</i>	<i>8.00</i>	<i>15.46</i>	<i>8.00</i>	<i>15.86</i>	<i>16.06</i>
Tier 2 Capital ratio ..	-	2.67	-	2.28	-	1.97	1.97
Capital adequacy ratio	12.00	18.80	12.00	18.77	12.00	18.81	19.01

#### Notes:

- <sup>(1)</sup> KASIKORNBANK FINANCIAL CONGLOMERATE means the company under the BoT Notification Re: Consolidated Supervision, consisting of KASIKORNBANK, K Companies and subsidiaries operating in support of the Bank, Phethai Asset Management Co., Ltd. and other subsidiaries within the BoT's permitted scope for financial conglomerates.
- <sup>(2)</sup> In addition to the minimum capital ratios, the BoT may from time to time establish requirements for commercial banks to maintain additional capital buffers. As at the date of this Offering Circular, the Bank must maintain additional capital buffers as follows:
- Conservation buffer: The BoT required the Bank to maintain an additional Common Equity Tier 1 at more than 2.50 per cent.
  - Domestic Systemically Important Banks Buffer (D-SIBs Buffer): The BoT required the D-SIBs to maintain an additional Common Equity Tier 1 at 1 per cent.

## MANAGEMENT

### Board of Directors

The Board of Directors is responsible for governing the Bank's business conduct. As of 29 August 2023, the Board consists of 17 members, six of whom are Independent Directors. The full Board of Directors meets once a month, with special meetings convened as necessary. The Board of Directors acts in an independent and impartial manner and for the benefit of all shareholders.

The Board has duties and responsibilities designated in the Board of Directors Charter, including:

- supervising and managing the Bank so that it is in accordance with the law and the Bank's objectives, the Articles of Association and the resolutions of shareholders meetings;
- approving the Vision, Purpose, Core Values, and Statement of Business Conduct;
- reviewing and discussing the management's proposed strategic options and approving major decisions with respect to the direction and policies of KASIKORNBANK FINANCIAL CONGLOMERATE, including sustainable development undertakings. The Board also reviews and approves the Annual Business Plan, Capital Expenditure Budget, and performance goals proposed by the management;
- monitoring the Bank's performance and progress towards achieving set objectives, including sustainable development undertakings, as well as compliance with laws, regulations and related policies;
- supervising and reviewing the balance between the Bank's short-term and long-term objectives;
- ensuring that the Bank shall vest authority in the Chief Executive Officer or the President to initiate, commit and approve payments for expenditures approved in the Capital Expenditure Budget and other budgets approved by the Board for the purpose of undertaking special projects. The Board shall also review and approve any credit proposal beyond the established limits of the delegated lending authority;
- reviewing and approving human resources policies, management development plans, and remuneration policies. The Board shall seek and nominate successors to the Chief Executive Officer and the President, appraise their performance and ensure that effective performance assessments are undertaken for Bank executives;
- ensuring the existence of an effective internal control system and appropriate risk management framework;
- ensuring an effective audit system executed by both internal and external auditors;
- approving quarterly, semi-annual and annual financial reports and ensuring that such reports are prepared under generally accepted accounting standards;
- formulating or approving a sound risk governance framework and overseeing the instillation of a risk-based organizational culture;
- ensuring capital adequacy, including an appropriate capital assessment process, for present and future business; and
- ensuring that the Bank has a proper system in place to communicate effectively with all stakeholders and the public.

The following table sets forth certain information regarding the members of the Board of Directors as of the date of this Offering Circular including such directors' membership in Credit and Investment Screening Committee and Board Committees.

Name	Age	Position
Ms. Kobkarn Wattanavrangkul .....	62	Chairperson of the Board and Chairperson of the Credit and Investment Screening Committee
Ms. Sujitpan Lamsam .....	64	Vice Chairperson and Member of the Risk Oversight Committee
Ms. Kattiya Indaravijaya.....	57	Director, Chief Executive Officer and Member of the Risk Oversight Committee
Mr. Pipit Aneaknithi .....	56	Director, President and Member of the Risk Oversight Committee

Name	Age	Position
Dr. Pipatpong Poshyanonda.....	55	Director and President
Mr. Chongrak Rattanapian	55	Director and President
Sqn.Ldr. Nalinee Paiboon, M.D.....	64	Director, Member of the Credit and Investment Screening Committee and Chairperson of the Corporate Governance Committee
Mr. Saravoot Yoovidhya.....	52	Director and Member of the Credit and Investment Screening Committee, the Corporate Governance Committee and the Risk Oversight Committee
Mr. Kalin Sarasin .....	61	Director, Member of the Credit and Investment Screening Committee, Chairman of the Risk Oversight Committee, and Member of the Corporate Governance Committee
Mr. Wiboon Khusakul.....	69	Independent Director and Member of the Credit and Investment Screening Committee, the Corporate Governance Committee and the Human Resources and Remuneration Committee
Ms. Suphajee Suthumpun .....	59	Independent Director, Member of the Credit and Investment Screening Committee, Chairperson of the Human Resources and Remuneration Committee, and Member of the Audit Committee and the Risk Oversight Committee
Mr. Sara Lamsam.....	53	Director and Member of the Corporate Governance Committee
Mr. Chanin Donavanik.....	66	Independent Director and Member of the Credit and Investment Screening Committee and the Audit Committee
Ms. Jainnisa Kuvnichkul Chakrabandhu Na Ayudhya.....	43	Independent Director and Member of the Credit and Investment Screening Committee, the Audit Committee, the Corporate Governance Committee and the Risk Oversight Committee
Ms. Chonchanum Soonthornsaratoon .....	55	Director, Legal Adviser and Member of the Credit and Investment Screening Committee and the Human Resources and Remuneration Committee
Mr. Suroj Lamsam .....	57	Director and Member of the Risk Oversight Committee
Ms. Kaisri Nuengsigkapan.....	61	Independent Director, Member of the Credit and Investment Screening Committee, Chairperson of the Audit Committee, and Member of the Risk Oversight Committee

*Ms. Kobkarn Wattanavrangkul* has served as Chairperson of the Board and Chairperson of the Credit and Investment Screening Committee since April 2020 and April 2022, respectively. She has held a directorship in the Bank since April 2018. Presently, she serves as Chairperson of Toshiba Thailand Company Limited and KASIKORNTHAI FOUNDATION; Vice Chairman of the Thai Chamber of Commerce; Director of Superlite Real Estate Company Limited, Thai Toshiba Lighting Company Limited, Thai Toshiba Electric Industries Company Limited, Superlite N.K.S. Holding Company Limited, Nikornkij & Sons Company Limited, Thai Electric Industries Company Limited, N.C.C. Management and Development Company Limited, Sonne Clean Energy Company Limited and MNP

Company Limited; and Advisor to Bangkadi Industrial Park Company Limited. She previously served as Minister of Tourism and Sports; Member of Special Advisory Committee for the Prime Minister; Member of the National Economic Reform Committee; and Director of Minor International Public Company Limited. Ms. Wattanavrangkul holds a bachelor's degree in Architecture from Rhode Island School of Design, USA.

*Ms. Sujitpan Lamsam* has served as Vice Chairperson and Member of the Risk Oversight Committee since 2016 and 2018, respectively. She has held a directorship in the Bank since 1998. Currently, she also serves as Vice Chairman of Muang Thai Insurance Public Company Limited; Director of Muang Thai Group Holding Company Limited, Muang Thai Holding Company Limited, Muang Thai Asset Company Limited and Fuchsia Venture Capital Company Limited; Director and Chairman of the Executive Committee of Muang Thai Life Assurance Public Company Limited; and Advisory Board Member of the MIT Golub Center for Finance and Policy. Ms. Lamsam holds a bachelor's degree (with honours) and a master's degree (with honours) in Economics from Cambridge University, UK and a master's degree in Management from Massachusetts Institute of Technology, USA.

*Ms. Kattiya Indaravijaya* has served as Director of the Bank since 2016 and was appointed as Chief Executive Officer and Member of the Risk Oversight Committee in 2020. She also serves as Honorary Member of the Board of the Marketing Association of Thailand, Board Member of the Thai Bankers' Association and Member of the Social Development and CSR Committee of the Thai Chamber of Commerce. She previously served as President of the Bank; Chairperson of KASIKORN RESEARCH CENTER COMPANY LIMITED and KASIKORN ASSET MANAGEMENT COMPANY LIMITED; and Director of Muang Thai Group Holding Company Limited and BEACON VENTURE CAPITAL COMPANY LIMITED. Ms. Indaravijaya holds a bachelor's degree in Business Administration (Marketing) from Chulalongkorn University and a master's degree in Business Administration (Finance and Investment) from the University of Texas at Austin, USA.

*Mr. Pipit Aneaknithi* has served as Director and President of the Bank since 2017, and later in October 2018, was appointed as Member of the Risk Oversight Committee. He also serves as Chairman of KASIKORNBANK (CHINA) COMPANY LIMITED and KASIKORN RESEARCH COMPANY LIMITED and Director of BEACON VENTURE CAPITAL COMPANY LIMITED and Muang Thai Group Holding Company Limited. Previously, he served as World Business Division Head of the Bank and Chairman of KASIKORN LEASING COMPANY LIMITED and KASIKORN SECURITIES PUBLIC COMPANY LIMITED. Mr. Aneaknithi holds a bachelor's degree in Pharmacy from Chiang Mai University and master's degrees in Business Administration from University of Brighton, UK and Fachhochschule Pforzheim, Germany.

*Dr. Pipatpong Poshyanonda* was appointed as Director and President of the Bank in September 2020. He also serves as Chairman of KASIKORN ASSET MANAGEMENT COMPANY LIMITED and KASIKORN SECURITIES PUBLIC COMPANY LIMITED; Vice Chairman of Processing Center Company Limited; and Director of Muang Thai Group Holding Company Limited, National ITMX Company Limited, PP Posh Company Limited and PNP 2015 Company Limited. Previously, he served as Customer and Enterprise Service Fulfillment Division Head of the Bank and Chairman of KASIKORN LEASING COMPANY LIMITED and KASIKORN FACTORY AND EQUIPMENT COMPANY LIMITED. Dr. Poshyanonda holds a bachelor's degree in Computer Engineering from Chulalongkorn University, a master's degree in Computer Science from University of Southwestern Louisiana, USA and a Ph.D. in Engineering Management from University of Missouri-Rolla, USA.

*Mr. Chongrak Rattanapian* was appointed as Director and President of the Bank, effective on 29 August 2023. Currently, he also serves as Director of KASIKORN INVESTURE COMPANY LIMITED, KASIKORN X COMPANY LIMITED, BEACON VENTURE CAPITAL COMPANY LIMITED, UNITA CAPITAL COMPANY LIMITED, Muang Thai Group Holding Company Limited and SUPERNAP (Thailand) Company Limited. Prior to his directorship at the Bank, he served as Finance and Control Division Head and Chief Financial Officer of the Bank as well as Director of KBTG VIETNAM COMPANY LIMITED, KASIKORN VISION INFORMATION TECHNOLOGY COMPANY LIMITED, KASIKORN LABS COMPANY LIMITED, KASIKORN SERVE COMPANY LIMITED, KASIKORN INFRA COMPANY LIMITED, KASIKORN SOFT COMPANY LIMITED and KASIKORN LEASING COMPANY LIMITED. Mr. Rattanapian holds a bachelor's degree in Economics from Thammasat University and a master's degree in Business Administration (Finance) from William Paterson University of New Jersey, USA.

*Sqn.Ldr. Naline Paiboon, M.D.* has held a directorship in the Bank since 2012 and served as Chairperson of the Corporate Governance Committee and Member of the Credit and Investment Screening Committee since April 2017 and 2022, respectively. She also serves as President and Managing Director of Giffarine Skyline Unity Company Limited; President of Skyline Laboratory Company Limited, Skyline Health Care Company Limited and Giffarine Skyline Laboratory and Health Care Company Limited; Managing Director of Giffarine Beauty and Health Medical Clinic Company Limited; and Director of Happy Gift Company Limited, NWN Biotech Company Limited and



Skyline Unity Company Limited. Dr. Paiboon holds a Doctor of Medicine (MD) degree from Chulalongkorn University.

*Mr. Saravoot Yoovidhya* has served as Director of the Bank since 2012. He was appointed as Member of the Risk Oversight Committee in May 2020 and Member of the Credit and Investment Screening Committee and the Corporate Governance Committee in April 2022. Currently, he serves as Chief Executive Officer of The Red Bull Beverage Company Limited, T.C. Pharmaceutical Industries Company Limited, DURBELL Company Limited and T.G. Vending and Showcase Industries Company Limited and Director of The Red Bull Beverage Group, T.C. Pharmaceutical Industries Group, Burapha Golf Public Company Limited, Kanabana Company Limited and StormBreaker Venture Company Limited. He is also Vice Chairman of the Thai Chamber of Commerce. Mr. Yoovidhya holds a bachelor's degree in Computer Engineering from King Mongkut's Institute of Technology Ladkrabang and a master's degree in Industrial Engineering from Oregon State University, USA.

*Mr. Kalin Sarasin* has served as Director of the Bank since 2013. In April 2022, he was also appointed as Chairman of the Risk Oversight Committee and Member of the Credit and Investment Screening Committee and the Corporate Governance Committee. Currently, he also serves as Senior Chairman of the Thai Chamber of Commerce and Board of Trade of Thailand; Chairman of Toyota Motor Thailand Company Limited; Director of Sarasin Company Limited, Seatran Port Company Limited, Toppan (Thailand) Company Limited, BeerCo Limited, Singapore, Thai Digital Platform Social Enterprise Company Limited, Thai President Foods Public Company Limited, Amata City Halong Joint Stock Company, Dusit Foods Company Limited, SCGJWD Logistics Public Company Limited, True Corporation Public Company Limited, Ratchamongkol Rice Company Limited and Toyota Auto Body Thailand Company Limited; Advisor to B. Grimm Joint Venture Holding Company Limited; and Advisor to the President and CEO of The Siam Cement Public Company Limited. He previously served as Member of the National Strategy Committee, the National Economic Reform Committee and the Board of Investment; Chairman of Suvarnabhumi Airport Hotel Company Limited; and Director-Government Liaison and Public Affairs of Siam Cement Public Company Limited. Mr. Sarasin holds a bachelor's degree in Industrial Engineering from Lehigh University, USA and a master's degree in Business Administration from University of Notre Dame, USA.

*Mr. Wiboon Khusakul* has served as Independent Director and Member of the Corporate Governance Committee since 2015. He was also appointed as Member of the Human Resources and Remuneration Committee and the Credit and Investment Screening Committee in April 2021 and 2022, respectively. Currently, he also serves as Chairman of the National Public Relations Sub-committee on Foreign Affairs of the Government Public Relations Department; Director of City Sports and Recreation Public Company Limited; Advisor to Charoen Pokphand Group Company Limited; and Member of the Committee for Preparation of National Strategies on Building Competitiveness. He previously served as Thailand's ambassador to the People's Republic of China, Republic of Mongolia and Democratic People's Republic of Korea and Executive Director of Thailand Trade and Economic Office (Taipei). Mr. Khusakul holds a bachelor's degree in Political Science (International Relations) from Chulalongkorn University and master's degrees in Political Science (International Relations) from Thammasat University and International Public Policy from Johns Hopkins University, USA.

*Ms. Suphaje Suthumpun* has served as Independent Director and Member of the Audit Committee since 2015. She was appointed as Member of the Risk Oversight Committee in 2018, Chairperson of the Human Resources and Remuneration Committee in 2020 and Member of the Credit and Investment Screening Committee in 2022. Currently, she also serves as Director and Group Chief Executive Officer of Dusit Thani Public Company Limited; Director of Dusit Thani Group and SCG Packaging Public Company Limited; Member of the State Enterprise Policy Committee and the National Reform Committee on Culture, Sports, Labor and Human Resources Development; and Councilor of Thailand Management Association. She previously served as Director of Nok Airlines Public Company Limited and NR Instant Produce Public Company Limited. Ms. Suthumpun holds a bachelor's degree in Sociology and Anthropology from Thammasat University and a master's degree in Business Administration (International Finance and Accounting) from Northrop University, USA.

*Mr. Sara Lamsam* has served as Director and Member of the Corporate Governance Committee since 2016 and 2018, respectively. Currently, he also serves as Vice Chairman of Sovannaphum Life Assurance PLC and the Federation of Thai Insurance Organization; Chief Executive Officer and Director of Muang Thai Life Assurance Public Company Limited, Muang Thai Group Holding Company Limited and Muang Thai Holding Company Limited; Director and Member of the Executive Committee of Muang Thai Insurance Public Company Limited; Director of Phatra Leasing Public Company Limited, Muang Thai Real Estate Public Company Limited, Muang Thai Asset Company Limited, Yupong Company Limited, Yupayong Company Limited, T.I.I. Company Limited, Thai Reinsurance Public Company Limited, MB Ageas Life Insurance Company Limited, Fuchsia Venture Capital Company Limited, TRIS Corporation Limited, the Financial Planners Association and the Board of Trade of Thailand; President of the Thai Life Assurance Association; and Advisor to the Society of Actuaries of Thailand.

Mr. Lamsam holds a bachelor's degree in Business Administration from Northeastern University, USA and a master's degree in Administration from Boston University, USA.

*Mr. Chanin Donavanik* has served as Independent Director of the Bank since 2017. In April 2022, he was appointed as Member of the Credit and Investment Screening Committee and the Audit Committee. He also serves as Chairman of Thai Digital Platform Social Enterprise Company Limited; Vice Chairman and Chairman of the Executive Committee of Dusit Thani Public Company Limited; Director of Dusit Thani Group, Chanut and Children Company Limited, Piyasiri Company Limited, JTB (Thailand) Company Limited and Thai-Japan Gas Company Limited; Chairman of the Tourism and Service Business Committee of the Thai Chamber of Commerce; Chairman of Tourism and Service Business Committee of The Thai Chamber of Commerce; and Head of Private Sector Team of the Tourism & MICE Promotion Working Group under the Public-Private Collaborative Committee. Mr. Donavanik holds a master's degree in Business Administration from Boston University, USA.

*Ms. Jainnisa Kavinichkul Chakrabandhu Na Ayudhya* was appointed as Independent Director and Member of the Risk Oversight Committee of the Bank in April and May 2019, respectively. She was also appointed as Member of the Audit Committee in May 2020 and Member of the Credit and Investment Screening Committee and the Corporate Governance Committee in April 2022. Currently, she serves as Director of Alumet Company Limited and Metta Group Company Limited. She previously served as Chief Executive Officer of Candy Crepe Company Limited and M Essentials Company Limited. Ms. Chakrabandhu Na Ayudhya holds a bachelor's degree in Business Administration from Chulalongkorn University and a master's degree in Business Administration from Harvard University, USA.

*Ms. Chonchanum Soonthornsaratoon* has served as the Bank's Director since 2020 and was appointed as Legal Adviser and Member of the Human Resources and Remuneration Committee in 2021. Later in April 2022, she was also appointed as Member of the Credit and Investment Screening Committee. Currently, she is Director and Legal Adviser at Punyariddhi Law Office Company Limited; Director of Siam Motors Parts Company Limited; Member (Legal Expert) of the Executive Board of the Elderly Fund; Honorary Advisor (Legal) to the Thai Red Cross Society and the Queen Saovabha Memorial Institute; and Legal Advisor to the Information Technology Foundation under the Initiative of Her Royal Highness Princess Maha Chakri Sirindhorn and the Kidney Foundation of Thailand. Ms. Soonthornsaratoon holds bachelor's degrees in Laws from Chulalongkorn University and Political Science from Sukhothai Thammathirat Open University and master's degrees in Political Science from Mississippi State University, USA and Laws from Tulane University, USA.

*Mr. Suroj Lamsam* was appointed as the Bank's Director and Member of the Risk Oversight Committee in April 2021 and 2022, respectively. He serves as Chief Executive Officer and President of Loxley Public Company Limited, Chairman of Dole Thailand Company Limited and Director of Loxley Group, Lamsam Estate Company Limited, Suroj Company Limited, Vontarn Company Limited, Chana Porn Company Limited, Satera Pattana Company Limited, Ruam Samphant Company Limited, Suruedee Company Limited, Patr Samphan Company Limited and the Thai Chamber of Commerce. Previously, he was Board Member of the Office of Small and Medium Enterprises Promotion and the National Innovation Agency. He holds a bachelor's degree in Marketing and Consumer Studies from Syracuse University, USA and master's degrees in Communications from New York University, USA and Management from Sasin Graduate Institute of Business Administration.

*Ms. Kaisri Nuengsigkapien* was appointed as the Bank's Independent Director, Chairperson of the Audit Committee, and Member of the Credit and Investment Screening Committee and the Risk Oversight Committee since April 2022. She also serves as Chairman of the Board of Directors and Advisor to the Executive Committee of Mc Group Public Company Limited; Chairman of Buono (Thailand) Public Company Limited; Director of TOP T 2015 Company Limited, SCG Packaging Public Company Limited, Indorama Ventures Public Company Limited and the Thai Institute of Directors Association; and Chairman of the Appeal Committee of the Stock Exchange of Thailand. She previously served as Member of the Corporate Governance Committee of the Bank of Thailand; Director of P.K. Garment (Import-Export) Company Limited and SCG Ceramics Public Company Limited; and Advisor to the Securities and Exchange Commission, Thailand. Ms. Nuengsigkapien holds a bachelor's degree in Accounting and a master's degree in Business Administration from Thammasat University.

