Basel III - Pillar 3 and

Liquidity coverage ratio (LCR) disclosures

As of December 31, 2023

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Part 1: Disclosure of capital adequacy information (Pillar 3 Disclosures)

1. Introduction

Basel Capital Accord in accordance with Basel Framework consists of three pillars:

Pillar 1: Minimum Capital Requirement

Pillar 1 defines minimum levels of capital for commercial banks need to provide for credit, market and operational risks.

Pillar 2: Supervisory Review Process

Pillar 2 requires commercial banks to have sound risk management and processes for assessing overall capital adequacy to cover material risks including risks not captured under Pillar 1.

Pillar 3: Market Discipline

Pillar 3 aims to encourage market discipline as commercial banks are required to disclose information on capital adequacy and risk exposures so that market participants can assess and use such information in assessing the risk profile of the commercial banks.

To meet Pillar 3 requirements, Bank of Thailand (BOT) requires commercial banks to disclose a set of specified information relating to capital adequacy, risk management process, key infromation on risk exposures that reflects the risk profile of the commercial banks to the market participants in form of Pillar 3 report half-yearly and yearly as at 30 Jun and 31 December within 4 months from the end of each period.

2. Scope of application

This Pillar 3 disclosure report is required by BOT's notification to be disclosed at both Bank (Solo Basis) and Financial Group level (Full Consolidation Basis). For CIMB Thai Financial Group, it consists of the following entities:

1. CIMB Thai Bank Public Company Limited engaged in commercial banking (the parent company)
2. CIMB Thai Auto Co.,Ltd. engaged in leasing/hire-purchase of automobiles
3. WorldLease Co.,Ltd. engaged in hire-purchase of motorcycles

3. Key prudential metrics

Bank of Thailand ("BOT") announced the BOT's Notification No. SorNorSor. 14/2562 Re: Capital Disclosure Requirements for Commecial Banks (Second Edition) and SorNorSor. 15/2562 Re: Disclosure Requirement on Capital Adequacy for a Financial Group (Second Edition), which come to effect for accounting periods beginning on and from 1 January 2020, requiring commercial banks to disclosure quantitative of key prudential metrics in respect of both capital and liquidity for capital, commercial banks shall disclose information on capital that reflects the entire impact due to an increase in provisions according to TFRS 9; this framework is based on the BCBS's Pillar 3 disclosure requirements consolidated and enhanced framework (March 2017).

Table 1 Disclosure of quantitative data for key risk indicators

Items		Consolidated		Bank-Only	
		Dec 31, 2023	Jun 30, 2023	Dec 31, 2023	Jun 30, 2023
Available capital (Unit: Million Baht)					
1	Common Equity Tier 1 capital (CET 1)	44,155	43,038	40,951	39,722
1a	Fully loaded ECL[1/] accounting model CET 1	44,155	43,038	40,951	39,722
2	Tier 1 capital (Tier 1)	44,155	43,038	40,951	39,722
2a	Fully loaded ECL accounting model Tier 1	44,155	43,038	40,951	39,722
3	Total capital funds	59,158	58,091	56,040	54,840
3a	Fully loaded ECL accounting model total capital	59,158	58,091	56,040	54,840
Risk-weighted assets (Unit: Million Baht)					
4	Total risk-weighted assets (RWA)	268,990	274,209	268,443	271,779
Risk-based capital ratios as a percentage of RWA (%)					
5	Common Equity Tier 1 ratio (CET 1 ratio)	16.42%	15.70%	15.25%	14.62%
5a	Fully loaded ECL accounting model CET 1 ratio	16.42%	15.70%	15.25%	14.62%
6	Tier 1 ratio	16.42%	15.70%	15.25%	14.62%
6a	Fully loaded ECL accounting model Tier 1 ratio	16.42%	15.70%	15.25%	14.62%
7	Total capital ratio	21.99%	21.18%	20.88%	20.18%
7a	Fully loaded ECL accounting model total capital ratio	21.99%	21.18%	20.88%	20.18%

	Items	Consolidated Dec 31, 2023	Consolidated Jun 30, 2023	Bank-Only Dec 31, 2023	Bank-Only Jun 30, 2023
Capital buffer ratios as a percentage of RWA (%)					
8	Conservation buffer ratio	2.50%	2.50%	2.50%	2.50%
9	Countercyclical buffer ratio	-	-	-	-
10	Higher loss absorbency ratio	-	-	-	-
11	Total capital buffer ratio (the sum of Item 8 to Item 10)	2.50%	2.50%	2.50%	2.50%
12	Common Equity Tier 1 ratio available after meeting the bank's minimum capital requirements [2/]	10.42%	9.70%	9.25%	8.62%
Liquidity Coverage Ratio (LCR) [3/]					
13	Total high-quality liquid assets (Total HQLA) (Unit: Million Baht)	-	-	106,107	95,375
14	Total net cash outflows within 30 Days (Unit: Million Baht)	-	-	66,016	67,281
15	LCR ratio (%)[4/]	-	-	161%	142%
	BOT's LCR minimum requirement (%)			100%	100%

[1/] Expected credit losses (ECL) according to the Thai Financial Reporting Standard No.9 - Financial Instruments (TFRS 9).