### **Credit and Investment Screening Committee**

The Credit and Investment Screening Committee comprises ten directors. They are Ms. Kobkam Wattanavrangkul as Chairperson, Sqn.Ldr. Naline Paiboon, M.D., Mr. Saravoot Yoovidhya, Mr. Kalin Sarasin, Mr. Wiboon Khusakul, Ms. Suphaje Suthumpun, Mr. Chanin Donavanik, Ms. Jainnisa Kavinichkul Chakrabandhu Na Ayudhya, Ms. Chonchanum Soonthornsaratoon and Ms. Kaisri Nuengsigkapien.

The Credit and Investment Screening Committee has the main duties and responsibilities, as follows:

- expressing comments, observations or inquiries about material matters before providing concurrence for submission to the Board of Directors for approval, in order to ensure that benefits of the Bank will be protected without depriving the rights of stakeholders;
- providing recommendations or comments on material matters under the authority of the Board of Directors, such as credit policy, credit underwriting, credit transactions, and large or material investment projects, per authority prescribed by the Bank;
- recommending meeting agenda wherein matters are material and needed for the Board of Directors' consideration, and has not been included in the Board of Directors meeting agenda; and
- performing other duties assigned by the Board of Directors.

### **Audit Committee**

The Audit Committee comprises four independent directors. They are Ms. Kaisri Nuengsigkapan as Chairperson, Ms. Suphajee Suthumpun, Mr. Chanin Donavanik and Ms. Jannisa Kuvnichkul Chakrabandhu Na Ayudhya.

The Audit Committee has duties and responsibilities mandated in the Audit Committee Charter approved by the Board of Directors, as follows:

- reviewing financial reports on a quarterly, semi-annual and annual basis, including taxation risk management with the management and the external auditor of the Bank in order to ensure that the financial reports are accurate, sufficient, reliable, and in compliance with financial reporting standards and regulatory requirements;
- reviewing the effectiveness and appropriateness of risk management processes with the Risk Management Unit, in consultation with internal and external auditors;
- approving credit review plans and overseeing the effectiveness and independence of credit review functions;
- reviewing the Bank's operations to see that they are in compliance with Securities and Exchange Acts, SET regulations and standards or laws and regulations pertaining to the commercial banking business;
- reviewing reports of the internal auditors on the effectiveness and efficiency of risk management, internal control system and governance including sustainable development undertakings; discussing audit findings with the internal auditors; and reviewing the implementation per recommendations of the internal auditors, external auditor, and regulators;
- reviewing the effectiveness of the internal audit function by reviewing and approving the Internal Audit Charter, annual audit plan and significant changes of the approved plan; considering its independence and sufficiency of necessary resources; and concurring in the appointment, transfer, dismissal and evaluating performance of the Internal Audit Head;
- considering the qualifications, independence, performance and proposed audit fee of the external auditor and recommending the appointment and termination of the external auditor, including audit fee arrangement to the Board of Directors; and holding at least one meeting a year with the external auditor without the presence of management;
- considering the Bank's policy and procedures in relation to non-audit services provided by the audit firm of the external auditor and giving consent to the engagement of such services to ensure that it will not impair the independence of the external auditor;
- evaluating the connected transactions, or transactions with possible conflicts of interest in relation to compliance with the laws and regulatory requirements, in order to ensure transparency of those transactions;
- considering the disclosure of information on connected transactions, conflicts of interest or certain Bank operations that can produce significant effects to ensure transparency and appropriateness;
- ensuring that a preliminary investigation is carried out after receiving the external auditor's report on suspicious of fraud or violation of laws by the Bank's board members and management. The Audit Committee

shall report the results of such investigation to the Securities and Exchange Commission and the external auditor within 30 days from the date they are notified by the external auditor;

- overseeing and receiving complaints or information submitted directly by stakeholders for attention of the Board of Directors and the whistle-blowing through the Internal Audit channel;
- reviewing the effectiveness of the internal control system and the validity of self-assessment results in compliance with the anti-corruption policy;
- reporting to the Board of Directors when there is information about the material weaknesses in internal control and overseeing immediate remediation of internal control weaknesses;
- submitting minutes of each Audit Committee Meeting to the Board of Directors and preparing the annual Audit Committee Report, signed by the Audit Committee Chairman, summarizing the year's activities and giving information or data specified by the Stock Exchange of Thailand for disclosure in the annual report of the Bank;
- reviewing the Audit Committee Charter at least once a year to appropriately cover its duties and responsibilities and proposing any necessary amendments to the Board of Directors for consideration;
- annually conducting its performance assessment relative to the Audit Committee's purpose, duties and responsibilities and reporting the performance assessment to the Board of Directors; and
- performing other duties per regulatory requirements or assignment of the Board of Directors, as agreed by the Audit Committee.

### **Corporate Governance Committee**

The Corporate Governance Committee of the Bank comprises six directors. They are Sqn.Ldr. Nalinee Paiboon, M.D. as Chairperson, Mr. Saravoot Yoovidhya, Mr. Kalin Sarasin, Mr. Wiboon Khusakul, Mr. Sara Lamsam and Ms. Jainnisa Kuvnichkul Chakrabandhu Na Ayudhya.

The Corporate Governance Committee has authorities, duties and responsibilities mandated in the Corporate Governance Committee Charter approved by the Board of Directors, as follows:

- establishing the principles and best practices for effective corporate governance appropriate for the Bank;
- developing and disseminating the principles and best practices of good corporate governance;
- formulating the Statement of Business Conduct and the Code of Conduct of the Bank's employees, and disseminating these codes as practical guidelines to all concerned;
- developing and formulating plans for review of corporate governance compliance;
- reviewing announcements concerning good corporate governance to summarize and present in the Bank's reports;
- recommending the Code of Best Practices for the Board of Directors or proposing guidelines for the Board of Directors Charter and all other Board Committee Charters;
- recommending the Statement of Business Conduct and the Code of Conduct of the management and Bank personnel;
- reviewing corporate governance guidelines and corporate governance practices to ensure consistency and compatibility with the Bank's business;
- reviewing and proposing public announcements related to corporate governance issues;
- supervising the Bank's sustainable development undertakings;
- reviewing and reporting to the Board of Directors matters related to corporate governance and sustainable development of the Bank, giving opinions on practical guidelines and recommending amendments as deemed appropriate;

- ensuring effective practice of corporate governance principles and sustainable development in the Bank; and
- overseeing the good corporate governance of KASIKORNBANK FINANCIAL CONGLOMERATE.

### **Human Resources and Remuneration Committee**

The Human Resources and Remuneration Committee of the Bank comprises three directors, Ms. Suphajee Suthumpun (Independent Director) as Chairperson, Mr. Wiboon Khusakul (Independent Director) and Ms. Chonchanum Soonthornsaratoon (Non-Executive Director).

According to its charter, the authorities, duties and responsibilities of the Human Resources and Remuneration Committee include:

- reviewing and making recommendations on the proposals of the Chief Executive Officer and/or the President relating to human resources policies for the Board of Directors' approval, to ensure that proposals are aligned with the Bank's business strategies;
- ensuring a succession plan for senior management in important positions and occasionally reviewing a list of candidates entitled to consideration;
- reviewing the remuneration strategy and proposing improvements for the Board's endorsement, in order to retain highly qualified personnel, as well as recommending performance evaluation for the review of salaries and benefits to senior management, based on the Bank's objectives and business plan, which also covers the Sustainable Development Target;
- ensuring that there is an effective system in place in evaluating performance for the review of salaries and benefits of the Chief Executive Officer and President, based on the Bank's objectives and business plan, which also covers the Sustainable Development Target;
- establishing terms and conditions of the employment contracts of the Chief Executive Officer and the President, including their remuneration, as well as seeking and recommending qualified successors to the Board for the positions of Chief Executive Officer and President, when considered necessary;
- reviewing the composition, size, diversity, and remuneration of the Board of Directors on a regular basis, nominating qualified candidates with suitable skills, knowledge, competency, and experience, in alignment with the Bank's business directions and strategies, plus sustainable development operations; making recommendations on the selection of candidates with proper qualifications for the position of director prior to submission to the General Meeting of Shareholders for approval;
- overseeing the formulation of policies, criteria and procedures for the nomination and payment of remunerations and benefits to directors and senior management of companies within the Financial Conglomerate; and
- discussing with the Risk Oversight Committee about a remuneration policy that reflects major risks of financial institutions.

### **Risk Oversight Committee**

The Risk Oversight Committee has ten members, consisting nine directors and one executive member. They are Mr. Kalin Sarasin (Non-Executive Director) as Chairman, Ms. Sujitpan Lamsam (Non-Executive Director), Mr. Saravoot Yoovidhya (Non-Executive Director), Ms. Suphajee Suthumpun (Independent Director), Ms. Jainnisa Kuvnichkul Chakrabandhu Na Ayudhya (Independent Director), Ms. Kattiya Indaravijaya (Executive Director), Mr. Pipit Aneaknithi (Executive Director), Mr. Ruangroj Poonpol (executive member), Mr. Suroj Lamsam (Non-Executive Director) and Ms. Kaisri Nuengsigkapien (Independent Director).

According to its charter, the authorities, duties and responsibilities of the Risk Oversight Committee include:

- providing advice for the Bank's Board of Directors related to the risk governance framework of the Financial Conglomerate;
- ensuring that the high-ranking executives and head of risk management function adhere to the risk management policies and strategies, as well as risk appetites;

- ensuring that the strategies for capital and liquidity management are consistent with the approved risk appetites;
- reviewing and examining the adequacy and effectiveness of the overall risk management policies and strategies, the risk appetites and compliance with laws and regulations at least once a year or upon significant changes; conducting consultations and exchanges of opinions with the Audit Committee to assess whether the overall risk management policies and strategies cover all risk types and emerging risks, and ensuring that the overall policies and strategies of risk management and compliance with laws and regulations have been implemented efficiently and effectively;
- reporting to the Bank’s Board of Directors on risk positions, risk management efficiency, risk culture assessments and significant matters, as well as corrective actions to address any risk policies or risk strategies compliance issues;
- participating in the evaluation of the performance of the head of risk management and compliance function; and
- performing other duties as determined by the authorities or the Bank’s Board of Directors.

The following table sets forth certain information regarding members in the Risk Oversight Committee as of the date of this Offering Circular:

Name	Age	Position
Mr. Kalin Sarasin .....	61	Director, Member of the Credit and Investment Screening Committee, Chairman of the Risk Oversight Committee, and and Member of the Corporate Governance Committee
Ms. Sujitpan Lamsam .....	64	Vice Chairperson and Member of the Risk Oversight Committee
Mr. Saravoot Yoovidhya.....	52	Director and Member of the Credit and Investment Screening Committee, the Corporate Governance Committee and the Risk Oversight Committee
Ms. Suphajee Suthumpun .....	59	Independent Director, Member of the Credit and Investment Screening Committee, Chairperson of the Human Resources and Remuneration Committee, and Member of the Audit Committee and the Risk Oversight Committee
Ms. Jainnisa Kuvnichkul Chakrabandhu Na Ayudhya .....	43	Independent Director and Member of the Credit and Investment Screening Committee, the Audit Committee, the Corporate Governance Committee and the Risk Oversight Committee
Ms. Kattiya Indaravijaya.....	57	Director, Chief Executive Officer and Member of the Risk Oversight Committee
Mr. Pipit Aneaknithi .....	56	Director, President and Member of the Risk Oversight Committee
Mr. Ruangroj Poonpol.....	45	Group Chairman of KASIKORN Business-Technology Group and Member of the Risk Oversight Committee
Mr. Suroj Lamsam .....	57	Director and Member of the Risk Oversight Committee
Ms. Kaisri Nuengsigkapan.....	61	Independent Director, Member of the Credit and Investment Screening Committee, Chairperson of the Audit Committee, and Member of the Risk Oversight Committee

Mr. Ruangroj Poonpol was appointed as Group Chairman of KASIKORN Business-Technology Group in 2021. Presently, he also serves as Chairman of KASIKORN TECHNOLOGY GROUP SECRETARIAT COMPANY LIMITED, KASIKORN SOFT COMPANY LIMITED, KASIKORN INFRA COMPANY LIMITED, KASIKORN LABS COMPANY LIMITED, KASIKORN X COMPANY LIMITED, KASIKORN VISION INFORMATION TECHNOLOGY COMPANY LIMITED and KUBIX DIGITAL ASSET COMPANY LIMITED; Director of BEACON INTERFACE COMPANY LIMITED, TrueNorth Venture Company Limited and Saha Pathana Inter-Holding Public Company Limited; Founding Partner of 500 TukTuks and Orzon Ventures; and Founder of Disrupt Technology Venture Company Limited. He previously served as Product Marketing Manager (Global Lead) of Google Earth; Quantitative Marketing Manager (APAC Lead) of Google Asia; Chief Executive Officer of Moblitz Inc.; and Director of Skootar Beyond Company Limited. Mr. Poonpol holds a bachelor’s degree in Electrical Engineering from Chulalongkorn University and master’s degrees in Marketing from Thammasat University and Business Administration from Stanford Graduate School of Business, USA.

### Management Committee

The Management Committee has seven members, comprising the Chief Executive Officer as Chairperson, three Presidents, and three executive members, namely, Mr. Ruangroj Poonpol, Mr. Thiti Tantikulanan and Mr. Patchara Samalapa. The scope of authorities, duties and responsibilities of the Management Committee include the following:

- managing and conducting the Bank’s business as designated by the Board of Directors, or under specific assignment by the Board of Directors;
- managing the Bank’s business according to set policies and plans, and under the authorization delegated by the Board of Directors as well as the Bank’s delegated operating authority, to ensure that the Bank’s business management can achieve the set target; and
- the Management Committee Chairman or persons, assigned by the Chairman, shall report business activities undertaken by the Management Committee to the Board of Directors for acknowledgment. However, the following activities require prior approval of the Board of Directors: policy-related issues of the Bank, issues likely to cause significant changes in the Bank’s business, certain issues requiring action by the Board of Directors of the Bank in compliance with laws, issues for which action must be taken by the Board of Directors according to the Bank’s rules and regulations, and issues the Management Committee considers appropriate for approval by the Board of Directors on a case-by-case basis, or under the criteria designated by the Board of Directors, such as credit underwriting.

The following table sets forth certain information regarding members in the Management Committee as of the date of this Offering Circular:

Name	Age	Position
Ms. Kattiya Indaravijaya.....	57	Chief Executive Officer
Mr. Pipit Aneaknithi .....	56	President
Mr. Ruangroj Poonpol.....	45	Group Chairman of KASIKORN Business - Technology Group
Dr. Pipatpong Poshyanonda .....	55	President
Mr. Thiti Tantikulanan.....	54	Capital Markets Business Division Head
Mr. Patchara Samalapa .....	52	Group Chairman of KASIKORN INVESTURE COMPANY LIMITED
Mr. Chongrak Rattanapian .....	55	President

For a biography of Mr. Ruangroj Poonpol, please see “*Risk Oversight Committee*” above.

Mr. Thiti Tantikulanan has served as Capital Markets Business Division Head of the Bank since 2008 and was appointed as Member of the Management Committee in 2020. Currently, he also serves as Executive Chairman of KASIKORN SECURITIES PUBLIC COMPANY LIMITED; Governor of the Stock Exchange of Thailand;

and Director of Association of Thai Securities Companies and ASCO Business Promotion Company Limited. Mr. Tantikulanan holds a bachelor's degree in Business Administration from University of Washington, USA.

*Mr. Patchara Samalapa* was appointed as Group Chairman of KASIKORN INVESTURE COMPANY LIMITED on 1 August 2023 and was appointed as Member of the Management Committee on 9 August 2023. Currently, he also serves as Chairman of KASIKORN LINE COMPANY LIMITED and KASIKORN Carabao Company Limited. Previously, he served as Director and President of the Bank from April 2018 to July 2023, Acting Retail Business Division Head, Chairman of KASIKORN ASSET MANAGEMENT COMPANY LIMITED and Director of KASIKORN SECURITIES PUBLIC COMPANY LIMITED, K-SME Venture Capital Company Limited, Muang Thai Life Assurance Public Company Limited and Thai Eastern Property Company Limited. Mr. Samalapa holds a bachelor's degree in Industrial Management from Carnegie Mellon University, USA and a master's degree in Business Administration from the Massachusetts Institute of Technology, USA.

## **REMUNERATION**

Total remuneration for Directors was Baht 95.40 million for the year ended 31 December 2022. The Bank paid its executives in the role of First Senior Vice President or equivalent and higher a total of Baht 1,282.02 million, and executives in the position of Senior Executive Vice President or equivalent and higher a total of Baht 319.24 million for the year ended 31 December 2022, in the form of salaries, living expenses, special contributions, and bonuses.



## PRINCIPAL SHAREHOLDERS

The following table details certain information about the Bank's top 10 shareholders, as shown on its shareholders register book recording date of 18 April 2023.

Name	Number of shares held	Percentage (per cent.)
THAI NVDR CO., LTD. ....	377,251,997	15.92
STATE STREET EUROPE LIMITED.....	238,200,838	10.05
SOUTH EAST ASIA UK (TYPE C) NOMINEES LIMITED.....	120,578,213	5.09
THE BANK OF NEW YORK MELLON.....	81,940,011	3.46
SOCIAL SECURITY OFFICE.....	57,658,820	2.43
STATE STREET BANK AND TRUST COMPANY .....	51,384,635	2.17
SOUTH EAST ASIA UK (TYPE A) NOMINEES LIMITED .....	42,246,346	1.78
BNY MELLON NOMINEES LIMITED.....	32,790,672	1.38
SE ASIA (TYPE B) NOMINEES LLC .....	25,454,056	1.07
HSBC BANK PLC-SAUDI CENTRAL BANK SECURITIES ACCOUNT A .....	25,109,753	1.06
Subtotal of top 10 shareholders.....	1,052,615,341	44.43
OTHERS.....	1,316,712,252	55.57
Total issued and outstanding shares .....	2,369,327,593	100.000

## FORM OF PRICING SUPPLEMENT RELATING TO NOTES OTHER THAN ADDITIONAL TIER 1 SUBORDINATED NOTES

**[PROHIBITION OF SALES TO EEA RETAIL INVESTORS** – *The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the “EEA”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (“MiFID II”); (ii) a customer within the meaning of Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the “PRIIPs Regulation”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.]*

**[PROHIBITION OF SALES TO UK RETAIL INVESTORS** – *The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (the “UK”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the “EUWA”); (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000, as amended (the “FSMA”) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the “UK PRIIPs Regulation”) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.]*

**[MIFID II product governance / Professional investors and ECPs only target market** – Solely for the purposes of [the/each] manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in [Directive 2014/65/EU (as amended, “MiFID II”)] [MiFID II]; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. [*Consider any negative target market*]. Any person subsequently offering, selling or recommending the Notes (a “distributor”) should take into consideration the manufacturer[’s/s’] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer[’s/s’] target market assessment) and determining appropriate distribution channels.]

**[UK MiFIR product governance / Professional investors and ECPs only target market** – Solely for the purposes of [the/each] manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook, and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of [the European Union (Withdrawal) Act 2018 (the “EUWA”)] [the EUWA]; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. [*Consider any negative target market*]. Any person subsequently offering, selling or recommending the Notes (a “distributor”) should take into consideration the manufacturer[’s/s’] target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer[’s/s’] target market assessment) and determining appropriate distribution channels.]

**Notification under Section 309B(1)(c) of the SECURITIES AND FUTURES ACT** — *The Notes are prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).*

**[IMPORTANT NOTICE TO PROSPECTIVE INVESTORS** – Prospective investors should be aware that certain intermediaries in the context of this offering of the Notes (as defined below), including certain Managers (as defined below), are “capital market intermediaries” (“CMI”) subject to Paragraph 21 of the Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission (the “SFC Code”). This notice to prospective investors is a summary of certain obligations the SFC Code imposes on such CMIs, which require the attention and

cooperation of prospective investors. Certain CMI's may also be acting as "overall coordinators" ("OCs") for this offering and are subject to additional requirements under the SFC Code.

Prospective investors who are the directors, employees or major shareholders of the Issuer, a CMI or its group companies would be considered under the SFC Code as having an association ("Association") with the Issuer, the CMI or the relevant group company. Prospective investors associated with the Issuer or any CMI (including its group companies) should specifically disclose this when placing an order for the Notes and should disclose, at the same time, if such orders may negatively impact the price discovery process in relation to this offering. Prospective investors who do not disclose their Associations are hereby deemed not to be so associated. Where prospective investors disclose their Associations but do not disclose that such order may negatively impact the price discovery process in relation to this offering, such order is hereby deemed not to negatively impact the price discovery process in relation to this offering.

Prospective investors should ensure, and by placing an order prospective investors are deemed to confirm, that orders placed are bona fide, are not inflated and do not constitute duplicated orders (i.e. two or more corresponding or identical orders placed via two or more CMI's). [A rebate [may be/of [X] bps is being] offered by the Issuer to all private banks for orders they place (other than in relation to Notes subscribed by such private banks as principal whereby it is deploying its own balance sheet for onward selling to investors), payable upon closing of this offering based on the principal amount of the Notes distributed by such private banks to investors. Private banks are deemed to be placing an order on a principal basis unless they inform the CMI's otherwise. As a result, private banks placing an order on a principal basis (including those deemed as placing an order as principal) will not be entitled to, and will not be paid, the rebate.] If a prospective investor is an asset management arm affiliated with any Manager, such prospective investor should indicate when placing an order if it is for a fund or portfolio where the Manager or its group company has more than 50% interest, in which case it will be classified as a "proprietary order" and subject to appropriate handling by CMI's in accordance with the SFC Code and should disclose, at the same time, if such "proprietary order" may negatively impact the price discovery process in relation to this offering. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not a "proprietary order". If a prospective investor is otherwise affiliated with any Manager, such that its order may be considered to be a "proprietary order" (pursuant to the SFC Code), such prospective investor should indicate to the relevant Manager when placing such order. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not a "proprietary order". Where prospective investors disclose such information but do not disclose that such "proprietary order" may negatively impact the price discovery process in relation to this offering, such "proprietary order" is hereby deemed not to negatively impact the price discovery process in relation to this offering.

Prospective investors should be aware that certain information may be disclosed by CMI's (including private banks) which is personal and/or confidential in nature to the prospective investor. By placing an order, prospective investors are deemed to have understood and consented to the collection, disclosure, use and transfer of such information by the Managers and/or any other third parties as may be required by the SFC Code, including to the Issuer, any OCs, relevant regulators and/or any other third parties as may be required by the SFC Code, it being understood and agreed that such information shall only be used for the purpose of complying with the SFC Code, during the bookbuilding process for this offering. Failure to provide such information may result in that order being rejected.]

#### **Pricing Supplement dated [•]**

#### **KASIKORNBANK PUBLIC COMPANY LIMITED**

**[(acting through its Hong Kong branch)]**

#### **Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes] under the U.S.\$4,000,000,000 Euro Medium Term Note Programme**

This document constitutes the Pricing Supplement relating to the issue of Notes described herein.

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Notes Other than the Additional Tier 1 Subordinated Notes (the "Conditions") set forth in the Offering Circular dated [•] [and the Supplemental Offering Circular dated [•]]. This Pricing Supplement contains the final terms of the Notes and must be read in conjunction with such Offering Circular [as so supplemented]. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of the Offering Circular [, the Supplemental Offering Circular dated [•]] and this Pricing Supplement.

*[The following alternative language applies if the first tranche of an issue which is being increased was issued under an Offering Circular with an earlier date.]*

**Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Notes Other than the Additional Tier 1 Subordinated Notes (the “Conditions”) set forth in the Offering Circular dated [original date]. This Pricing Supplement contains the final terms of the Notes and must be read in conjunction with the Offering Circular dated [current date] [and the Supplemental Offering Circular dated [•]], save in respect of the Conditions which are extracted from the Offering Circular dated [original date] and are attached hereto. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of the Offering Circular[, the Supplemental Offering Circular dated [•]] and this Pricing Supplement.]**

**The Tier 2 Subordinated Notes are complex and high risk. There are risks inherent in the holding of the Tier 2 Subordinated Notes, including the risks in relation to their subordination in right of payment to the prior payment in full of all claims of all creditors of the Issuer whose claims rank senior to the Tier 2 Subordinated Notes upon the occurrence of the winding-up or liquidation of the Issuer, the circumstances in which the Tier 2 Subordinated Notes may be written down or written off (whether in whole or in part, before a reduction of the Issuer’s registered capital in full or upon or after such capital reduction) and the implications on Subordinated Noteholders (such as a substantial loss), the circumstances in which such Subordinated Noteholders may suffer loss as a result of holding the Tier 2 Subordinated Notes are difficult to predict and the quantum of any loss incurred by investors in the Tier 2 Subordinated Notes in such circumstances is also highly uncertain. By purchasing or acquiring the Tier 2 Subordinated Notes, each holder (including each beneficial holder) of the Tier 2 Subordinated Notes will be deemed to have acknowledged, understood, been able to assess and accepted all the risks associated with their investment in the Tier 2 Subordinated Notes, particularly on those relating to the subordination and loss absorbing features of the Tier 2 Subordinated Notes.**

*The Tier 2 Subordinated Notes may be written down in whole or in part upon the occurrence of a Non-Viability Event as defined in Condition [6(k)] on page [•] of the Offering Circular. Investors in the Tier 2 Subordinated Notes should read the section entitled “Investment Considerations” beginning on page [•] of the Offering Circular for a discussion of risks relevant to an investment in the Tier 2 Subordinated Notes, including but not limited to the investment considerations entitled “Limited rights of enforcement and subordination of the Subordinated Notes could impair an investor’s ability to enforce its rights or realise any claims on the Subordinated Notes” and “The terms of Subordinated Notes may contain loss absorption provisions”.*

*[Include whichever of the following apply or specify as “Not Applicable” (N/A). Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or subparagraphs. Italics denote directions for completing the Pricing Supplement]*

*[If the Notes have a maturity of less than one year from the date of their issue, the minimum denomination [must/may need to] be [•] or its equivalent in any other currency.]*

- |   |   |   |
|---|---|---|
| 1 | Issuer:   | KASIKORNBANK PUBLIC COMPANY LIMITED [, acting through its [Hong Kong/[•]] branch]   |
| 2 | (a) Series Number:  | [•]   |
|   | (b) [Tranche Number:  | [•]<br><i>(If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible)]</i>           |
| 3 | Specified Currency or Currencies:                                 | [•]   |
| 4 | Aggregate Nominal Amount:   |   |
|   | (a) Series:   | [•]   |
|   | (b) [Tranche:   | [•]]  |
| 5 | (a) Issue Price:  | [•] per cent. of the Aggregate Nominal Amount [plus accrued interest from [insert date] (in the case of fungible issues only, if applicable)] |
|   | (b) [Net proceeds:  | [•] <i>(Required only for listed issues)]</i>   |
| 6 | (a) Specified Denominations:                                      | [•]   |
|   | (in the case of Registered Notes, this means the minimum integral | <i>Notes [(including Notes denominated in Sterling) in respect of which the issue proceeds are to be accepted by the issuer in the United</i> |

amount in which transfers can be made)

**Kingdom or whose issue otherwise constitutes a contravention of S 19 FSMA and] which have a maturity of less than one year must have a minimum redemption value of £100,000 (or its equivalent in other currencies).**

*If the specified denomination is expressed to be €100,000 or its equivalent and multiples of a lower principal amount (for example €1,000), insert the following:*

*“€100,000 and integral multiples of [€1,000] in excess thereof up to and including [€199,000]. No notes in definitive form will be issued with a denomination above [€199,000]”.*

- (b) Calculation Amount: [•]
- 7 (a) Issue Date: [•]  
(b) Trade Date [•]  
(c) Interest Commencement Date: [specify/Issue Date/Not Applicable] (N.B. An Interest Commencement Date will not be relevant for certain Notes, for example Zero Coupon Notes.)
- 8 Maturity Date: [specify date or [for Floating Rate Notes] Interest Payment Date falling in or nearest to the relevant month and year/ None]
- 9 Interest Basis: [[•]per cent. Fixed Rate [from [•]to [•]]  
[[specify reference rate] +/- [•]per cent. Floating  
Rate [from [•] to [•]]  
[Zero Coupon]  
[Index Linked Interest] [Other (specify)]  
(further particulars specified below)
- 10 Redemption/Payment Basis: [Redemption at par]  
[Index Linked Redemption]  
[Dual Currency Redemption]  
[Partly Paid] [Instalment]  
[Other (specify)]
- 11 Change of Interest Basis or Redemption/Payment Basis [Specify details of any provision for convertibility of Notes into another interest or redemption/payment basis]
- 12 Put/Call Options [Investor Put]  
[Issuer Call]  
[(further particulars specified below)]
- 13 (a) Status of the Notes: [Senior/Tier 2 Capital Subordinated]  
(b) Date of [Board] approval for issuance of Notes obtained: [•] [and [•], respectively]/[None required] (N.B. Only relevant where Board (or similar) authorisation is required for the particular tranche of Notes)  
(c) Date of regulatory approval for issuance of Notes obtained: [[•]/None required]
- 14 Listing: [SGX-ST/specify other/None]
- 15 Method of distribution: [Syndicated/Non-syndicated]

#### PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

- 16 Fixed Rate Note Provisions [Applicable/Not Applicable]  
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (a) Rate(s) of Interest: [•] per cent. per annum [payable [annually/semiannually/

**quarterly/monthly/other (*specify*)**] in arrear]/[From and including the Issue Date to but excluding [•] (the “**Call Date**”), [•] per cent. per annum payable semi-annually in arrear

From and including the Call Date to but excluding the Maturity Date, a fixed rate per annum (expressed as a percentage) equal to the sum of the then prevailing CMT Rate plus the Margin, payable semi-annually in arrear

“**Margin**” means [•] per cent. per annum.

“**CMT Rate**” means the rate expressed as a percentage equal to the yield for U.S. Treasury Securities at “constant maturity” for a period of designated maturity of five years, as set forth in the H.15 under the caption “Treasury constant maturities,” as that yield is displayed, on the Bloomberg L.P. service, or any successor service, on page NDX7, or any successor service, or any other page as may replace that page on that service for the purpose of displaying “Treasury constant maturities” as reported in the H.15 (the “Bloomberg Screen”), at 11 am. (New York time) on the Calculation Date. If such page (or any successor page or service) does not display the relevant yield at 11 am (New York time) on the Calculation Date, CMT Rate shall mean the rate in percentage per annum equal to the semi-annual equivalent yield to maturity of the Comparable Treasury Issue, calculated using a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for the Calculation Date. The CMT Rate will be calculated on the Calculation Date;

“**Calculation Business Day**” means any day, excluding a Saturday and a Sunday, on which banks are open for general business (including dealings in foreign currencies) in New York City, Thailand and London.

“**Calculation Date**” means the Calculation Business Day preceding the Call Date.

“**Comparable Treasury Issue**” means the U.S. Treasury security selected by an independent bank of international repute (selected by the Issuer) and notified to the Calculation Agent as having a maturity of [five] years that would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities with a maturity of [five] years.

“**Comparable Treasury Price**” means, with respect to any Calculation Date, the average of three Reference Treasury Dealer Quotations for such Calculation Date.

“**Reference Treasury Dealer**” means each of the three nationally recognised investment banking firms selected by Issuer in good faith and notified to the Calculation Agent that are primary U.S. Government securities dealers.

“**Reference Treasury Dealer Quotations**” means with respect to each Reference Treasury Dealer and any Calculation Date, the average of the bid and asked prices for the Comparable Treasury Issue, expressed in each case as a percentage of its principal amount, quoted in writing to the Issuer (and notified by the Issuer to the Calculation Agent) by such Reference Treasury Dealer at 10:00 a.m. (New York time), on such Calculation Date.]

(b) Interest Payment Date(s):	<b>[•]</b> in each year <b>[adjusted in accordance with [specify Business Day Convention and any applicable Business Centre(s) for the definition of “Business Day”]/not adjusted]</b>
(c) Fixed Coupon Amount(s):	<b>[•]</b> per Calculation Amount
(d) Broken Amount(s):	<b>[•]</b> per Calculation Amount, payable on the Interest Payment Date falling <b>[in/on] [•]</b>
(e) Day Count Fraction:	<b>[30/360/Actual/Actual (ICMA/ISDA) or/other]</b>
(f) [Determination Date(s):	<b>[•]</b> in each year <i>(Insert regular Interest Payment Dates, ignoring Issue Date or Maturity Date in the case of a long or short first or last coupon. N.B. Only relevant where Day Count Fraction is Actual/Actual (ICMA))</i>
(g) Other terms relating to the method of calculating interest for Fixed Rate Notes:	<b>[Not applicable/Give details]</b>
17 Floating Rate Note Provisions	<b>[Applicable/Not Applicable]</b> <i>(If not applicable, delete the remaining subparagraphs of this paragraph)</i>
(a) Interest Period(s);	<b>[•]</b> <sup>1</sup>
(b) Specified Interest Payment Dates:	<b>[•][The [•] Business Day following the final Interest Period Date of each Interest Period; except in respect of the final Interest Period, for which the Specified Interest Payment Date shall be the Maturity Date or any earlier redemption date]</b> <sup>2</sup> <b>[, subject, in each case, to adjustment in accordance with the Business Day Convention specified below,/not subject to any adjustment]</b> <sup>3</sup>
(c) Interest Period Date	<b>[•]</b> <i>(Not applicable unless different from Interest Payment Date)</i>
(d) Business Day Convention:	<b>[Floating Rate Convention/ Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/[specify other]]</b>
(e) Business Centre(s):	<b>[•]</b>
(f) Manner in which the Rate(s) of Interest is/are to be determined:	<b>[Screen Rate Determination/ISDA Determination/specify other]</b>
(g) Party responsible for calculating the Rate(s) of Interest and Interest Amount (if not the <b>[Agent]</b> ):	<b>[•]</b>
(h) Screen Rate Determination:	<b>[Applicable — Term Rate/Applicable — SOFR Reference Rate/Not Applicable]</b>
– Reference Rate:	<b>[SOFR/Other (specify)]</b>
– Relevant Time:	<b>[•]</b>
– Interest Determination Date(s):	<b>[[•][TARGET] Business Days in [specify city] for [specify currency] prior to [the first day in each Interest Period/each Interest Payment Date]]</b>

<sup>1</sup> Interest Period(s) should be specified explicitly where the Reference Rate is SOFR Reference Rate and the SOFR Reference Rate is Compounded Daily SOFR (SOFR Payment Delay), as in that case each Specified Interest Payment Date will fall after the end of the relevant Interest Period.

<sup>2</sup> This text to be included where the Reference Rate is SOFR Reference Rate and the SOFR Reference Rate is Compounded Daily SOFR (SOFR Payment Delay).

<sup>3</sup> Specified Interest Payment Dates will not normally be subject to adjustment where the Reference Rate is SOFR Reference Rate and the SOFR Reference Rate is Compounded Daily SOFR (SOFR Payment Delay).

- [[•] U.S. Government Securities Business Days prior to the last day of each Interest Accrual Period]<sup>4</sup>
- [[•] U.S. Government Securities Business Days prior to the first day in each Interest Period]<sup>5</sup>
- [The Interest Period Date at the end of each Interest Accrual Period; except in respect of the final Interest Accrual Period, for which the Interest Determination Date will be the SOFR Rate Cut-Off Date]<sup>6</sup>
- Relevant Screen Page: [•]
  - Reference Banks: [*Specify four*]
  - Relevant Financial Center: [•] (*Insert the financial center most closely connected to the Reference Rate*)
  - SOFR Reference Rate: [Simple SOFR Average/Compounded Daily SOFR/Compounded SOFR Index/Term SOFR][Not Applicable]
  - Compounded Daily SOFR: [SOFR Observation Lag/SOFR Observation Shift/SOFR Payment Delay/SOFR Lockout][Not Applicable]
  - Lookback Days: [•] U.S. Government Securities Business Days]<sup>7</sup> [Not Applicable]
  - SOFR Rate Cut-Off Date: [•] U.S. Government Securities Business Days prior to the end of each Interest Accrual Period, the Maturity Date or the relevant Optional Redemption Date, as applicable]<sup>8</sup> [Not Applicable]
  - SOFR Observation Shift Days: [•] U.S. Government Securities Business Days]<sup>9</sup> [Not Applicable]
  - Interest Payment Delay Days: [•] U.S. Government Securities Business Days]<sup>10</sup> [Not Applicable]
  - SOFR Index<sub>Start</sub>: [•] U.S. Government Securities Business Days]<sup>11</sup> [Not Applicable]
  - SOFR Index<sub>End</sub>: [•] U.S. Government Securities Business Days]<sup>12</sup> [Not Applicable]
  - Term SOFR Rate: [[•] Month Term SOFR/Specify other]<sup>13</sup> [Not Applicable]
  - Term SOFR Conventions: (Include any Term SOFR Conventions recommended by the Alternative Reference Rates Committee)
  - Fallback Provisions: [Independent Advisor/SOFR Reference Rate Discontinuation]
  - (i) ISDA Determination:
    - ISDA Definitions [2006 ISDA Definitions/2021 ISDA Definitions]
    - Floating Rate Option: [•](*If 2021 ISDA Definitions selected, ensure this is a Floating Rate Option included in the Floating Rate Matrix (as defined in the 2021 ISDA Definitions)*)

<sup>4</sup> To be included where the Reference Rate is SOFR Reference Rate and the SOFR Reference Rate is Simple SOFR Average, Compounded Daily SOFR (SOFR Observation Lag, SOFR Observation Shift or SOFR Lockout) or Compounded SOFR Index.

<sup>5</sup> To be included in the case of Term SOFR.

<sup>6</sup> To be included where the Reference Rate is SOFR Reference Rate and the SOFR Reference Rate is Compounded Daily SOFR (SOFR Payment Delay).

<sup>7</sup> Only applicable where the Reference Rate is SOFR Reference Rate and the SOFR Reference Rate is Compounded Daily SOFR (Observation Lag). To be at least five U.S. Government Securities Business Days unless otherwise agreed with the Calculation Agent.

<sup>8</sup> Only applicable where the Reference Rate is SOFR Reference Rate and the SOFR Reference Rate is Simple SOFR Average or Compounded Daily SOFR (SOFR Payment Delay or SOFR Lockout). To be at least five U.S. Government Securities Business Days unless otherwise agreed with the Calculation Agent.

<sup>9</sup> Only applicable where the Reference Rate is SOFR Reference Rate and the SOFR Reference Rate is Compounded Daily SOFR (Observation Shift) or Compounded SOFR Index. To be at least five U.S. Government Securities Business Days unless otherwise agreed with the Calculation Agent.

<sup>10</sup> Only applicable where the Reference Rate is SOFR Reference Rate and the SOFR Reference Rate is Compounded Daily SOFR Payment Delay. To be at least five U.S. Government Securities Business Days unless otherwise agreed with the Calculation Agent.

<sup>11</sup> Only applicable where the Reference Rate is SOFR Reference Rate and the SOFR Reference Rate is Compounded SOFR Index. To be at least five U.S. Government Securities Business Days unless otherwise agreed with the Calculation Agent.

<sup>12</sup> Only applicable where the Reference Rate is SOFR Reference Rate and the SOFR Reference Rate is Compounded SOFR Index. To be at least five U.S. Government Securities Business Days unless otherwise agreed with the Calculation Agent.

<sup>13</sup> Only applicable in the case of Term SOFR.



- Designated Maturity: [•] (*Designated Maturity will not be relevant where the Floating Rate Option is a risk free rate*)
- Reset Date: [•]
- Compounding: [Applicable/Not Applicable]  
(If not applicable, delete the remaining items of this subparagraph)
- Compounding Method: [Compounding with Lookback  
Lookback: [•] Applicable Business Days]  
[Compounding with Observation Period Shift  
Observation Period Shift: [•] Observation Period  
Shift Business Days  
Observation Period Shift Additional Business Days: [•]/[Not Applicable]]  
[Compounding with Lockout  
Lockout: [•] Lockout Period Business Days  
Lockout Period Business Days: [•]/[Not Applicable]]<sup>14</sup>
- Averaging: [Applicable/Not Applicable]  
(If not applicable, delete the remaining items of this subparagraph)
- [Averaging Method: [Averaging with Lookback  
Lookback: [•] Applicable Business Days]  
[Averaging with Observation Period Shift  
Observation Period Shift: [•] Observation Period Shift Business Days  
Observation Period Shift Additional Business Days: [•]/[Not Applicable]]  
[Averaging with Lockout  
Lockout: [•] Lockout Period Business Days  
Lockout Period Business Days: [•]/[Not Applicable]]<sup>15</sup>
- Index Provisions: [Applicable/Not Applicable]  
(If not applicable, delete the remaining items of this subparagraph)
- [Index Method: Compounded Index Method with Observation Period Shift  
Observation Period Shift: [•] Observation Period Shift Business Days  
Observation Period Shift Additional Business Days: [•]/[Not Applicable]]<sup>16</sup>
- (j) Margin(s): [+/-][•] per cent. per annum
- (k) Minimum Rate of Interest: [•] per cent. per annum
- (l) Maximum Rate of Interest: [•] per cent. per annum
- (m) Day Count Fraction: [•]
- (n) Fallback provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions: [•]
- (o) Linear Interpolation: [Not Applicable/Applicable — the Rate of Interest for the [long/short][first/last] Interest Accrual Period shall be calculated using linear interpolation (specify for each short or long Interest Accrual Period)]

<sup>14</sup> Only applicable in the case where Compounding is specified to be applicable. To be at least five U.S. Government Securities Business Days unless otherwise agreed with the Calculation Agent.

<sup>15</sup> Only applicable in the case where Averaging is specified to be applicable. To be at least five U.S. Government Securities Business Days unless otherwise agreed with the Calculation Agent.

<sup>16</sup> Only applicable in the case where Index Provisions are specified to be applicable. To be at least five U.S. Government Securities Business Days unless otherwise agreed with the Calculation Agent.