[2/] Common Equity Tier 1 ratio available after meeting the bank's minimum capital requirements: it may not necessarily be the difference between CET 1 ratio (item 5) and the minimum CET 1 ratio requirement of 4.5% because CET 1 ratio may be used to meet the bank's minimum Tier 1 ratio requirement of 6% and/or the minimum total capital ratio requirement of 8.5%.

[3/] To comply with BOT's notification No.SorNorSor.2/2561 dated January 25, 2018 the Bank disclosure Liquidity Coverage Raito (LCR) on the Bank's website. https://www.cimbthai.com/th/personal/who-we-are/investor-relations/financial-information/pillar-three-disclosures.html

[4/] LCR ratio is computed as an average ratio of month-end LCR in the quarter. This may not be equal to an LCR computed with the average values of total high-quality liquid assets (Total HQLA) and Total Net Cash Outflow.

4. Capital

4.1 Capital Structure

As at 31 December 2023, CIMB Thai Financial Group's total capital fund under Basel III was THB 59,158 million consisting of Common Equity Tier 1 (CET 1) capital of THB 44,155 million, Tier 1 capital of THB 44,155 million, and Tier 2 capital of THB 15,003 million. For Bank level, consisting of Common Equity Tier 1 capital of THB 40,951 million, Tier 1 capital of THB 40,951 million, and Tier 2 capital of THB 15,089 million and Totaling THB 56,040 million of total capital fund.

The capital components of the Bank and Financial Group comprise of:

Common Equity Tier 1 capital

- Issued and paid-up share capital
- Premium on share capital
- Statutory reserve
- Retained earnings after appropriations
- Accumulated other comprehensive income
  - Revaluation surplus on Land Building and Condominium Appraisal
  - Revaluation surplus (deficit) on change in value of investments
  - Difference from the translation of financial statements
  - Cash flow hedge reserves
  - Gains on financial liabilities designated at fair value relating to own credit risk
- Deducted from CET 1 capital
  - Deferred tax assets
  - Intangible assets
  - Impact on revision of employee benefits based on actuarial calculation

Tier 2 capital

- General provisions mean Expected credit loss for financial assets with an insignificant increase in credit risk (performing) and for financial assets with a significant increase in credit risk (under-performing), not exceeding 1.25% of credit risk-weighted assets.

- On 29 March 2023, the Bank exercised its option to early redeem all subordinated debentures amounting to MYR 390 million (THB 3,158 million), maturing in 2028, which the Bank was able to early redeem (under the specified conditions). This early redemption was approved by BOT notification For Nor Sor1. 2/2566 Re: The approval of early redemption of subordinated debentures that counted as tier 2.

  At the same time, the Bank issued MYR 415 million (THB 3,231 million) of subordinated debentures pursuant to tier 2 subordinated debenture programme to overseas investors. The debenture has qualifying capital instruments under Basel III, which could be fully counted as capital. The Bank has an approval from the Bank of Thailand to count the subordinated debenture as tier 2 capital according to the correspondence e-mail sent on 19 April 2023.

- The Bank issued MYR 550 million of subordinated debentures pursuant to Tier 2 subordinated debenture programme to overseas investors. The debenture has qualifying capital instruments under Basel III, which could be fully counted as capital. The Bank has an approval from the Bank of Thailand to count the subordinated debenture as Tier 2 capital according to the correspondence For Kor Kor. 527/2562.
- The Bank issued MYR 660 million of subordinated debentures pursuant to Tier 2 subordinated debenture programme to overseas investors. The debenture has qualifying capital instruments under Basel III, which could be fully counted as capital. The Bank has an approval from the Bank of Thailand to count the subordinated debenture as Tier 2 capital according to the correspondence For Nor Sor1. 81/2564.

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Table 2 Capital Structure

Unit: Million Baht

As at	Consolidated		Bank-Only	
	Dec 31, 2023	Jun 30, 2023	Dec 31, 2023	Jun 30, 2023
1. Tier 1 Capital	44,155	43,038	40,951	39,722
1.1 Common Equity Tier 1 capital	44,155	43,038	40,951	39,722
1.1.1 Paid-up share capital (ordinary shares)	17,411	17,411	17,411	17,411
1.1.2 Premium on share capital	10,146	10,146	10,146	10,146
1.1.3 Statutory Reserve	792	724	792	724
1.1.4 Net profit after appropriation	17,673	16,332	13,669	12,350
1.1.5 Other Comprehensive Income	694	906	696	908
1.1.5.1 Accumulated Other Comprehensive Income	737	949	696	908
1.1.5.2 Other owner changes items	(43)	(43)	-	-
1.1.6 Any adjustments that are not allowed to have impacts on capital	355	305	355	305
1.1.6.1 Cash flow hedge reserves	(93)	(187)	(93)	(187)
1.1.6.2 Gains on financial liabilities designated at fair value relating to own credit risk	448	492	448	492
1.1.7 Items to be deducted from CET 1	(2,916)	(2,786)	(2,118)	(2,122)
1.1.7.1 Remeasurements of post-employment benefit obligations	(41)	0	(34)	0
1.1.7.2 Intangible assets	(959)	(1,005)	(937)	(972)
1.1.7.3 Deferred tax asset	(1,916)	(1,781)	(1,147)	(1,150)
1.2 Additional Tier 1 capital	-	-	-	-
2. Tier 2 capital	15,003	15,053	15,089	15,118
2.1 Qualifying Tier 2 capital instruments	12,462	12,462	12,462	12,462
2.2 General provisions	2,541	2,591	2,627	2,656
3. Total capital funds	59,158	58,091	56,040	54,840