18	Zero Coupon Note Provisions	<b>[Applicable/Not Applicable]</b> <i>(If not applicable, delete the remaining subparagraphs of this paragraph)</i>
	(a) Amortisation Yield:	[•] per cent. per annum
	(b) Any other formula/basis of determining amount payable:	[•]
19	Index Linked Interest Note Provisions	<b>[Applicable/Not Applicable]</b> <i>(If not applicable, delete the remaining subparagraphs of this paragraph)</i>
	(a) Index/Formula:	<b>[Give or annex details]</b>
	(b) Manner in which the Rate(s) of Interest is/are to be determined:	<b>[Give or annex details]</b>
	(c) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the Calculation Agent):	[•]
	(d) Provisions for determining Coupon where calculation by reference to Index and/or Formula is impossible or impracticable or otherwise disrupted:	[•]
	(e) Interest Period(s):	[•]
	(f) Specified Interest Payment Dates:	[•]
	(g) Business Day Convention:	<b>[Floating Rate Convention/ Following Business Day Convention/Modified Following Business Day Convention/ Preceding Business Day Convention/specify other]</b>
	(h) Business Centre(s):	[•]
	(i) Minimum Rate of Interest:	[•] per cent. per annum
	(j) Maximum Rate of Interest:	[•] per cent. per annum
	(k) Day Count Fraction:	[•]
20	Dual Currency Interest Note Provisions	<b>[Applicable/Not Applicable]</b> <i>(If not applicable, delete the remaining subparagraphs of this paragraph)</i>
	(a) Rate of Exchange/method of calculating Rate of Exchange:	<b>[Give or annex details]</b>
	(b) Party, if any, responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the <b>[Agent]</b> ):	[•]
	(c) Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable:	<b>[•][Need to include a description of market disruption or settlement disruption events and adjustment provisions]</b>
	(d) Person at whose option Specified Currency(ies) is/ are payable:	[•]

## PROVISIONS RELATING TO REDEMPTION

- 21 Call Option **[Applicable/Not Applicable]**  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*
- (a) Optional Redemption Date(s): **[•]**
- (b) Optional Redemption Amount(s) of each Note and specified denomination method, if any, of calculation of such amount(s): **[•]** per Calculation Amount/specify other/see Appendix][, subject to adjustment following the occurrence of a Non-Viability Event].<sup>17</sup>
- (c) If redeemable in part:
- (i) Minimum Redemption Amount: **[•]** per Calculation Amount
- (ii) Maximum Redemption Amount: **[•]** per Calculation Amount
- (d) Notice Period: **[•]**
- 22 Put Option **[Applicable/Not Applicable]**  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*
- (a) Optional Redemption Date(s): **[•]**
- (b) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): **[•]** per Calculation Amount/specify other/see Appendix][, subject to adjustment following the occurrence of a Non-Viability Event].<sup>18</sup>
- (c) Notice period: **[•]**
- 23 Final Redemption Amount of each Note: **[•]** per Calculation Amount/specify other/see Appendix][, subject to adjustment following the occurrence of a Non-Viability Event].<sup>19</sup>
- 24 Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons or on event of default and/or the method of calculating the same (if required or if different from that set out in Conditions): **[•]** per Calculation Amount/specify other/see Appendix][, subject to adjustment following the occurrence of a Non-Viability Event].<sup>20</sup>

## GENERAL PROVISIONS APPLICABLE TO THE NOTES

- 25 Form of Notes: Bearer Notes:
- [Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes in limited circumstances specified in the Permanent Global Note]**
- [Temporary Global Note exchangeable for Definitive Notes on [•] days' notice]** (For this option to be available, such Notes shall only be issued in denominations that are equal to, or greater than, €100,000 (or its equivalent in other currencies) and integral multiples thereof.)
- [Permanent Global Note exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note/Global Certificate]**
- [Registered Notes]**

<sup>17</sup> Only applicable to Tier 2 Subordinated Notes.

<sup>18</sup> Only applicable to Tier 2 Subordinated Notes.

<sup>19</sup> Only applicable to Tier 2 Subordinated Notes.

<sup>20</sup> Only applicable to Tier 2 Subordinated Notes.

- 26 Financial Centre(s) or other special provisions relating to Payment Days: **[Not Applicable/give details]**
- (Note that this paragraph relates to the place of payment and not Interest Period end dates to which sub-paragraphs 16(b), 17(b) and 19(h) relate)*
- 27 Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): **[Yes/No. If yes, give details]**
- 28 Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment: **[Not Applicable/give details.]**
- 29 Details relating to Instalment Notes:
- (a) Instalment Amount(s): **[Not Applicable/give details]**
- (b) Instalment Date(s): **[Not Applicable/give details]**
- 30 Redenomination, renominatisation and reconventioning provisions: **[Not Applicable/The provisions [in Condition [•]] [annexed to this Pricing Supplement] apply]**
- 31 Consolidation provision Not Applicable/The provisions **[in Condition [•]]**
- 32 Other terms or special conditions: **[annexed to this Pricing Supplement] apply]**

## DISTRIBUTION

- 33 (a) If syndicated, names of Managers: **[Not Applicable/give names]**
- (b) Stabilising Manager(s) (if any): **[Not Applicable/give name]**
- 34 If non-syndicated, name of relevant Dealer: **[Not Applicable/give name]**
- 35 U.S. Selling Restrictions: **[Reg. S Compliance Category [1/2]; TEFRA D/TEFRA C/ TEFRA not applicable]**
- 36 Additional selling restrictions: **[Not Applicable/give details]**
- 37 Prohibition of Sales to EEA Retail Investors: **[Applicable/Not Applicable]**
- (If the Notes clearly do not constitute “packaged” products or the Notes do constitute “packaged” products and a key information document will be prepared, “Not Applicable” should be specified. If the Notes may constitute “packaged” products and no key information document will be prepared, “Applicable” should be specified.)*
- 38 Prohibition of Sales to UK Retail Investors: **[Applicable/Not Applicable]**
- (If the Notes clearly do not constitute “packaged” products or the Notes do constitute “packaged” products and a key information document will be prepared, “Not Applicable” should be specified. If the Notes may constitute “packaged” products and no key information document will be prepared, “Applicable” should be specified.)*

## OPERATIONAL INFORMATION

- 39 Any clearing system(s) other than Euroclear and Clearstream, Luxembourg and the relevant identification number(s): **[Not Applicable/give name(s) and number(s)]**
- 40 Delivery: Delivery **[against/free of]** payment
- 41 Additional Paying Agent(s) (if any): **[•]**
- 42 ISIN: **[•]**
- 43 Common Code: **[•]**
- 44 Rating: **[•]**
- (The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated that issue than rating.)*
- 45 Rebates: [A rebate of **[•]** bps is being offered by the Issuer to all private banks for orders they place (other than in relation to Notes subscribed by such private banks as principal whereby it is deploying its own balance sheet for onward selling to investors), payable upon closing of this offering based on the principal amount of the Notes distributed by such private banks to investors. Private banks are deemed to be placing an order on a principal basis unless they inform the CMIs otherwise. As a result, private banks placing an order on a principal basis (including those deemed as placing an order as principal) will not be entitled to, and will not be paid, the rebate.] / [Not Applicable]
- 46 Contact email addresses of the Overall Coordinators where underlying investor information in relation to omnibus orders should be sent: *[Include relevant contact email addresses of the Overall Coordinators where the underlying investor information should be sent — OCs to provide]* / [Not Applicable]
- 47 Marketing and Investor Targeting Strategy: *[If different from the Programme OC]*

## [PURPOSE OF PRICING SUPPLEMENT

**This Pricing Supplement comprises the final terms required for issue and admission to trading on the [specify relevant stock exchange/market] of the Notes described herein pursuant to the U.S.\$4,000,000,000 Euro Medium Term Note Programme of KASIKORNBANK PUBLIC COMPANY LIMITED.]**

## RESPONSIBILITY

The Issuer accepts responsibility for the information contained in this Pricing Supplement.

Signed on behalf of KASIKORNBANK PUBLIC COMPANY LIMITED:

By: \_\_\_\_\_  
*Duly authorised*

## FORM OF PRICING SUPPLEMENT OF THE ADDITIONAL TIER 1 SUBORDINATED NOTES

**[PROHIBITION OF SALES TO EEA RETAIL INVESTORS]** – *The Additional Tier 1 Subordinated Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the “EEA”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (“MiFID II”); (ii) a customer within the meaning of Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the “PRIIPs Regulation”) for offering or selling the Additional Tier 1 Subordinated Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Additional Tier 1 Subordinated Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.]*

**[PROHIBITION OF SALES TO UK RETAIL INVESTORS]** – *The Additional Tier 1 Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (the “UK”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the “EUWA”); (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000, as amended (the “FSMA”) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the “UK PRIIPs Regulation”) for offering or selling the Additional Tier 1 Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Additional Tier 1 Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.]*

**[MiFID II product governance / Professional investors and ECPs only target market]** – Solely for the purposes of [the/each] manufacturer’s product approval process, the target market assessment in respect of the Additional Tier 1 Subordinated Notes has led to the conclusion that: (i) the target market for the Additional Tier 1 Subordinated Notes is eligible counterparties and professional clients only, each as defined in [Directive 2014/65/EU (as amended, “MiFID II”)] [MiFID II]; and (ii) all channels for distribution of the Additional Tier 1 Subordinated Notes to eligible counterparties and professional clients are appropriate. [*Consider any negative target market*]. Any person subsequently offering, selling or recommending the Additional Tier 1 Subordinated Notes (a “distributor”) should take into consideration the manufacturer[’s/s’] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Additional Tier 1 Subordinated Notes (by either adopting or refining the manufacturer[’s/s’] target market assessment) and determining appropriate distribution channels.]

**[UK MiFIR product governance / Professional investors and ECPs only target market]** – Solely for the purposes of [the/each] manufacturer’s product approval process, the target market assessment in respect of the Additional Tier 1 Notes has led to the conclusion that: (i) the target market for the Additional Tier 1 Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook, and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the [European Union (Withdrawal) Act 2018 (the “EUWA”)] [the EUWA]; and (ii) all channels for distribution of the Additional Tier 1 Notes to eligible counterparties and professional clients are appropriate. [*Consider any negative target market*]. Any person subsequently offering, selling or recommending the Additional Tier 1 Notes (a “distributor”) should take into consideration the manufacturer[’s/s’] target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook is responsible for undertaking its own target market assessment in respect of the Additional Tier 1 Notes (by either adopting or refining the manufacturer[’s/s’] target market assessment) and determining appropriate distribution channels.]

**Notification under Section 309B(1)(c) of the SECURITIES AND FUTURES ACT** — *The Additional Tier 1 Subordinated Notes are prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).*

**[IMPORTANT NOTICE TO PROSPECTIVE INVESTORS]** – Prospective investors should be aware that certain intermediaries in the context of this offering of the Notes (as defined below), including certain Managers (as defined

below), are “capital market intermediaries” (“**CMI**s”) subject to Paragraph 21 of the Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission (the “**SFC Code**”). This notice to prospective investors is a summary of certain obligations the SFC Code imposes on such CMI, which require the attention and cooperation of prospective investors. Certain CMI may also be acting as “overall coordinators” (“**OC**s”) for this offering and are subject to additional requirements under the SFC Code.

Prospective investors who are the directors, employees or major shareholders of the Issuer, a CMI or its group companies would be considered under the SFC Code as having an association (“**Association**”) with the Issuer, the CMI or the relevant group company. Prospective investors associated with the Issuer or any CMI (including its group companies) should specifically disclose this when placing an order for the Notes and should disclose, at the same time, if such orders may negatively impact the price discovery process in relation to this offering. Prospective investors who do not disclose their Associations are hereby deemed not to be so associated. Where prospective investors disclose their Associations but do not disclose that such order may negatively impact the price discovery process in relation to this offering, such order is hereby deemed not to negatively impact the price discovery process in relation to this offering.

Prospective investors should ensure, and by placing an order prospective investors are deemed to confirm, that orders placed are bona fide, are not inflated and do not constitute duplicated orders (i.e. two or more corresponding or identical orders placed via two or more CMI). [A rebate [may be/of [X] bps is being] offered by the Issuer to all private banks for orders they place (other than in relation to Notes subscribed by such private banks as principal whereby it is deploying its own balance sheet for onward selling to investors), payable upon closing of this offering based on the principal amount of the Notes distributed by such private banks to investors. Private banks are deemed to be placing an order on a principal basis unless they inform the CMI otherwise. As a result, private banks placing an order on a principal basis (including those deemed as placing an order as principal) will not be entitled to, and will not be paid, the rebate.] If a prospective investor is an asset management arm affiliated with any Manager, such prospective investor should indicate when placing an order if it is for a fund or portfolio where the Manager or its group company has more than 50% interest, in which case it will be classified as a “proprietary order” and subject to appropriate handling by CMI in accordance with the SFC Code and should disclose, at the same time, if such “proprietary order” may negatively impact the price discovery process in relation to this offering. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not a “proprietary order”. If a prospective investor is otherwise affiliated with any Manager, such that its order may be considered to be a “proprietary order” (pursuant to the SFC Code), such prospective investor should indicate to the relevant Manager when placing such order. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not a “proprietary order”. Where prospective investors disclose such information but do not disclose that such “proprietary order” may negatively impact the price discovery process in relation to this offering, such “proprietary order” is hereby deemed not to negatively impact the price discovery process in relation to this offering.

Prospective investors should be aware that certain information may be disclosed by CMI (including private banks) which is personal and/or confidential in nature to the prospective investor. By placing an order, prospective investors are deemed to have understood and consented to the collection, disclosure, use and transfer of such information by the Managers and/or any other third parties as may be required by the SFC Code, including to the Issuer, any OC, relevant regulators and/or any other third parties as may be required by the SFC Code, it being understood and agreed that such information shall only be used for the purpose of complying with the SFC Code, during the bookbuilding process for this offering. Failure to provide such information may result in that order being rejected.]

**Pricing Supplement dated [•]**

**KASIKORNBANK PUBLIC COMPANY LIMITED**

**[(acting through its Hong Kong branch)]**

**Issue of [Aggregate Nominal Amount of Tranche] Additional Tier 1 Subordinated Notes  
under the U.S.\$4,000,000,000 Euro Medium Term Note Programme**

This document constitutes the Pricing Supplement relating to the issue of Additional Tier 1 Subordinated Notes described herein.

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Offering Circular dated [•] [and the Supplemental Offering Circular dated [•]]. This Pricing Supplement contains the final terms of the Additional Tier 1 Subordinated Notes and must be read in conjunction with such Offering Circular [as

**so supplemented**]. Full information on the Issuer and the offer of the Additional Tier 1 Subordinated Notes is only available on the basis of the combination of the Offering Circular [, **the Supplemental Offering Circular dated [•]**] and this Pricing Supplement.

*[The following alternative language applies if the first tranche of an issue which is being increased was issued under an Offering Circular with an earlier date.*

**Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the “Conditions”) set forth in the Offering Circular dated [original date]**. This Pricing Supplement contains the final terms of the Additional Tier 1 Subordinated Notes and must be read in conjunction with the Offering Circular dated [**current date**] [**and the Supplemental Offering Circular dated [•]**], save in respect of the Conditions which are extracted from the Offering Circular dated [**original date**] and are attached hereto. Full information on the Issuer and the offer of the Additional Tier 1 Subordinated Notes is only available on the basis of the combination of the Offering Circular[, **the Supplemental Offering Circular dated [•]**] and this Pricing Supplement.]

**The Additional Tier 1 Subordinated Notes are complex and high risk. There are risks inherent in the holding of the Additional Tier 1 Subordinated Notes, including the risks in relation to their subordination in right of payment to the prior payment in full of all claims of all creditors of the Issuer, whose claims rank senior to the Additional Tier 1 Subordinated Notes upon the occurrence of the winding-up or liquidation of the Issuer, the circumstances in which the Additional Tier 1 Subordinated Notes may be written down or written off (whether in whole or in part, before a reduction of the Issuer’s shares capital in full or upon or after such capital reduction) and the implications on Subordinated Noteholders (such as a substantial loss), the circumstances in which such Subordinated Noteholders may suffer loss as a result of holding the Additional Tier 1 Subordinated Notes are difficult to predict and the quantum of any loss incurred by investors in the Additional Tier 1 Subordinated Notes in such circumstances is also highly uncertain. By purchasing or acquiring the Additional Tier 1 Subordinated Notes, each holder (including each beneficial holder) of the Additional Tier 1 Subordinated Notes will be deemed to have acknowledged, understood, been able to assess and accepted all the risks associated with their investment in the Additional Tier 1 Subordinated Notes, particularly on those relating to the subordination and loss absorbing features of the Additional Tier 1 Subordinated Notes.**

*The Additional Tier 1 Subordinated Notes may be written down in whole or in part upon the occurrence of a Trigger Event or Non-Viability Event as defined in Condition 5(i) of the Terms and Conditions of the Additional Tier 1 Subordinated Notes on page [•] of the Offering Circular. Investors in the Additional Tier 1 Subordinated Notes should read the section entitled “Investment Considerations” beginning on page [•] of the Offering Circular for a discussion of risks relevant to an investment in the Additional Tier 1 Subordinated Notes, including but not limited to the investment considerations entitled “Limited rights of enforcement and subordination of the Subordinated Notes could impair an investor’s ability to enforce its rights or realise any claims on the Subordinated Notes” and “The terms of Subordinated Notes may contain loss absorption provisions”.*

*[Include whichever of the following apply or specify as “Not Applicable” (N/A). Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or subparagraphs. Italics denote directions for completing the Pricing Supplement]*

*[If the Additional Tier 1 Subordinated Notes have a maturity of less than one year from the date of their issue, the minimum denomination [must/may need to] be [•] or its equivalent in any other currency.]*

- |   |                                   |   |
|---|-----------------------------------|---|
| 1 | Issuer:                           | KASIKORNBANK PUBLIC COMPANY LIMITED [, <b>acting through its [Hong Kong/[•]] branch</b> ]   |
| 2 | (a) Series Number:                | [•]   |
|   | (b) [Tranche Number:              | [•]<br><br>(If fungible with an existing Series, details of that Series, including the date on which the Additional Tier 1 Subordinated Notes become fungible)] |
| 3 | Specified Currency or Currencies: | [•]   |
| 4 | Aggregate Nominal Amount:         |   |
|   | (a) Series:                       | [•]   |
|   | (b) [Tranche:                     | [•]]  |



- 5 (a) Issue Price: [•] per cent. of the Aggregate Nominal Amount [**plus accrued interest from [insert date]**] (in the case of fungible issues only, if applicable)
- (b) [Net proceeds: [•] (*Required only for listed issues*)]
- 6 (a) Specified Denominations: [•]  
 (in the case of Registered Notes, this means the minimum integral amount in which transfers can be made) *Notes [(including Notes denominated in Sterling) in respect of which the issue proceeds are to be accepted by the issuer in the United Kingdom or whose issue otherwise constitutes a contravention of S 19 FSMA and] which have a maturity of less than one year must have a minimum redemption value of £100,000 (or its equivalent in other currencies).*  
*If the specified denomination is expressed to be €100,000 or its equivalent and multiples of a lower principal amount (for example €1,000), insert the following:*  
*“€100,000 and integral multiples of [€1,000] in excess thereof up to and including [€199,000]. No notes in definitive form will be issued with a denomination above [€199,000].”*
- (b) Calculation Amount: [•]
- 7 (a) Issue Date: [•]  
 (b) Trade Date: [•]  
 (c) Distribution Commencement Date: [specify/Issue Date/Not Applicable]
- 8 Distribution Basis: [•] per cent. Fixed Rate  
 (further particulars specified below)
- 9 Redemption/Payment Basis: [Redemption at par]  
 [Other (*specify*)]
- 10 Change of Distribution or Redemption [Specify details of any Payment Basis: provision for convertibility of Additional Tier 1 Subordinated Notes into another Distribution or redemption/payment basis]
- 11 Call Options [Issuer Call]  
 [(further particulars specified below)]
- 12 (a) Date of [Board] approval for issuance of Additional Tier 1 Subordinated Notes obtained: [•] [and [•], respectively]]/[None required] (*N.B. Only relevant where Board (or similar) authorisation is required for the particular tranche of Additional Tier 1 Subordinated Notes*)  
 (b) Date of regulatory approval for issuance of Additional Tier 1 Subordinated Notes obtained: [[•]/None required]
- 13 Listing: [SGX-ST/specify other/None]
- 14 Method of distribution: [Syndicated/Non-syndicated]

#### PROVISIONS RELATING TO DISTRIBUTION PAYABLE

- 15 Rate of Distribution:
- (i) Initial Distribution Rate: [•]% per annum [payable [annually/semi-annually/quarterly/monthly] in arrear]
- (ii) Reset:
- (A) First Call Date: [•]
- (B) Distribution Reset Date: The First Call Date and each date falling every [•] after the First Call Date
- (C) Relevant Rate: [•]
- (D) Initial Spread: [•]

- 16 Reset Distribution Period: **[Each period from and including the [Issue Date]/[Distribution Payment Date falling on [•]] to (but excluding) the [subsequent Distribution Payment Date falling on [•]], except that the first Distribution Period will commence on (and include) the [Issue Date]/[Distribution Payment Date falling on [•]] and the final Distribution Period shall end (but exclude) the [Distribution Payment Date falling on [•]]]**
- 17 Distribution Payment Date: **[•] in each year [commencing on the [Issue Date/ Distribution Payment Date falling on [•]] and ending on the [Distribution Payment Date falling on [•]]] [adjusted in accordance with [specify Business Day Convention and any applicable Financial Center(s) for the definition of “Business Day”]/not adjusted]**
- 18 Business Day Convention: **[Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (give details)]**
- 19 Distribution Amounts: **From (and including) the Distribution Commencement Date to (but excluding) the First Call Date, [•] per Calculation Amount, subject to adjustment following the occurrence of a Trigger Event or Non-Viability Event**  
**From (and including) the First Call Date, the respective amounts to be determined pursuant to Item 14(ii) above, subject to adjustment following the occurrence of a Trigger Event or Non-Viability Event**
- 20 Day Count Fraction: **[30/360/Actual/Actual (ICMA/ISDA)/other]**
- 21 Other terms relating to the method of calculating Distribution: **[Not Applicable/give details]**

#### **PROVISIONS RELATING TO REDEMPTION**

- 22 Call Option **[Applicable/Not Applicable]**  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*
- (a) Optional Redemption Date(s): **[•]**
- (b) Optional Redemption Amount(s) of each Note and specified denomination method, if any, of calculation of such amount(s): **[[•] per Calculation Amount/specify other/see Appendix]**
- (c) If redeemable in part:
- (i) Minimum Redemption Amount: **[•] per Calculation Amount**
- (ii) Maximum Redemption Amount: **[•] per Calculation Amount**
- (d) Notice Period: **[•]**
- 23 Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons or on event of default and/or the method of calculating the same (if required or if different from that set out in Conditions): **[•] per Calculation Amount/specify other/see Appendix]**

## GENERAL PROVISIONS APPLICABLE TO THE NOTES

- 24 Form of Additional Tier 1 Subordinated Notes: Bearer Notes:
- [Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes in limited circumstances specified in the Permanent Global Note]**
- [Temporary Global Note exchangeable for Definitive Notes on [•] days' notice]** (For this option to be available, such Additional Tier 1 Subordinated Notes shall only be issued in denominations that are equal to, or greater than, €100,000 (or its equivalent in other currencies) and integral multiples thereof.)
- [Permanent Global Note exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note/Global Certificate]**
- [Registered Notes]**
- 25 Financial Centre(s) or other special provisions relating to Payment Days: **[Not Applicable/give details]**
- (Note that this paragraph relates to the place of payment and not Interest Period end dates to which sub-paragraphs 16(b), 17(b) and 19(h) relate)*
- 26 Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): **[Yes/No. If yes, give details]**
- 27 Redenomination, renominatisation and reconventioning provisions: **[Not Applicable/The provisions [in Condition [•]] [annexed to this Pricing Supplement] apply]**
- 28 Consolidation provision Not Applicable/The provisions **[in Condition [•]]**
- 29 Other terms or special conditions: **[annexed to this Pricing Supplement] apply]**

## DISTRIBUTION

- 30 (a) If syndicated, names of Managers: **[Not Applicable/give names]**
- (b) Stabilising Manager(s) (if any): **[Not Applicable/give name]**
- 31 If non-syndicated, name of relevant Dealer: **[Not Applicable/give name]**
- 32 U.S. Selling Restrictions: **[Reg. S Compliance Category [1/2]; TEFRA D/TEFRA C/TEFRA not applicable]**
- 33 Additional selling restrictions: **[Not Applicable/give details]**
- 34 Prohibition of Sales to EEA Retail Investors: **[Applicable/Not Applicable]**

*(If the Additional Tier 1 Subordinated Notes clearly do not constitute "packaged" products or the Additional Tier 1 Subordinated Notes do constitute "packaged" products and a key information document will be prepared, "Not Applicable" should be specified. If the Additional Tier 1 Subordinated Notes may*

*constitute “packaged” products and no key information document will be prepared, “Applicable” should be specified.)*

- 35 Prohibition of Sales to UK Retail Investors: **[Applicable/Not Applicable]**

*(If the Additional Tier 1 Subordinated Notes clearly do not constitute “packaged” products or the Additional Tier 1 Subordinated Notes do constitute “packaged” products and a key information document will be prepared, “Not Applicable” should be specified. If the Additional Tier 1 Subordinated Notes may constitute “packaged” products and no key information document will be prepared, “Applicable” should be specified.)*

#### **OPERATIONAL INFORMATION**

- 36 Any clearing system(s) other than Euroclear and Clearstream, Luxembourg and the relevant identification number(s): **[Not Applicable/give name(s) and number(s)]**

- 37 Delivery: Delivery **[against/free of]** payment

- 38 Additional Paying Agent(s) (if any): **[•]**

- 39 ISIN: **[•]**

- 40 Common Code: **[•]**

- 41 Rating: **[•]**

*(The above disclosure should reflect the rating allocated to Additional Tier 1 Subordinated Notes of the type being issued under the Programme generally or, where the issue has been specifically rated that issue than rating.)*

- 42 Rebates: **[A rebate of [•] bps is being offered by the Issuer to all private banks for orders they place (other than in relation to Notes subscribed by such private banks as principal whereby it is deploying its own balance sheet for onward selling to investors), payable upon closing of this offering based on the principal amount of the Notes distributed by such private banks to investors. Private banks are deemed to be placing an order on a principal basis unless they inform the CMIs otherwise. As a result, private banks placing an order on a principal basis (including those deemed as placing an order as principal) will not be entitled to, and will not be paid, the rebate.] / [Not Applicable]**

- 43 Contact email addresses of the Overall Coordinators where underlying investor information in relation to omnibus orders should be sent: **[Include relevant contact email addresses of the Overall Coordinators where the underlying investor information should be sent — OCs to provide] / [Not Applicable]**

- 44 Marketing and Investor Targeting Strategy: **[If different from the Programme OC]**

#### **[PURPOSE OF PRICING SUPPLEMENT**

**This Pricing Supplement comprises the final terms required for issue and admission to trading on the [specify relevant stock exchange/market] of the Additional Tier 1 Subordinated Notes described herein pursuant to the U.S.\$4,000,000,000 Euro Medium Term Note Programme of KASIKORNBANK PUBLIC COMPANY LIMITED.]**

**RESPONSIBILITY**

The Issuer accepts responsibility for the information contained in this Pricing Supplement.

Signed on behalf of KASIKORNBANK PUBLIC COMPANY LIMITED:

By: \_\_\_\_\_  
*Duly authorised*

## RELATED PARTY TRANSACTIONS

Relationships between the Bank and related persons or entities consisted of subsidiaries, associated companies, joint venture, key management personnel,<sup>(1)</sup> any parties related to key management personnel and the entities of which key management personnel and any parties related have control and significant influence.

Transactions occurring between the Bank and related persons or entities are fairly charged at market price as normal business or the price as stipulated in the agreement.

Loans and contingencies between the Bank and related persons or entities as of 30 June 2023 are summarised as follows:

	As of 30 June 2023	
	Amount	Per cent of total loans <sup>(2)</sup>
	(Baht in millions, except percentages)	
<b>Loans</b> .....	176,548	7.55
<b>Contingencies</b> .....	8,647	0.37

*Notes:*

- (1) Key management personnel means directors and management personnel who hold the title of at least First Senior Vice President including Department Head-Financial Accounting Management Department and Department Head-Financial Planning Department.
- (2) The Bank's loans.

## THE THAI BANKING INDUSTRY

The information set forth below is derived from various Thai laws and regulations, government sources and publicly available sources, and none of the Bank, its management, employees, advisers (including the Arrangers and Dealers) or other parties takes any responsibility, express or implied, for such information. In addition, none of such parties has taken any steps to verify the accuracy of any of the information presented below and no representation or warranty, express or implied, is made by any such party as to the accuracy or completeness of such information.

The Thai banking industry is comprised of financial institutions of varying sizes and functions, including domestic commercial banks, branches of foreign commercial banks, finance and credit foncier companies, asset management companies, securities companies and insurance companies (collectively, the “**Banking Institutions**”). Further, certain Government-owned or affiliated entities also provide retail and residential mortgage lending, lending for farms and farming co-operatives, industrial development funding and export/import lending and services.

Prior to the enactment of the Financial Institutions Business Act B.E. 2551 (2008), as amended (the “**FIBA**”), commercial banks and finance, securities and credit foncier companies were governed separately by the Commercial Banking Act B.E. 2505 (1962) and the Act on the Undertaking of Finance Business, Securities Business and Credit Foncier Business B.E. 2522 (1979), respectively. Financial institutions that fall within the ambit of the FIBA are commercial banks, retail banks, subsidiaries and branches of foreign banks, finance companies and credit foncier companies. The BoT is the regulator under the FIBA and the Ministry of Finance has the authority to grant or revoke licences granted to the financial institutions governed under the FIBA. For further information relating to FIBA and its provisions, see “*Supervision and Regulation*”.

The following table describes certain information regarding the key banks in Thailand by total assets as of 30 June 2023: Krung Thai Bank PCL (“**KTB**”), Bangkok Bank PCL (“**BBL**”), The Siam Commercial Bank PCL (“**SCB**”), KASIKORNBANK PCL (“**KBANK**”), Bank of Ayudhya PCL (“**BAY**”), TMBThanachart Bank PCL (“**ttb**”), TISCO Bank PCL (“**TISCO**”) and CIMB Thai Bank PCL (“**CIMBTH**”).

	As of 30 June 2023							
All figure in Baht billion (except NPL and CAR)	KTB	BBL	SCB	KBANK	BAY	ttb	TISCO	CIMBTH
<b>Statement of financial position</b>								
Total assets.....	3,610	4,486	3,440	4,268	2,698	1,822	274	497
Net loans <sup>(1)</sup> .....	2,427	2,452	2,292	2,337	1,936	1,313	221	239
Customer deposits.....	2,579	3,200	2,468	2,709	1,798	1,395	199	235
Book value <sup>(2)</sup> .....	387	521	465	516	355	224	40	47
Gross NPL ratio.....	3.11	2.90	3.25	3.20	2.31	2.63	2.20	3.10
<b>Capital</b>								
CAR (per cent).....	N/A	19.10	18.70	19.01	N/A	19.80	20.20	21.20
Tier 1 capital.....	N/A	477	419	467	N/A	N/A	N/A	N/A
Tier 2 capital.....	N/A	104	26	54	N/A	N/A	N/A	N/A
Total capital fund.....	N/A	581	446	521	N/A	N/A	40	58

Notes: Data is based on consolidated basis

- (1) Net loans is loans to customers plus accrued interest receivables and undue interest receivables minus allowance for expected credit losses.
- (2) Represents total equity attributable to equity holders of the Bank (excluding non-controlling interest).

Source: Company filings (audited financials used where available).

Historically, the business activities of each particular sector in the Thai banking and financial markets, such as commercial banking, finance and securities, have been segregated. This segregation had the effect of restricting competition from other sectors or from foreign entities. In recent years, however, the BoT and the Ministry of Finance have gradually deregulated domestic banking and financial markets with the goal of strengthening the overall market and developing Bangkok into a regional financial centre.

Since the early 1990s, the BoT has been implementing a series of deregulation measures through incremental changes that are designed to remove some of the barriers to competition and to permit banks and other financial services companies to offer a broader range of products and services. A number of these reforms are increasing competition for loan customers and deposit customers.

The reforms have been carried out through the implementation of the Financial Sector Master Plans. The Financial Sector Master Plan Phases I, II, and III were implemented from 2004 to 2008, 2010 to 2014, and 2016 to 2020, respectively.

Additionally, in continuation to the Financial Sector Master Plan Phase III, the BoT published the BoT's Consultation Paper on Financial Landscape in February 2022 to present key directions and guidelines for repositioning Thailand's financial sector into a new landscape, with the following main objectives:

- the financial sector leverages on technological advancement to drive innovation and provide inclusive financial services and consumer protection, in a level playing field and competitive environment;
- the financial sector facilitates businesses and households in the transition to a digital economy and helps them effectively manage environmental risks; and
- the financial sector is resilient to significant and new risk factors and able to contain systemic risks in rapidly changing environments without transmitting them to the system or consumers at large.

The three goals are intended to lead to improved financial services, greater access to finance and enhanced consumer protection. However, the policies and guidelines outlined in the consultation paper are preliminary and additional directional papers on specific policies will be issued to provide clarity on practical details.

After the publication of the consultation paper on financial landscape, the BoT also published a series of directional papers and policies on financial-landscape-related matters. These included the consultation paper on virtual bank licensing framework in January 2023 and the directional paper on sustainable solutions to Thailand's structural debt overhang problems in February 2023.

See "*Supervision and Regulation*" on the supervision and regulation of the Bank and the Thai banking industry.



## SUPERVISION AND REGULATION

### Regulation by the BoT and the Ministry of Finance

The Bank is regulated by the BoT, which was established in 1942 as the central bank of Thailand and is responsible for the implementation of domestic monetary policy. The BoT has historically been closely involved in the regulation of the domestic banking and finance industry in Thailand. Its principal functions are to (i) print and issue bank notes and other security documents, (ii) promote monetary stability and formulate monetary policies, (iii) provide banking facilities for the Government and financial institutions and act as the registrar for the government bonds, (iv) establish and support the establishment of payment system, (v) supervise and examine commercial banks and other financial institutions, (vi) manage the country's foreign exchange rate under the foreign exchange system and manage assets in the currency reserve, (vii) administer the exchange control and (viii) interact with international monetary organisations. The BoT is under the supervision of the Ministry of Finance and is governed by the Bank of Thailand Act B.E. 2485 (1942) as amended ("**Bank of Thailand Act**"). Currently, the following boards and committees have been established to implement the BoT's authority under the Bank of Thailand Act: (i) the Board of the BoT, (ii) the Monetary Policy Committee, (iii) the Financial Institutions Policy Committee and (iv) the Payment Systems Committee. The Bank of Thailand Act also provides for the establishment of the Audit Committee and the Financial Institutions Development Fund Committee to supervise the business of BoT and the FIDF, respectively. Other committees were also established to assist the Board of the BoT in meeting its duties and responsibilities.

The BoT and the Ministry of Finance are granted broad powers under the FIBA to regulate the activities of financial institutions (including commercial banking). The following discussion sets forth information with respect to significant commercial bank regulations in Thailand.

### Licensing and Limitation of Business Activities of Banks

Under the FIBA, commercial banking businesses, which are defined to include entities that take deposits and use such deposits by means of any method (for example, the lending, sale and purchase of bills of exchange or any negotiable instruments, or the sale and purchase of foreign currency), can only be conducted by domestic public limited companies or domestic branches of foreign banks that have obtained a licence from the Ministry of Finance. In addition, commercial banks are restricted from engaging in any business which is not incidental to their commercial banking business and, for example, are currently not able to engage directly or fully in equity underwriting and equity brokerage businesses (although commercial banks may engage in the business of dealing, underwriting and brokerage for debt instruments, sukuk, investment units and trust certificates). However, due to the implementation of the Financial Sector Master Plan, commercial banks are allowed to conduct a broader range of activities, including the holding of shares in securities companies or asset management companies or the promotion of banks operating universal banking businesses.

Commercial banks are also subject to a number of other restrictions on the operations of their business. In particular, commercial banks may not (i) reduce their capital without approval from the BoT, (ii) grant any credits to, or guarantee debts of, directors and certain related persons (except for transactions that meet the requirements of the FIBA and the BoT regulations), (iii) accept their own shares as security or accept shares of a commercial bank from any other commercial bank as security, (iv) purchase or permanently hold fixed properties (except for use as premises for their commercial banking business or facilities for their officers as approved by the BoT, or acquired as a result of a debt settlement or a guarantee in respect of credit granted or as a result of the purchase of a fixed property mortgaged to the commercial bank at an auction according to an order of a court or an official receiver), (v) hold more than 10.0 per cent. of the equity securities of any company or hold shares at an aggregate value exceeding the ratio to the total capital funds as prescribed in the BoT regulations without the approval of the BoT, (vi) hold shares in any other commercial banks (except shares acquired as a result of a debt settlement or as a guarantee in respect of credit granted, which must be sold within six months from the date of acquisition, or those permitted by the BoT), (vii) pay money or give property to their directors, employees or staff in return for any actions or operations as commercial banks except those which are paid or given as salary or other usual remuneration or (viii) sell or give property to any director and certain related persons in total amount in excess of the amount stipulated by the BoT, or purchase property from the aforementioned persons unless approved by the BoT.

The BoT is given broad power to regulate a number of other aspects of the operations of commercial banks, such as opening hours, deposit interest rates, loan interest rates and fees chargeable, rules and procedures for accepting deposits or lending money, and other matters. Pursuant to this authority, the BoT had previously set maximum commercial deposit and lending interest rates. Currently, the BoT gives banks flexibility to set their own interest lending and deposit rates, provided that such interest rates must be announced in accordance with the BoT regulations.

In addition, the BoT has also issued a new three-year strategic plan (2020-2022) which aims to navigate the BoT's operations in a rapidly changing environment and to strengthen the resilience of Thailand's financial and economic system to meet future challenges and to help promote inclusive and sustainable growth of the Thai economy. From February 2022, the BoT also published a series of directional papers and policies for the further development in Thailand's financial services, access to finance, and consumer protection. See "*The Thai Banking Industry*".

### **Consolidated Supervision of Financial Institutions in Thailand**

In accordance with the Financial Institutions Business Act B.E. 2551 (2008), as amended (the "FIBA"), a financial business group may be established under any of the following structures: (i) a financial business group having a financial institution as its parent company and (ii) a financial business group having a parent company that is not a financial institution, but having at least one financial institution as its subsidiary.

The BoT systematically supervises commercial banks in Thailand through a consolidated supervision regime. Under such regime, a financial business group of a commercial bank, which consists of the commercial bank itself and other affiliated companies undertaking any financial business or any business supporting financial business, is regulated and supervised by the BoT in accordance with the FIBA and the relevant rules and regulations issued thereunder. A commercial bank that is the parent company also has certain duties and obligations with respect to each member of its financial business group.

Under the consolidated supervision of the BoT, a commercial bank is required to obtain approval from the BoT to establish its financial business group or to set up a subsidiary. In addition, any subsequent change to the structure of a financial business group must also be approved by or reported to the BoT in accordance with the BoT's regulations. Each company within a financial business group can only conduct its financial business or other supporting businesses as prescribed and approved by the BoT.

The consolidated supervision regime categorizes financial business groups into two levels according to business operations and relationships with financial institutions, with varying degrees of regulations. These categories are: (i) the "Solo-Consolidation" group, which includes a financial institution and any of its subsidiaries in which at least 75 per cent. of such subsidiary's total shares issued are held directly by the financial institution and such subsidiary's business consists of granting credit and credit-like transactions, or where such subsidiary has characteristics as prescribed under the regulations of the BoT (if any); and (ii) the "Full Consolidation" group, which includes a financial institution and its parent company, subsidiaries and affiliated companies within the financial business group.

The Full Consolidation group and the Solo-Consolidation group of a commercial bank are required to maintain a capital adequacy ratio in an amount proportionate to the total risk-weighted assets of all members of the financial business group in order to address credit risks, market risks and operational risks, in accordance with the BOT Notification No. Sor.Nor.Sor.11/2562 Re: Regulations on Capital Funds Requirements for Financial Business Groups dated 7 May 2019 and effective on 1 January 2020. A financial business group is required to maintain at the end of each day a total minimum capital ratio not less than 8.5 per cent. of the total risk-weighted assets, provided that the Common Equity Tier 1 ratio must not be less than 4.5 per cent. and Tier 1 ratio (which consists of Common Equity Tier 1 and Additional Tier 1) must not be less than 6.0 per cent. of the total risk-weighted assets, similar to the requirement applicable to commercial banks registered in Thailand on a solo basis. In addition, all D-SIBs financial business groups will also be required to comply with the BoT's requirements concerning capital conservation buffer, countercyclical buffer and D-SIBs buffer as discussed above.

A commercial bank (as the parent company in its financial business group) has the following duties and responsibilities in respect of the group: (i) setting up the business policy and strategy for its financial business group and filing a report thereof to the BoT annually or upon any substantial change to such policy or strategy, within the period of time prescribed by the BoT; (ii) setting up policies on risk management, including business continuity management, monitoring and a supervisory system as prescribed by the BoT; (iii) controlling and supervising the members of its financial business group to comply with the applicable rules and regulations of the BoT and the policies established by the parent company; (iv) providing financial support to the members of its financial business group as necessary to implement the group's business strategy or to ensure that members of its financial business group comply with the capital requirements as required by the BoT; (v) notifying the BoT within the period of time prescribed by the BoT of any event that may incur a material adverse risk on the financial business group, in particular, its status and reputation, such as where the credit rating of the parent company is downgraded; and (vi) maintaining and preparing the information on each member of the financial business group individually and collectively as a group as appropriate to enable the BoT to inspect its operations.

Under the FIBA, the BoT is authorized to appoint bank inspectors for the purpose of inspecting the affairs, assets and liabilities of any commercial bank, its parent company, subsidiaries or affiliates, and members of the financial business group as well as debtors and related persons of such commercial bank. These inspectors are authorized to order directors, auditors and employees to testify and issue books, records or other evidence on the affairs, assets and liabilities of the commercial bank, and are permitted to enter premises of a commercial bank during working hours.

### **Liquidity Coverage Ratio**

On 27 May 2015, the BoT issued the BoT Notification No. 9/2558 to implement Basel III: The Liquidity Coverage Ratio and liquidity risk monitoring tools (January 2013). Under the BoT Notification No. 9/2558, which took effect on 1 January 2016, a Thai commercial bank must have an adequate stock of HQLA that can be converted into cash easily and immediately at little or no loss of value to meet its total net cash outflows over a 30-day period under the prescribed liquidity stress scenario. To ensure that the LCR is introduced without disruption to the banking systems, the minimum requirement began on 1 January 2016 at 60.0 per cent., and increased in equal annual steps of 10 percentage points to reach 100.0 per cent. on 1 January 2020.

### **High Quality Liquid Assets**

The numerator of the LCR is the stock of HQLA. In order to qualify as HQLA, assets should be converted into cash at little or no loss of value in secondary markets during a time of stress, especially in a situation of severe stress by way of sale or repurchase transaction (repo). Two main characteristics are considered in determining whether an asset is qualified as HQLA: (1) fundamental characteristics (i.e., low risk, ease and certainty of valuation, low correlation with risky assets and listed on a developed and recognised exchange); and (2) market-related characteristics (i.e., active and sizable market, low volatility and flight to quality).

Certain types of assets within HQLA are subject to a range of haircuts as set out by the BoT. HQLA are comprised of Level 1 and Level 2 assets, and Level 2 assets are, in turn, comprised of Level 2A and Level 2B assets.

Level 1 assets comprise the following items:

- cash in any currency;
- central bank deposits and reserves in any currency;
- debt instruments representing claims on or guaranteed by sovereigns, central banks, public sector entities, state-owned enterprises, the Bank for International Settlements, the International Monetary Fund, the European Central Bank and European Community, or multilateral development banks which are assigned a risk-weight of zero per cent. under the Standardised Approach for credit risk, excluding debt instruments issued by financial businesses, such as commercial banks and their affiliated entities; and
- debt instruments representing claims on or guaranteed by the Government or the BoT and debt instruments representing claims on sovereigns or central banks that have a non-zero per cent. risk-weight and satisfy other conditions set out under the BoT Notification No. 9/2558, excluding debt instruments issued by financial businesses.

Level 2A assets comprise the following items:

- debt securities representing claims on or guaranteed by sovereigns, central banks, public sector entities, state-owned enterprises, or multilateral development banks which are assigned a risk-weight of 20.0 per cent. under the Standardised Approach for credit risk and satisfy other conditions set out under the BoT Notification No. 9/2558, excluding debt instruments issued by financial businesses;
- corporate debt instruments which are assigned a credit rating of AA- or higher and satisfy other conditions set out under the BoT Notification No. 9/2558, excluding debt instruments issued by financial businesses;
- promissory notes issued by the Ministry of Finance;
- unsecured debt instruments that are issued by Thai state-owned enterprises or specialised financial institutions which the issuer or the debt instrument is assigned a credit rating of A or higher or the issuer has the business operation that is assigned “normal” pursuant to rules prescribed by State Enterprise Policy Office and satisfy other conditions set out under the BoT Notification No. 9/2558; and

- covered bonds not issued by the relevant commercial bank or its affiliated entities which are assigned a credit rating of AA- or higher and satisfy other conditions set out under the BoT Notification No. 9/2558.

Level 2B assets comprise the following items:

- debt securities representing claims on or guaranteed by sovereigns, central banks, public sector entities, state-owned enterprises, or multilateral development banks which are assigned a risk-weight of 50.0 per cent. under the Standardised Approach for credit risk and satisfy other conditions set out under the BoT Notification No. 9/2558, excluding debt instruments issued by financial businesses;
- corporate debt instruments which are assigned a credit rating of A to A+ and satisfy other conditions set out under the BoT Notification No. 9/2558, excluding debt instruments issued by financial businesses; and
- bills of exchange or promissory notes issued by Thai specialized financial institutions.

Level 2 assets may not in aggregate account for more than 40.0 per cent. of the commercial bank's stock of HQLA, and Level 2B assets may not account for more than 15.0 per cent. of the commercial bank's total stock of HQLA, after the application of required haircuts, and after taking into account unwinding prescribed transactions. In addition, the BoT Notification No. 9/2558 restricts that the debt instruments that may qualify as liquid assets must be "plain-vanilla" instruments and must not be subordinated debt.

### ***Total Net Cash Outflows***

The denominator of the LCR is the total net cash outflows. It is defined as total expected cash outflows, minus total expected cash inflows, in the specified stress scenario for the subsequent 30 calendar days with a condition that the total cash inflows are subject to an aggregate cap of 75.0 per cent. of the total expected cash outflows.

Total expected cash outflows are calculated by multiplying the outstanding balances of the following categories or types of liabilities and off-balance sheet commitments by the rates at which they are expected to run off or be drawn down as set out under the BoT Notification No. 9/2558:

- retail deposits and borrowings;
- unsecured wholesale funding;
- secured funding;
- contractual obligations; and
- non-contractual obligations.

Total expected cash inflows are calculated by multiplying the outstanding balances of the following categories of contractual receivables by the rates at which they are expected to flow in as set out under the BoT Notification No. 9/2558:

- secured lending;
- fully performing loans; and
- other contractual cash inflows.

### **Net Stable Funding Ratio**

On 9 February 2018, the BoT announced the BoT Notification No. 1/2561 which implements Basel III: The Net Stable Funding Ratio (NSFR), which came into effect on 1 July 2018. This BoT notification requires commercial banks to measure their liquidity adequacy over a period of one year and to maintain a stable available source of funds (ASF) that matches the assets and other contingents that require stable funding (RSF). Commercial banks must maintain an NSFR of at least 100.0 per cent. The commercial banks must submit reports on their NSFRs to the BoT on a quarterly basis.

### ***Available Stable Funding (ASF)***

The numerator of the NSFR is the ASF, which is the amount of liabilities and capital expected to be stable for a commercial bank over a one year period. Total ASF is the sum of the weighted amount of liabilities and capital, multiplied by the ASF factors set out in the BoT Notification No. 1/2561. These ASF factors depend on relevant factors that reflect the stability of such funding, such as the type of funding source, the maturity of the funding source, and the type of counterparty.

### ***Required Stable Funding (RSF)***

The denominator of the NSFR is the required stable funding (RSF) which is the amount of available stable funding a commercial bank is required to have in order to match assets that would have to be funded because they will be rolled over or could not be converted into cash rapidly without a significant change in the value and the off-balance sheet exposures that will have to be paid to the counterparty over a one year period. Total RSF is the sum of the weighted amount of assets and off-balance sheet exposures multiplied by the RSF factors set out in the BoT Notification No. 1/2561. These RSF factors depend on relevant factors that reflect the liquidity risk profile of the bank's assets and off-balance sheet exposures, such as the type of asset, asset tenor, the type of counterparty and the liquidity value of the associated assets.

### **Reserve Requirement**

In conjunction with the implementation of the BoT Notification No. 9/2558 Re: The Liquidity Coverage Ratio (LCR) Requirement, the BoT also requires that commercial banks must comply with the reserve requirement set out under the BoT Notification No. SorKorNgor. 56/2558 Re: The requirements for commercial banks on the maintenance of reserve balances at the Bank of Thailand (Reserve Requirement) dated 21 September 2015. With effect from 6 January 2016, a commercial bank must maintain deposits in a current account (excluding money received in advance under Payment System Act, as clarified in the BOT Notification No.SorKorNgor 49/2563 Re: Regulations on reserve requirement) opened with the BoT of at least 1.0 per cent. of the aggregate amount of deposits and borrowings which comprise of: (i) all types of deposits, (ii) borrowings through the issuances of bills of exchange and promissory notes (with certain exceptions of types of the bills and promissory notes as prescribed by the BoT), (iii) foreign borrowings that will become due within one year from the date of borrowing and foreign borrowings that are puttable or callable within one year from the date of borrowing (with certain exceptions of borrowings as prescribed by the BoT) and (iv) borrowings with embedded derivatives ((i) – (iv) collectively, the “**Borrowings**”) based on the fortnightly average of the total daily Borrowings during the previous fortnight (holidays included), as the case may be. If the commercial bank has cash at a cash center (excluding money received in advance under Payment System Act, as clarified in the BOT Notification No.SorKorNgor 49/2563 Re: Regulations on reserve requirement), it may combine the cash at a cash center with deposits in a current account opened with the BoT at the portion of cash at a cash center no more than, on average, 0.2 per cent. of the average sum of the Borrowings.

During a period of financial stress as prescribed in the BoT Notification No. 9/2558, the BoT may, on a case-by-case basis, permit a commercial bank to maintain its deposits with the BoT and cash at the central cash centre below the thresholds. In doing so, the BoT may require the commercial bank to submit a plan for the situation and may impose additional conditions on the commercial bank. A commercial bank's failure to comply with the reserve requirement may also result in the BoT's rejection to transact with the commercial bank.

### ***Capital Adequacy Requirements***

The FIBA provides that a bank must maintain its capital funds in proportion to its assets, liabilities, contingent liabilities or any risks in accordance with regulations published by the BoT. Under Basel III, the BoT, with effect from 1 January 2013, required commercial banks registered in Thailand to maintain a minimum ratio of total capital to risk weighted assets of not less than 8.5 per cent., provided that its Common Equity Tier 1 and Tier 1 (which consists of Common Equity Tier 1 and Additional Tier 1) ratios are at least 4.5 per cent. and 6.0 per cent., respectively.

Common Equity Tier 1 capital includes (i) paid-up capital (including share premiums and money that commercial banks receive from the issuance of warrants for the purchase of the bank's common shares, other than preferred shares) with characteristics as prescribed by the BoT's regulation, (ii) legal reserves, (iii) reserve funds obtained from the allocation of net profit in accordance with the resolution of the shareholders' meeting or the bank's articles of association at the end of the accounting period (other than reserve funds for depreciation of assets and for debt repayment), (iv) remaining net profit after appropriation in accordance with the resolution of the shareholders' meeting or the bank's articles of association, and (v) other equity, which consists of accumulated other comprehensive income and other owner changes (including capital surplus (deficit) from merging business).

Additional Tier 1 includes (i) proceeds derived from the issuance of non-cumulative preferred shares and warrants of such preferred shares, (ii) proceeds derived from the issuance of subordinated debt instruments (which are subordinated to depositors, general creditors and subordinated debt of the bank including holders of debt instruments which are considered as Tier 2 capital), and (iii) premium (shortfall) resulting from the issue of instruments described in (i) and (ii) above).

Tier 2 capital includes (i) proceeds received from the issuance of cumulative preferred shares and warrants of such preferred shares, (ii) proceeds derived from the issuance of subordinated debt instruments (which are subordinated to depositors and general creditors), (iii) premium (shortfall) resulting from the issue of instruments described in (i) and (ii) above, and (iv) general provision and surplus of provisions.

Besides the minimum capital requirement, in line with Basel III framework, additional capital buffers were introduced with a view to strengthening the stability of the financial institution system. The BoT Notification Sor.Nor.Sor. 12/2555 also requires that on 1 January 2020, commercial banks registered in Thailand must increase, in the form of capital conservation buffer, their Common Equity Tier 1 ratio originally from 4.5 per cent. to more than 7.0 per cent., Tier 1 ratio originally from 6.0 per cent. to more than 8.5 per cent. and total capital ratio originally from 8.5 per cent. to more than 11.0 per cent. of the total risk-weighted assets. Furthermore, according to the BoT Notification Sor.Nor.Sor. 17/2560 Re: Names of Domestic Systemically Important Banks dated 31 August 2017 (the “BoT Notification No. 17/2560”), the BoT designated the Bank as a D-SIB. Pursuant to the BoT Notification Sor.Nor.Sor. 16/2560 Re: Guidelines on Designation and Supervision on Domestic Systemically Important Banks dated 31 August 2017 (the “BoT Notification No. 16/2560”), on 1 January 2020, a D-SIB must maintain one percentage point of its Common Equity Tier 1 capital ratio in addition to the minimum capital adequacy ratio, the conservation buffer and the countercyclical buffer (if any) (the “Higher Loss Absorbency”). Additionally, D-SIBs are also subject to other supervisory measures set out under the BoT Notification No. 16/2560. For example, a D-SIB must regularly submit its internal management reports and risk reports to the BoT. The D-SIB must also arrange for its board of directors to consider audit reports prepared by the BoT.

This capital conservation buffer requirement and Higher Loss Absorbency for D-SIBs will apply to financial business groups of commercial banks established under the FIBA as well. Banks that cannot meet the aforementioned capital buffers will be constrained by earning distribution restrictions (i.e., on dividend payouts, discretionary bonus payments, share buybacks, etc.) in proportion of a shortfall of capital ratios.

### **Loan Classifications**

The FIBA gives the BoT broad power to require banks to classify and provide for or write-off non-performing assets.

The BoT Notification No. Sor.Nor.Sor. 23/2561 Re: Regulations on Asset Classification and Provisioning of Financial Institutions dated 13 December 2018 requires loan classification for commercial banks in Thailand to comply with the Thai Financial Reporting Standards (TFRS) which apply to commercial banks starting 1 January 2018. Under these regulations, commercial banks will be required to classify their loans into three categories: non-performing, under-performing and performing. The classification of loans must be conducted on an account-by-account basis, provided that those accounts whose cash inflows are related are classified in the same category. Commercial banks are also required to write off their loan portfolios which cannot be expected to be repaid by debtors in accordance with the applicable accounting standard. Non-performing and underperforming loans require reserves of lifetime expected credit losses, while performing loans require reserves of the 12-month expected credit losses. Lifetime expected credit losses are to be calculated in accordance with details as prescribed in the BoT’s regulations.

### **Internal Independent Credit Review**

The BoT’s regulations also require each bank to perform credit reviews at least once every calendar year on credit exposures, including credit-like transactions and contingent liabilities. In accordance with BoT’s Notification No.1121/2563 dated 15 October 2020, Re: Policy Statement on Bank’s Credit Review, the BoT sets out the principle-based approach to credit reviewing, with the credit review scope to be based on the FI’s assessment of the credit risk profile of its loan portfolio, and appropriate statistical models, covering all customer loan groups, including normal performing loans, under-performing loans, non-performing loans, new loan customers, customers with early warning signs, and restructured loans, including loan with write-offs.

Each bank is required to prepare and present its annual credit review plan to the board of directors or other properly delegated committee for approval, and to make available the approved plan at the office of the bank for the BoT’s inspection.

Each bank must also make quarterly progress reports to the board of directors or other properly delegated committee, including details of any problems or difficulties encountered during the credit review process.

## Tax Effects of Provisions for Corporate Income Tax Purposes

The Thai Revenue Code allows a commercial bank to consider any provision for loan loss (bad debts or doubtful debts) that the bank sets aside in accordance with the legal requirements of the BoT, in excess of that set aside by the bank during the previous accounting period as presented in its statement of financial position, as its expenses are deductible from its profit in calculation of its net profit for tax purposes.

## Single Lending Limits

The BoT requires the amount of money that a financial institution, except a retail bank, grants credits to, makes investment in the business of, or undertakes contingent liabilities or credit-like transactions with any person or several persons in any project or for the same purpose and any related person of such person above, at the end of any one day shall not exceed 25 per cent. of the capital fund of such financial institution. In addition, companies within a financial business group (excluding a financial business group of a retail bank) can lend to, invest in, enter into contingent liabilities or credit-like transactions with a particular person, or several persons under a particular project, or for a particular purpose, at the end of the day, no more than 25 per cent. of the full consolidated capital fund, unless relaxation is granted by the BoT on a case-by-case basis.

## Guidelines on Supervision of Venture Capital Business

The BoT requires that companies within a financial business group must not exceed 5 per cent. of the financial business group's fully consolidated capital in granting credit to, investing in, entering into contingent liabilities or credit-like transactions with

- (1) other entities in which the venture capital subsidiaries invests in more than 10 per cent. of the paid up shares of that company; and
- (2) all subsidiaries of the entities as specified in (1)

Exemptions can be granted by the BoT on a case-by-case basis. In requesting an exemption, the parent company shall submit an exemption request to the Financial Institution Applications Department, Financial Institutions Policy Group, Bank of Thailand.

## Related Lending Limit

A financial institution is prohibited from granting credit to, investing in, or undertaking contingent liabilities or other transactions that are similar to granting of credits to:

- a shareholder holding more than 5.0 per cent. of total shares issued by the financial institution (the “**Major Shareholder**”) or any related person of such person; or
- a company in which it or its director, its management or any related person of such person holds shares in aggregate more than 10.0 per cent. of the total shares issued by such company (the “**business with interest concerned**”),

either one or several transactions in aggregate amounts thereof, for each party at the end of each day, in excess of the lowest amount of the following thresholds:

- (i) 5.0 per cent. of the total capital of the financial institution; or
- (ii) 25.0 per cent. of total liabilities of such counterparties

However, these restrictions shall not apply to (a) granting credits or undertaking contingent liabilities or credit-like transactions in any governmental authority or the FIDF, (b) granting credits, investing or undertaking contingent liabilities or credit-like transactions in any company in which a governmental authority or the FIDF holds shares in excess of 10.0 per cent. of total shares sold, or in any juristic person over which a governmental authority has direct or indirect power of control, (c) granting credits, investing or undertaking contingent liabilities or credit-like transactions in mutual funds established by a governmental authority, (d) granting credits or undertaking contingent liabilities or credit-like transactions with full collateral in the form of cash, deposits at that financial institution, bills of exchange issued by that financial institution, Thai Government Securities that are free from any encumbrance and negotiable, or securities issued by the FIDF, (e) granting credits, investing or undertaking contingent liabilities or credit-like transactions with any business with interest concerned that results from debt restructuring, where financial institutions, major shareholders, or any business with beneficial interest did not have any beneficial interest prior to the debt restructuring, and (f) undertaking contingent liabilities under derivatives contracts with the parent company, other subsidiaries with the same parent company, or affiliated company located overseas of that financial institution for the purpose of risk management on derivatives transactions undertaken with other persons.

## **Foreign Exchange Positions**

The BoT requires a commercial bank to maintain at the end of each day (i) a net open position in each currency equivalent to the U.S. dollar in proportion to its capital fund at a rate not more than 15.0 per cent. of such bank's capital or U.S.\$5 million, whichever is higher, and (ii) an aggregate position equivalent to the U.S. dollar in proportion to its capital fund at the rate not more than 20.0 per cent. of such bank's capital or U.S.\$10 million, whichever is higher.

## **Financial Institutions Development Fund (FIDF)**

The Financial Institutions Development Fund (FIDF), which is part of the Bank of Thailand (BoT) with a separate legal entity, was established in 1985 as a channel to provide financial assistance to troubled financial institutions, contain financial damages and mitigate the threat to stability of the financial institution system. The FIDF played vital roles in bailing out cash-strapped financial institutions during the 1997 financial crisis in addition to its usual responsibilities in guaranteeing full repayment to depositors and creditors of financial institutions to maintain public confidence and financial institution system stability.

Under Article 19 of the Bank of Thailand Act (No. 4) B.E. 2551 (2008), the FIDF is required to financially assist insolvent financial institutions. Such financial assistance must be approved by the government and the government will absorb the cost of assistance, if any, to FIDF. In light of the COVID-19 pandemic, the mandatory contributions from financial institutions to the FIDF have been temporarily reduced from 0.46 to 0.23 per cent. per annum from 2020 to 2022. The mandatory contribution rate of 0.46 per cent. per annum applies again from 1 January 2023.

## **Deposit Protection Agency (DPA)**

The Deposit Protection Agency is a government organization established under the Deposit Protection Agency Act in order to provide protection to depositors of financial institutions, especially small depositors, who make up the majority of depositors and who may not have access to sufficient financial information. In case a particular insured financial institution fails, reimbursement shall be made to insured depositors under the stipulated amount of coverage within a certain period of time. Deposits exceeding the coverage amount shall be claimed from the liquidation process. The mandatory contributions to the Deposit Protection Fund are paid twice a year at 0.01 per cent. per annum of average deposits of insured accounts.

In accordance with the Deposit Protection Agency Act, the Deposit Protection Agency covers the repayment of principal of and interest on qualifying deposits, subject to the conditions stipulated therein. Pursuant to the Royal Decree on Coverage of Insured Deposits B.E. 2559 (2016) and the Royal Decree Prescribing Amount of Deposits to be Protected in General, B.E. 2563 (2020), the coverage amount from 11 August 2021 is the lesser of the deposit amount and Baht 1 million per bank per depositor.

## **Financial Institutions as Escrow Agents**

The Escrow Act B.E. 2551 (2008) (the “**Escrow Act**”) came into effect on 20 May 2008 to regulate the escrow business in Thailand. Pursuant to the Escrow Act, any financial institutions wishing to operate an escrow business must obtain a license from the Ministry of Finance. Financial institutions have to inform the BoT of their escrow business with evidence of their Escrow Agent license within 30 days after obtaining such license. Financial institutions are required to have a policy which covers the details as prescribed by the BoT's regulation. In addition, financial institutions have to comply with related laws and regulations, including additional regulations that BoT may announce in the future.

## **Remedies**

The BoT has broad powers to enforce the FIBA and related regulations, including, in certain circumstances, the power to appoint inspectors, suspend operations of a bank, remove directors, adjust its registered capital, levy fines and revoke banking licences. In addition, upon receipt of a report from a banking inspector that indicates that the condition of a commercial bank may cause serious damage to the public interest, the BoT may, for instance, order such commercial bank to fix its operations, increase and/or decrease its share capital or cease to operate. In the event that the BoT exercises its power to order the cessation of a commercial bank's operations, it will recommend the Ministry of Finance to revoke the operating licence of such commercial bank.

In the event that the BoT exercises the power to place a commercial bank under control (for example, when the commercial bank's reserve capital falls below 60.0 per cent. of the required threshold), the BoT will appoint a control committee that will be responsible for all operations of such bank. If the control committee determines that that bank



is unable to continue its operations, the BoT may order the cessation of business and recommend the Ministry of Finance to revoke the operating licence of such commercial bank.

### **Disposal and Foreclosure**

Under Thai law, Thai commercial banks must dispose of foreclosed or surrendered real estate within five years of acquisition, except in certain cases. However, the BoT has granted extensions of up to ten years for assets acquired during the period of 1 January 1996 to 31 December 2004 and the real estate acquired by commercial banks during the period of 1 January 2005 to 31 December 2006 as a result of the debt restructuring of the debtors classified as sub-standard, doubtful, doubtful of loss and loss asset prior to 1 January 2005.

An additional five-year extension may be available only if:

- the book value or the appraisal price (whichever is lower) of the foreclosed or surrendered real estate held by the bank, when aggregated with that held by all asset management companies which are subsidiaries of the bank, does not exceed 10.0 per cent. of the capital fund of the Solo-Consolidation group; or
- the book value or the appraisal price (whichever is lower) of the foreclosed or surrendered real estate held by the bank, when aggregated with that held by all asset management companies which are subsidiaries of the bank, does exceed 10.0 per cent. of the capital fund of the Solo-Consolidation group, provided that the bank must meet the reserve requirements for such foreclosed real estate as specified by the BoT.

### **Requirements on Recovery Plan**

The BoT Notification No. Sor.Nor.Sor. 16/2561 Re: Requirement on Preparation of Recovery Plan dated 8 June 2018 requires commercial banks in Thailand to draft recovery plans to prepare for possible financial difficulties and restore their viability in a timely manner during periods of financial distress. Recovery plans should be fully aligned with the commercial banks' risk management framework, and structures and characteristics. The commercial banks are expected to set up a governance framework that promptly detects a stress situation and operates swiftly and smoothly in a crisis. The recovery plans should outline a wide range of credible and feasible recovery options to restore viability. To identify and react to critical situations, the commercial banks should monitor a range of indicators or recovery triggers reflecting, at a minimum, their capital, liquidity and asset situation. The recovery plans should also include an escalation process, consisting of data management and report procedures, to be implemented if one or more of these indicators is breached. Finally, the recovery plans should be tested under theoretical scenarios and include the commercial bank's communications strategy for addressing crises. The commercial banks' management bodies are responsible for preparing and maintaining such recovery plans and ensuring that they are updated annually or when there is a substantial change, so that the recovery plans can be used in crisis situations. Having been designated as one of the D-SIBs, the Bank was required to submit its first recovery plans by June 2019. Subsequent to this initial submission, the Bank is required to review the recovery plans at least once a year and submit recovery plans approved by its Board of Directors every June to the BoT. The Bank has duly complied with this annual submission requirement of its recovery plans.

### **Data Protection and Privacy**

Thailand's first consolidated data protection law, namely the Personal Data Protection Act B.E. 2562 (2019) (the "PDPA"), which became effective on 1 June 2022, sets out the legislative regime for personal data protection on collecting, using, disclosing and/or transferring personal data.

The PDPA generally applies to any person or juristic person in Thailand (including commercial banks) who collects, uses, discloses and/or conducts cross-border transfers of personal data of a data subject. The PDPA also has extraterritorial applicability and applies to any person or juristic person outside of Thailand who collects, uses, and/or discloses personal data of a data subject residing in Thailand under certain conditions.

Commercial banks in Thailand are generally subject to the PDPA as data controllers due to the nature of the banking business, as they constantly collect, use, disclose and/or conduct cross-border transfers of personal data of their customers for their business operations. Commercial banks may also be deemed data processors based on certain data processing activities. The PDPA sets out definitions of the terms "data controller" and "data processor", and "data controller" and "data processor" are each subject to different requirements under the PDPA.

In the event that commercial banks are deemed to be data controllers, they are obliged to ensure that their practices are in line with the duties stipulated under the PDPA. Such duties include: establishing an appropriate legal basis for the collection, use, disclosure, and/or cross-border transfer of personal data; obtaining consent from the data subject (when consent is required and other legal bases cannot be relied on); notifying the data subject of the required

information; enabling the data subject to exercise their data subject rights and respond to their requests; ensuring the accuracy and completeness of the personal data in its possession; providing appropriate security measures; entering into a data processing agreement with its data processors; complying with cross-border transfer mechanisms; implementing an examination system for the deletion or destruction of the personal data upon the expiration of the relevant retention period when personal data is irrelevant or beyond the necessary purpose for which it was collected or when the data subject has requested for such deletion or destruction; notifying the Personal Data Protection Committee (“**PDPC**”) and/or data subject if a data breach occurs; designating a data protection officer and/or representative (if applicable); and maintaining records of processing activities. In the event that commercial banks are deemed data processors, they must strictly follow the responsibilities of the data controller, provide appropriate security measures, notify the data controller if a data breach occurs, designate a data protection officer and/or representative (if applicable), and maintain records of processing activities.

In relation to cross-border transfers of personal data to recipients located outside of Thailand, the PDPA does not impose any data localization requirements for personal data to be retained only in Thailand and allows personal data to be transferred internationally, subject to certain conditions and derogations that must be met. Under the PDPA, there are three derogations for the cross-border transfer of personal data, which are: (a) the destination country possesses adequate data protection standards (to be further prescribed by the PDPC), except in certain circumstances (e.g., where the transfer is for the purpose of complying with legal obligations, or made with the data subject’s consent, or for the purpose of complying with contractual obligations); (b) the cross-border transfer relies on a data protection policy for intra-group cross-border data transfers (i.e., binding corporate rules) (to be further prescribed by the PDPC); and (c) the cross-border transfer relies on appropriate safeguard measures (to be further prescribed by the PDPC).

Any violation or non-compliance with the PDPA may result in civil liability, criminal liability and administrative liability as specified under the PDPA.

## SUMMARY OF SIGNIFICANT DIFFERENCES BETWEEN TFRS AND IFRS

The Bank prepared audited, consolidated financial statements in accordance with TFRS and guidelines promulgated by the Thailand Federation of Accounting Professions, the applicable rules and regulations of the Thai SEC, the SET and the BoT, including the BoT's Notification No. Sor.Nor.Sor. 21/2561 directive dated 14 December 2018 regarding "the preparation and announcement of the financial statements of commercial banks and holding companies which are a parent company of a group of companies offering financial services" as well as other supplementary BoT notifications. Effective 1 January 2022, TFRS has been aligned with IFRS (Bound Volume 2022).

For the purposes of this Offering Circular, the Bank has provided below a summary of the significant differences between TFRS and IFRS.

The differences identified below are limited to those significant differences that are appropriate to the Bank's financial statements. However, they should not be construed as being exhaustive. Furthermore, no attempt has been made to identify future differences between TFRS and IFRS as a result of prescribed changes in accounting standards nor to identify all future differences that may affect the Bank's financial statements.

References to IFRS and International Accounting Standards (the "IAS") relate to those effective for accounting periods beginning on or after 1 January 2016. The International Accounting Standards Board currently has a significant number of projects underway in connection with their work programme which may change the information provided below.

### *Insurance Contracts*

IFRS 17 introduces the new measurement model which consists of fulfillment cash flows and a contractual service margin. The fulfillment cash flows represent the risk adjusted present value of the insurer's rights and obligations to the policyholders, comprising estimates of expected cash flows, discounting, and an explicit risk adjustment for non-financial risk. The contractual service margin represents the unearned profit from in-force contracts that the Subsidiary will recognise as it provides services over the coverage period. The contractual service margin is earned based on a pattern of coverage units, reflecting the quantity of benefits provided. The simplified approach may be chosen to adopt when certain criteria are met.

TFRS permits the Subsidiary to utilize established local methodologies for the measurement and disclosure of insurance contracts. The Subsidiary assesses and measures insurance contract liabilities, comprising: (1) Long-term technical reserves representing liabilities for contractual benefits and claims that are expected to be incurred in the future; these are recognised upon premium recognition and released upon claim occurrence, and (2) Provision for loss reserves and outstanding claims, which reflect estimated costs of all claims notified but not settled at the reporting date. The Subsidiary is required to perform liability adequacy testing by comparing the aggregated best current estimate of future contractual cash flows by using current assumptions with the aggregated carrying amount of gross insurance contract provisions. The Subsidiary recognises premium written as revenue when premium is received and insurance policy is approved, and recognises benefit payments and insurance claims as expenses when incurred or approved.

## TAXATION

*The statements herein regarding taxation are based on the laws in force as at the date of this document and are subject to any changes in law occurring after such date, and such changes could be made on a retroactive basis. The following summary does not purport to be a comprehensive description of all of the tax considerations that may be relevant to a decision to purchase, own or dispose of the Notes and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers or certain professional investors) may be subject to special rules. Investors should consult their own tax advisers regarding the tax consequences of an investment in the Notes.*

### THAI TAXATION

This summary contains a description of the principal Thai income tax consequences of the purchase, ownership and disposition of the Notes by an individual or corporate investor who is not resident in Thailand for tax purposes (referred to as “**non-resident individual holders**” and “**non-resident corporate holders**”, respectively, and together as “**non-resident holders**”). It does not purport to be a comprehensive description of all of the tax considerations that may be relevant to a decision to purchase Notes. The summary is based upon the tax laws of Thailand in effect on the date of this Offering Circular.

#### Income Tax

##### *Non-resident Individual Holders*

In considering whether the individual holder is a tax resident of Thailand, Thai law does not look at the nationality of such individual holder, but will determine whether the holder has resided in Thailand at one or more times for a period equal in the whole to 180 days in any tax year.

##### *Interest or Distribution*

Interest or Distribution in respect of the Notes paid from or within Thailand to a non-resident individual holder is generally subject to a 15.0 per cent. withholding tax, unless (a) the terms and conditions of an applicable double taxation agreement between Thailand and the resident country of such non-resident individual holder provide otherwise or (b) the non-resident individual holder is otherwise not subject to Thai income tax.

##### *Capital Gains*

Capital gains, which is the amount in excess of the cost of acquisition of the Notes, received by a non-resident individual holder from the transfer of the Notes outside Thailand in connection with which payment is made neither from nor within Thailand are not subject to Thai withholding tax.

Unless the terms and conditions of an applicable double taxation agreement entered into between Thailand and the resident country of the non-resident individual holders provide otherwise, a capital gain received by a non-resident individual holder from the transfer of the Notes in which payment is made from or within Thailand is subject to 15.0 per cent. withholding tax. The transferee or the payer of the gains has a duty to withhold tax at such rate and remit the withholding tax to the Thai Revenue Department.

##### *Non-resident Corporate Holders*

A non-resident corporate holder is a company, a registered partnership, a mutual fund or any entity established pursuant to a foreign law that is not doing business in Thailand or deemed to be doing business in Thailand and does not have a permanent establishment, employees, agents, or representatives in Thailand but receives from or in Thailand interest, Distribution or capital gains from the transfer of the Notes.

##### *Interest or Distribution*

Interest or Distribution in respect of the Notes paid from or within Thailand to a non-resident corporate holder is generally subject to a 15.0 per cent. withholding tax, unless (a) the terms and conditions of an applicable double taxation agreement between Thailand and the resident country of such non-resident corporate holder provide otherwise or (b) the non-resident corporate holder is otherwise not subject to Thai income tax.

### ***Capital Gains***

Capital gains, which is the amount in excess of the cost of acquisition of the Notes, received by a non-resident corporate holder from the transfer of the Notes outside Thailand in connection with which payment is made neither from nor within Thailand are not subject to Thai withholding tax.

Unless the terms and conditions of an applicable double taxation agreement entered into between Thailand and the resident country of the non-resident corporate holders provide otherwise, a capital gain received by a non-resident corporate holder from the transfer of the Notes in which payment is made from or within Thailand is subject to 15.0 per cent. withholding tax. The transferee or the payer of the gains has a duty to withhold tax at such rate and remit the withholding tax to the Thai Revenue Department.

### ***Specific Business Tax***

Interest or Distribution on the Notes and capital gains derived from the transfer of the Notes are not subject to specific business tax in Thailand.

### ***Stamp Duty***

Each of the Notes certificates will generally be subject to a stamp duty of Baht 5 in Thailand, but stamp duty will not be triggered if the Notes certificates are issued outside Thailand and not brought into Thailand. An instrument of transfer of the Notes is exempted from stamp duty.

## **HONG KONG TAXATION**

### **Withholding Tax**

No withholding tax is payable in Hong Kong in respect of payments of principal or interest on the Notes or in respect of any capital gains arising from the sale of the Notes.

### **Profits Tax**

Hong Kong profits tax is chargeable on every person carrying on a trade, profession or business in Hong Kong in respect of profits arising in or derived from Hong Kong from such trade, profession or business (excluding profits arising from the sale of capital assets).

Under the Inland Revenue Ordinance (Cap. 112) of Hong Kong (the “**Inland Revenue Ordinance**”) as it is currently applied by the Inland Revenue Department, interest on the Notes may be deemed to be profits arising in or derived from Hong Kong from a trade, profession or business carried on in Hong Kong in the following circumstances:

- (i) interest on the Notes is derived from Hong Kong and is received by or accrues to a company carrying on a trade, profession or business in Hong Kong;
- (ii) interest on the Notes is derived from Hong Kong and is received by or accrues to a person, other than a company, carrying on a trade, profession or business in Hong Kong and is in respect of the funds of that trade, profession or business; or
- (iii) interest on the Notes is received by or accrues to a financial institution (as defined in the Inland Revenue Ordinance) and arises through or from the carrying on by the financial institution of its business in Hong Kong.

Pursuant to the Exemption from Profits Tax (Interest Income) Order, interest income accruing to a person other than a financial institution on deposits (denominated in any currency and whether or not the deposit is evidenced by a certificate of deposit) placed with, *inter alia*, an authorised institution in Hong Kong (within the meaning of section 2 of the Banking Ordinance (Cap. 155) of Hong Kong) are exempt from the payment of Hong Kong profits tax. Provided that no prospectus with respect to the issue of the Notes is registered under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, the issue of Notes by the Issuer is expected to constitute a deposit to which the above exemption from payment will apply.

Sums received by or accrued to a financial institution by way of gains or profits arising through or from the carrying on by the financial institution of its business in Hong Kong from the sale, disposal and redemption of Notes will be subject to profits tax.

Sums derived from the sale, disposal or redemption of Bearer Notes will be subject to Hong Kong profits tax where received by or accrued to a person, other than a financial institution, who carries on a trade, profession or business in Hong Kong and the sum has a Hong Kong source. The source of such sums will generally be determined by having regard to the manner in which the Notes are acquired and disposed.

### **Stamp Duty**

Stamp duty will not be payable on the issue of Bearer Notes provided either:

- (i) such Notes are denominated in a currency other than the currency of Hong Kong and are not repayable in any circumstances in the currency of Hong Kong; or
- (ii) such Notes constitute loan capital (as defined in the Stamp Duty Ordinance (Cap. 117) of Hong Kong).

If stamp duty is payable, it is payable by the Issuer on the issue of Bearer Notes at a rate of 3 per cent. of the market value of the Notes at the time of issue.

No stamp duty will be payable on any subsequent transfer of Bearer Notes.

No stamp duty is payable on the issue of Registered Notes. Stamp duty may be payable on any transfer of Registered Notes. Stamp duty will, however, not be payable on any transfers of Registered Notes provided that either:

- (i) the Registered Notes are denominated in a currency other than the currency of Hong Kong and are not repayable in any circumstances in the currency of Hong Kong; or
- (ii) the Registered Notes constitute loan capital (as defined in the Stamp Duty Ordinance (Cap. 117) of Hong Kong).

If stamp duty is payable in respect of the transfer of Registered Notes it will be payable at the rate of 0.2 per cent. (of which 0.1 per cent. is payable by the seller and 0.1 per cent. is payable by the purchaser) normally by reference to the consideration or its value. If, in the case of either the sale or purchase of such Registered Notes, stamp duty is not paid, both the seller and the purchaser may be liable jointly and severally to pay any unpaid stamp duty and also any penalties for late payment. If stamp duty is not paid on or before the due date (two days after the sale or purchase if effected in Hong Kong or 30 days if effected elsewhere) a penalty of up to 10 times the duty payable may be imposed. In addition, stamp duty is payable at the fixed rate of HK\$5 on each instrument of transfer executed in relation to any transfer of the Registered Notes if the relevant transfer is required to be registered in Hong Kong.

## CLEARING AND SETTLEMENT

*The information set out below is subject to any change in or reinterpretation of the rules, regulations and procedures of Euroclear and Clearstream, Luxembourg (together, the “Clearing Systems”) currently in effect. The information in this section concerning the Clearing Systems has been obtained from sources that the Bank believes to be reliable, but neither the Bank nor any Dealer or any Arranger takes any responsibility for the accuracy thereof. Investors wishing to use the facilities of any of the Clearing Systems are advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing System. Neither the Bank, any other party to the Agency Agreement, any Arranger nor any Dealer will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Notes held through the facilities of any Clearing System or for maintaining, supervising or reviewing any records relating to, or payments made on account of, such beneficial ownership interests.*

The relevant Pricing Supplement will specify the Clearing System(s) applicable for each Series.

### THE CLEARING SYSTEMS

#### **Euroclear and Clearstream, Luxembourg**

Euroclear and Clearstream, Luxembourg each holds securities for participating organisations and facilitates the clearance and settlement of securities transactions between their respective participants through electronic book-entry changes in accounts of such participants. Euroclear and Clearstream, Luxembourg provide to their respective participants, among other things, services for safekeeping, administration, clearance and settlement of internationally-traded securities and securities lending and borrowing. Euroclear and Clearstream, Luxembourg participants are financial institutions throughout the world, including underwriters, securities brokers and dealers, banks, trust companies, clearing corporations and certain other organisations. Indirect access to Euroclear or Clearstream, Luxembourg is also available to others, such as banks, brokers, dealers and trust companies which clear through or maintain a custodial relationship with a Euroclear or Clearstream, Luxembourg participant, either directly or indirectly.

Distributions of principal with respect to book-entry interests in the Notes held through Euroclear or Clearstream, Luxembourg will be credited, to the extent received by the Paying Agent, to the cash accounts of Euroclear or Clearstream, Luxembourg participants in accordance with the relevant system’s rules and procedures.

### BOOK-ENTRY OWNERSHIP

#### **Bearer Notes**

The Bank has made applications to Euroclear and Clearstream, Luxembourg for acceptance in their respective book-entry systems in respect of any Series of Bearer Notes. In respect of Bearer Notes, a temporary Global Note and/or a permanent Global Note will be deposited with a common depository for Euroclear and Clearstream, Luxembourg. Transfers of interests in a temporary Global Note or a permanent Global Note will be made in accordance with the normal market debt securities operating procedures of the Euroclear and Clearstream, Luxembourg. Each Global Note will have an International Securities Identification Number (“ISIN”) and Common Code.

#### **Registered Notes**

The Bank may make applications to Euroclear and Clearstream, Luxembourg for acceptance in their respective book-entry systems in respect of the Notes to be represented by a Global Certificate. Each Global Certificate will have an ISIN and a Common Code. Investors in Notes of such Series may hold their interests in a Global Certificate through Euroclear and Clearstream, Luxembourg.

Each Global Certificate will be subject to restrictions on transfer contained in a legend appearing on the front of such Global Certificate, as set out under “*Subscription and Sale*”.

All Registered Notes will initially be in the form of a Global Certificate. Individual Certificates will be available, in the case of Notes initially represented by a Global Certificate, in amounts specified in the applicable Pricing Supplement.

## SUBSCRIPTION AND SALE

### Summary of Dealer Agreement

Subject to the terms and on the conditions contained in an amended and restated Dealer Agreement dated 18 November 2013, as amended and supplemented from time to time (the “**Dealer Agreement**”) between the Issuer, the Arrangers and the Permanent Dealers, the Notes will be offered from time to time by the Issuer to the Permanent Dealers. However, the Issuer has reserved the right to sell Notes directly on its own behalf to Dealers that are not Permanent Dealers. The Notes may be resold at prevailing market prices, or at prices related thereto, at the time of such resale, as determined by the relevant Dealer. The Notes may also be sold by the Issuer through the Dealers, acting as agents of the Issuer. The Dealer Agreement also provides for Notes to be issued in syndicated Tranches that are jointly and severally or severally but not jointly underwritten by two or more Dealers.

The Issuer will pay each relevant Dealer a commission as agreed between them in respect of Notes subscribed by it. The Issuer has agreed to reimburse the Arrangers and the Dealers for certain of their expenses incurred in connection with the establishment of the Programme and the Dealers for certain of their activities in connection with the Programme.

The Issuer has agreed to indemnify the Arrangers and the Dealers against certain liabilities in connection with the offer and sale of the Notes. The Dealer Agreement entitles the Dealers to terminate any agreement that they make to subscribe for Notes in certain circumstances prior to payment for such Notes being made to the Issuer.

The Arrangers and the Dealers and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advice, investment management, principal investment, hedging, financing and brokerage activities. The Arrangers and the Dealers and their respective affiliates may have performed certain banking and advisory services for the Issuer and/or its affiliates from time to time for which they have received customary fees and expenses and may, from time to time, engage in transactions with and perform services for the Issuer and/or its affiliates in the ordinary course of the Issuer’s or their business. In the ordinary course of their various business activities, the Arrangers and the Dealers and their respective affiliates may make or hold (on their own account, on behalf of their clients or in their capacity of investment advisers) a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments and enter into other transactions, including credit derivatives (such as asset swaps, repackaging and credit default swaps) in relation thereto. Such transactions, investments and securities activities may involve securities and instruments of the Issuer, including the Notes, may be entered into at the same time or proximate to offers and sales of the Notes or at other times in the secondary market and be carried out with counterparties that are also purchasers, holders or sellers of the Notes. The Arrangers and the Dealers or certain of their respective affiliates may purchase the Notes and be allocated the Notes for asset management and/or proprietary purposes but not with a view to distribution. Such persons do not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so.

The Arrangers, the Dealers or any of their respective affiliates may purchase the Notes for its or their own account and enter into transactions, including credit derivatives, such as asset swaps, repackaging and credit default swaps relating to the Notes and/or other securities of the Issuer or its associates at the same time as the offer and sale of the Notes or in secondary market transactions. Such transactions would be carried out as bilateral trades with selected counterparties and separately from any existing sale or resale of the Notes to which this Offering Circular relates (notwithstanding that such selected counterparties may also be purchasers of the Notes).

The Issuer may from time to time agree with the relevant Dealer(s) that the Issuer may pay certain third parties commissions (including, without limitation, rebates to certain private banks in connection with the distribution of the Notes as specified in the applicable Pricing Supplement).

### **Notice to capital market intermediaries and prospective investors pursuant to paragraph 21 of the Hong Kong SFC Code of Conduct — Important Notice to CMIIs (including private banks)**

This notice to CMIIs (including private banks) is a summary of certain obligations the SFC Code imposes on CMIIs, which require the attention and cooperation of other CMIIs (including private banks). Certain CMIIs may also be acting as OCs for the relevant CMI Offering and are subject to additional requirements under the SFC Code. The application of these obligations will depend on the role(s) undertaken by the relevant Dealer(s) in respect of each CMI Offering.



Prospective investors who are the directors, employees or major shareholders of the Issuer, a CMI or its group companies would be considered under the SFC Code as having an Association with the Issuer, the CMI or the relevant group company. CMIs should specifically disclose whether their investor clients have any Association when submitting orders for the relevant Notes. In addition, private banks should take all reasonable steps to identify whether their investor clients may have any Associations with the Issuer or any CMI (including its group companies) and inform the relevant Dealers accordingly.

CMIs are informed that, unless otherwise notified, the marketing and investor targeting strategy for the relevant CMI Offering includes institutional investors, sovereign wealth funds, pension funds, hedge funds, family offices and high net worth individuals, in each case, subject to the selling restrictions and any MiFID II product governance language or any UK MiFIR product governance language set out elsewhere in this Offering Circular and/or the applicable Pricing Supplement.

CMIs should ensure that orders placed are bona fide, are not inflated and do not constitute duplicated orders (i.e. two or more corresponding or identical orders placed via two or more CMIs). CMIs should enquire with their investor clients regarding any orders which appear unusual or irregular. CMIs should disclose the identities of all investors when submitting orders for the relevant Notes (except for omnibus orders where underlying investor information may need to be provided to any OCs when submitting orders). Failure to provide underlying investor information for omnibus orders, where required to do so, may result in that order being rejected. CMIs should not place “X-orders” into the order book.

CMIs should segregate and clearly identify their own proprietary orders (and those of their group companies, including private banks as the case may be) in the order book and book messages.

CMIs (including private banks) should not offer any rebates to prospective investors or pass on any rebates provided by the Issuer. In addition, CMIs (including private banks) should not enter into arrangements which may result in prospective investors paying different prices for the relevant Notes. CMIs are informed that a private bank rebate may be payable as stated above and in the applicable Pricing Supplement, or otherwise notified to prospective investors.

The SFC Code requires that a CMI disclose complete and accurate information in a timely manner on the status of the order book and other relevant information it receives to targeted investors for them to make an informed decision. In order to do this, those Dealers in control of the order book should consider disclosing order book updates to all CMIs.

When placing an order for the relevant Notes, private banks should disclose, at the same time, if such order is placed other than on a “principal” basis (whereby it is deploying its own balance sheet for onward selling to investors). Private banks who do not provide such disclosure are hereby deemed to be placing their order on such a “principal” basis. Otherwise, such order may be considered to be an omnibus order pursuant to the SFC Code. Private banks should be aware that placing an order on a “principal” basis may require the relevant affiliated Manager(s) (if any) to categorize it as a proprietary order and apply the “proprietary orders” requirements of the SFC Code to such order and will result in that private bank not being entitled to, and not being paid, any rebate.

In relation to omnibus orders, when submitting such orders, CMIs (including private banks) that are subject to the SFC Code should disclose underlying investor information in respect of each order constituting the relevant omnibus order (failure to provide such information may result in that order being rejected). Underlying investor information in relation to omnibus orders should consist of:

- The name of each underlying investor;
- A unique identification number for each investor;
- Whether an underlying investor has any “Associations” (as used in the SFC Code);
- Whether any underlying investor order is a “Proprietary Order” (as used in the SFC Code);
- Whether any underlying investor order is a duplicate order.

Underlying investor information in relation to omnibus order should be sent to the Dealers named in the relevant Pricing Supplement.

To the extent information being disclosed by CMIs and investors is personal and/or confidential in nature, CMIs (including private banks) agree and warrant: (A) to take appropriate steps to safeguard the transmission of such

information to any OCs; and (B) that they have obtained the necessary consents from the underlying investors to disclose such information to any OCs. By submitting an order and providing such information to any OCs, each CMI (including private banks) further warrants that they and the underlying investors have understood and consented to the collection, disclosure, use and transfer of such information by any OCs and/or any other third parties as may be required by the SFC Code, including to the Issuer, relevant regulators and/or any other third parties as may be required by the SFC Code, for the purpose of complying with the SFC Code, during the bookbuilding process for the relevant CMI Offering. CMIs that receive such underlying investor information are reminded that such information should be used only for submitting orders in the relevant CMI Offering. The relevant Dealers may be asked to demonstrate compliance with their obligations under the SFC Code, and may request other CMIs (including private banks) to provide evidence showing compliance with the obligations above (in particular, that the necessary consents have been obtained). In such event, other CMIs (including private banks) are required to provide the relevant Dealer with such evidence within the timeline requested.

## **Selling Restrictions**

### ***Thailand:***

Each Dealer has represented and agreed that it has not offered or sold and will not offer or sell any Notes and it has not distributed and will not distribute any other documents or material in connection with the Notes, either directly or indirectly, in Thailand or to any resident of Thailand. No invitation will be made to any person in Thailand to subscribe for any Notes. Notes cannot be offered, sold or transferred in Thailand.

### ***Singapore:***

Each Dealer has acknowledged that this Offering Circular has not been registered as a prospectus with the MAS. Accordingly, each Dealer has represented and agreed that it has not offered or sold any Notes or caused such Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell such Notes or cause such Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Offering Circular or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of such Notes, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or to any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

the securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

- (1) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(c)(ii) of the SFA;
- (2) where no consideration is or will be given for the transfer;
- (3) where the transfer is by operation of law;
- (4) as specified in Section 276(7) of the SFA; or
- (5) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 of Singapore.

**Notification under Section 309B(1)(c) of the SFA:** Unless otherwise stated in the Pricing Supplement in respect of any Notes, all Notes issued or to be issued under the Program shall be prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

***Hong Kong:***

In relation to each Tranche of Notes issued by the Issuer, each Dealer has represented and agreed that:

- (i) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes, except for Notes which are a “structured product” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the “SFO”) other than (a) to “professional investors” as defined in the SFO and any rules made under the SFO; or (b) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies (Winding-up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and
- (ii) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the SFO and any rules made under the SFO.

***United States of America:***

The Notes have not been and will not be registered under the Securities Act, and may not be offered, sold or (in the case of Bearer Notes) delivered within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

The Bearer Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986, as amended, and regulations thereunder.

Each Dealer appointed under the Programme will be required to represent and agree, that, except as permitted by the Dealer Agreement, it will not offer, sell or (in the case of Bearer Notes) deliver the Notes, (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of an identifiable tranche of which such Notes are a part, as determined and certified to the Issuer, by the Fiscal Agent, or in the case of Notes issued on a syndicated basis, the Lead Manager, within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each dealer to which it sells Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons.

The Notes are being offered and sold outside the United States to non-U.S. persons in reliance on Regulation S.

In addition, until 40 days after the commencement of the offering, an offer or sale of Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

This Offering Circular has been prepared by the Issuer for use in connection with the offer and sale of the Notes outside the United States. The Issuer and the Dealers reserve the right to reject any offer to purchase the Notes, in whole or in part, for any reason. This Offering Circular does not constitute an offer to any person in the United States. Distribution of this Offering Circular by any non-U.S. person outside the United States to any U.S. person or to any other person within the United States, is unauthorised and any disclosure without the prior written consent of the Issuer of any of its contents to any such U.S. person or other person within the United States, is prohibited.

***Prohibition of Sales to EEA Retail Investors***

Unless the Pricing Supplement in respect of any Notes specifies “Prohibition of Sales to EEA Retail Investors” as “Not Applicable”, each Dealer has represented and agreed, and each further Dealer appointed under the Programme

will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Offering Circular as completed by the Pricing Supplement in relation thereto to any retail investor in the EEA. For the purposes of this provision:

- (a) the expression “**retail investor**” means a person who is one (or more) of the following:
  - (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or
  - (ii) a customer within the meaning of the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
  - (iii) not a qualified investor as defined in the Prospectus Regulation; and
- (b) the expression “**offer**” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

If the Pricing Supplement in respect of any Notes specifies “Prohibition of Sales to EEA Retail Investors” as “Not Applicable”, in relation to each Member State of the EEA, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Offering Circular as completed by the pricing supplement in relation thereto to the public in that Member State except that it may make an offer of such Notes to the public in that Member State:

- (1) if the pricing supplement in relation to the Notes specify that an offer of those Notes may be made other than pursuant to Article 1(4) of the Prospectus Regulation in that Member State (a “**Non-exempt Offer**”), following the date of publication of a prospectus in relation to such Notes which has been approved by the competent authority in that Member State or, where appropriate, approved in another Member State and notified to the competent authority in that Member State, provided that any such prospectus has subsequently been completed by a pricing supplement contemplating such Non-exempt Offer, in accordance with the Prospectus Regulation, in the period beginning and ending on the dates specified in such prospectus or final terms, as applicable, and the Issuer has consented in writing to its use for the purpose of that Non-exempt Offer;
- (2) at any time to any legal entity which is a qualified investor as defined in the Prospectus Regulation;
- (3) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (4) at any time in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Notes referred to in (2) to (4) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression “an offer of Notes to the public” in relation to any Notes in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes and the expression “Prospectus Regulation” means Regulation (EU) 2017/1129.

#### ***Prohibition of Sales to UK Retail Investors***

Unless the Pricing Supplement in respect of any Notes specifies “Prohibition of Sales to UK Retail Investors” as “Not Applicable”, each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Offering Circular as completed by the Pricing Supplement in relation thereto to any retail investor in the UK. For the purposes of this provision:

- (a) the expression “**retail investor**” means a person who is one (or more) of the following:
- (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; or
  - (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or
  - (iii) not a qualified investor as defined in Article 2 of the UK Prospectus Regulation as it forms part of domestic law by virtue of the EUWA; and
- (b) the expression an “offer” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

If the Pricing Supplement in respect of any Notes specifies “Prohibition of Sales to UK Retail Investors” as “Not Applicable”, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Offering Circular as completed by the final terms in relation thereto to the public in the UK except that it may make an offer of such Notes to the public in the UK:

- (a) if the final terms in relation to the Notes specify that an offer of those Notes may be made other than pursuant to section 86 of the FSMA (a “**Public Offer**”), following the date of publication of a prospectus in relation to such Notes which either (i) has been approved by the Financial Conduct Authority, or (ii) is to be treated as if it had been approved by the Financial Conduct Authority in accordance with the transitional provision in Regulation 74 of the Prospectus (Amendment etc.) (EU Exit) Regulations 2019, provided that any such prospectus has subsequently been completed by final terms contemplating such Public Offer, in the period beginning and ending on the dates specified in such prospectus or final terms, as applicable, and the Issuer has consented in writing to its use for the purpose of that Public Offer;
- (b) at any time to any legal entity which is a qualified investor as defined in Article 2 of the UK Prospectus Regulation;
- (c) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in Article 2 of the UK Prospectus Regulation) in the UK subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (d) at any time in any other circumstances falling within section 86 of the FSMA,

provided that no such offer of Notes referred to in (b) to (d) above shall require the Issuer or any Dealer to publish a prospectus pursuant to section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

For the purposes of this provision, the expression “an offer of Notes to the public” in relation to any Notes means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

***United Kingdom:***

Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that:

- (i) in relation to any Notes which have a maturity of less than one year, (a) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (b) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses, where the issue of the Notes would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer;

- (ii) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and
- (iii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

***Japan:***

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the “Financial Instruments and Exchange Act”). Accordingly, each Dealer has represented and agreed that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and other relevant laws and regulations of Japan.

***General:***

These selling restrictions may be supplemented or modified by the agreement of the Issuer and any of the Dealers following a change in a relevant law, regulation or directive. Any such modification will be set out in the Pricing Supplement issued in respect of the issue of Notes to which it relates or in a supplement to this Offering Circular.

No representation is made that any action has been taken in any jurisdiction that would permit a public offering of any of the Notes, or possession or distribution of this Offering Circular or any other offering material or any Pricing Supplement, in any country or jurisdiction where action for that purpose is required.

If a jurisdiction requires that the offering be made by a licensed broker or dealer and any of the Dealers or any affiliate of any of the Dealers is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by such Dealer or such affiliate on behalf of the Issuer in such jurisdiction.

Each Dealer will be required to agree that, it shall, to the best of its knowledge, comply with all relevant laws, regulations and directives in each jurisdiction in which it purchases, offers, sells or delivers Notes or has in its possession or distributes this Offering Circular, any other offering material or any Pricing Supplement therefore in all cases at its own expense.

## GENERAL INFORMATION

- (1) Application has been made to the SGX-ST for permission to deal in and for the listing and quotation for any Notes which are agreed at the time of issue to be so listed on the Official List. Such permission will be granted when a particular Series of Notes has been admitted to the Official List. There is no assurance that the application to the SGX-ST for the listing of the Notes will be approved. The approval in-principle, admission to the Official List of the SGX-ST and quotation of any Notes on the SGX-ST is not to be taken as an indication of the merits of the Bank, its subsidiaries and associated companies, the Programme or such Notes. The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained herein. The Notes will trade on the SGX-ST in a minimum board lot size of S\$200,000 or its equivalent in other currencies so long as any of the Notes remain listed on the SGX-ST. For so long as any Notes are listed on the SGX-ST and the rules of the SGX-ST so require, the Bank shall appoint and maintain a paying agent in Singapore, where such Notes may be presented or surrendered for payment or redemption, in the event that the Global Note(s) representing such Notes is exchanged for Definitive Notes. In addition, in the event that the Global Note(s) is exchanged for Definitive Notes, an announcement of such exchange will be made by or on behalf of the Bank through the SGX-ST and such announcement will include all material information with respect to the delivery of the Definitive Notes, including details of the paying agent in Singapore so long as the Notes are listed on the SGX-ST and the rules of the SGX-ST so require.
- (2) The Bank has obtained all necessary consents, approvals and authorisations as required in connection with the establishment and update of the Programme. The establishment and subsequent updates of the Programme were authorised by resolutions of the Board of Directors of the Bank on 26 April 2012, resolutions of the Board of Directors of the Bank on 28 August 2014, and resolutions of the Board of Directors of the Bank on 26 July 2018, resolutions of the Board of Directors of the Bank on 19 December 2019, resolutions of the Board of Directors of the Bank on 24 September 2020, and resolutions of the Board of Directors of the Bank on 17 December 2020. The Bank has obtained and has agreed to obtain from time to time all necessary internal consents, approvals and authorisations for the issue of Notes under the Programme.
- (3) Each Bearer Note having a maturity of more than one year, Receipt, Coupon and Talon will bear the following legend: “Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code”.
- (4) Notes have been accepted for clearance through the Euroclear and Clearstream, Luxembourg systems (which are the entities in charge of keeping the records). The Common Code, the ISIN and (where applicable) the identification number for any other relevant clearing system for each Series of Notes will be set out in the relevant Pricing Supplement.

The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and the address of Clearstream, Luxembourg is 42 Avenue JF Kennedy, L-1855 Luxembourg. The address of any alternative clearing system will be specified in the applicable Pricing Supplement.
- (5) Where information in this Offering Circular has been sourced from third parties, such information has been accurately reproduced and, as far as the Bank is aware and is able to ascertain from the information published by such third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading. The source of third party information is identified where used.
- (6) The issue price and the amount of the relevant Notes will be determined, before filing of the relevant Pricing Supplement of each Tranche, based on the prevailing market conditions. The Bank does not intend to provide any post-issuance information in relation to any issues of Notes.
- (7) For so long as Notes may be issued pursuant to this Offering Circular, the following documents will be available (i) at all reasonable times during usual business hours (being between 9:00 a.m. and 3:00 p.m. (London time) Monday to Friday other than public holidays) for inspection at the office of the Fiscal Agent or (ii) at all reasonable times during usual business hours on any weekday (Saturdays and public holidays excepted) at the registered office of Bank:
  - (i) the Agency Agreement (which includes the form of the Global Notes, the definitive Bearer Notes, the Global Certificates, the Coupons, the Receipts and the Talons);

- (ii) the Dealer Agreement;
  - (iii) the Deed of Covenant;
  - (iv) the Memorandum and Articles of Association of the Bank;
  - (v) copies of the most recent annual and interim reports (including financial statements) and audited accounts of the Bank and the Group;
  - (vi) each Pricing Supplement (save that Pricing Supplement relating to unlisted series of Notes will only be available for inspection by a holder of such Note and such holder must produce evidence satisfactory to the Bank and the relevant Paying Agent as to its holding of Notes and identity); and
  - (vii) a copy of this Offering Circular together with any Supplemental Offering Circular or further Offering Circular.
- (8) KPMG Phoomchai Audit Ltd. has audited, and rendered unqualified audit reports on, the consolidated accounts of the Bank for the three years ended 31 December 2020, 2021 and 2022 and the six-month periods ended 30 June 2022 and 2023.
- (9) Copies of the latest Annual Report and consolidated and unconsolidated accounts of the Bank and the latest interim consolidated and unconsolidated accounts of the Bank may be obtained, and copies of the Agency Agreement and the Deed of Covenant will be available for inspection, at the specified offices of each of the Paying Agents at all reasonable times during usual business hours (being between 9:00 a.m. and 3:00 p.m. (London time) Monday to Friday other than public holidays), so long as any of the Notes is outstanding.



**ISSUER**

**KASIKORNBANK PUBLIC COMPANY LIMITED**

400/22 Phahon Yothin Road  
Sam Sen Nai Sub-district  
Phaya Thai District  
Bangkok 10400  
Thailand

**KASIKORNBANK PUBLIC COMPANY LIMITED,  
Hong Kong branch**

Unit 3316, 33/F, China Merchants Tower  
Shun Tak Centre, No. 168 – 200  
Connaught Road  
Central  
Hong Kong

**FISCAL AGENT AND PRINCIPAL PAYING AGENT**

**The Bank of New York Mellon, acting through its London branch**

160 Queen Victoria Street  
EC4V 4LA  
United Kingdom

**REGISTRAR**

**The Bank of New York Mellon SA/NV, Luxembourg Branch**

Vertigo Building — Polaris  
2-4 rue Eugène Ruppert  
L-2453  
Luxembourg

**ARRANGERS AND DEALERS**

**BNP Paribas**

31-01, Ocean Financial Centre  
10 Collyer Quay  
Singapore 049315

**Citigroup Global Markets Limited**

Citigroup Centre  
Canada Square Canary Wharf  
London E14 5LB  
United Kingdom

**Standard Chartered Bank**

One Basinghall Avenue  
London EC2V 5DD  
United Kingdom

**AUDITORS TO THE ISSUER**

**KPMG Phoomchai Audit Ltd.**

50th Floor, Empire Tower  
1 South Sathorn Road Yannawa,  
Sathorn  
Bangkok 10120 Thailand

**LEGAL ADVISERS**

*To the Issuer as to Thai law*

**Baker & McKenzie Ltd.**  
5th, 10th and 21st -25th Floors  
Abdulrahim Place  
990 Rama IV Road  
Silom, Bangrak, Bangkok  
10500 Thailand

*To the Arrangers as to English Law and  
Hong Kong Law*

**Latham & Watkins LLP**  
18th Floor, One Exchange Square  
8 Connaught Place  
Central Hong Kong