4.2 Capital Adequacy

Capital adequacy is critical for sound risk management and mitigation. This includes capital adequacy under both normal and stress ("extreme but plausible events") conditions. Stress test results are used for capital management and to prescribe the action plans to ensure that the Bank will meet the minimum regulatory capital requirements. For the annual capital management plan, Internal Capital Targets shall be set above the minimum regulatory capital requirements and used as early warning indicators to monitor and ensure compliance with the regulatory capital requirements.

The Bank calculates capital charges for credit risk, market risk, and operational risk in accordance with BOT's notification. The Bank obtained BOT's approval to adopt the approaches for capital calculation as follows:

Risk Type	Approach
1. Credit Risk	Standardised Approach (SA)
2. Market Risk	Standardised Approach (SA)
3. Operational Risk	Basic Indicator Approach (BIA)

Table 3 Minimum capital requirements classified by risk types

Unit: Million Baht

As at	Consolidated		Bank-Only	
	Dec 31, 2023	Jun 30, 2023	Dec 31, 2023	Jun 30, 2023
Credit Risk	17,280	17,620	17,866	18,061
1. Performing Assets	16,745	17,055	17,364	17,524
1.1 Claims on sovereigns and central banks, multilateral development banks (MDBs) and public sector entities (PSEs) whose risk weight is comparable to that of sovereigns	-	-	-	-
1.2 Claims on financial institutions, and public sector entities (PSEs) whose risk weight is comparable to that of financial institutions and securities companies	1,666	1,937	1,660	1,931
1.3 Claims on corporate and public sector entities (PSEs) whose risk weight is comparable to that of corporate Entities	7,561	7,917	10,266	10,478
1.4 Claims on retail	3,590	3,549	1,321	1,280
1.5 Claims on residential mortgage exposures	3,286	3,006	3,286	3,006
1.6 Other assets	642	646	831	829
2. Non-Performing Assets	535	565	502	537
Market Risk	3,469	3,586	3,469	3,586
1. Interest rate risk	3,295	3,409	3,295	3,409
2. Equity price risk	-	-	-	-
3. Foreign exchange rate risk	174	177	174	177
4. Commodity price risk	-	-	-	-
Operational Risk	2,115	2,102	1,483	1,454
Total minimum capital requirement [1/]	22,864	23,308	22,818	23,101
Total minimum capital buffer [2/]	6,725	6,855	6,711	6,794
Total minimum capital requirement and capital buffer	29,589	30,163	29,529	29,895
Total Risk Weight Assets	268,990	274,209	268,443	271,779

[1/] Minimum capital requirement are calculated based on the minimum regulatory requirement at 8.5%

[2/] Minimum capital buffer under Basel III as accordance to BOT's Notification No.SorNorSor 12/2555 Re: the BOT required the Commercial Banks to increase capital conservation buffer of 2.5%

As at 31 December 2023, the financial group's CET 1 ratio, Tier 1 ratio, and Total capital ratio were at 16.42%, 16.42%, and 21.99%, respectively, while the Bank's ratio were at 15.25%, 15.25%, and 20.88%, respectively. All ratios are higher than minimum capital requirement and capital buffer of Bank of Thailand (BOT).

Table 4 Total capital adequacy ratio

Unit: %

As at	Consolidated		Bank-Only		Minimum capital requirement ratio [1/]	Minimum capital requirement and capital buffer ratio [2/]
	Dec 31, 2023	Jun 30, 2023	Dec 31, 2023	Jun 30, 2023		
CET 1 capital to risk-weighted assets	16.42	15.70	15.25	14.62	4.50	7.00
Tier 1 capital to risk-weighted assets	16.42	15.70	15.25	14.62	6.00	8.50
Total capital to risk-weighted assets	21.99	21.18	20.88	20.18	8.50	11.00

[1/] Minimum capital requirement ratio, according to the BOT's Notification No. SorNorSor 12/2555

[2/] Minimum capital requirement and capital buffer ratio as accordance to BOT's Notification No. SorNorSor 12/2555 Re: the BOT required the Commercial Banks to increase capital conservation buffer of 2.5%.

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5. Risk Management Overview

A robust and efficient risk management system is critical for the Bank to achieve continued profitability and sustainable growth in shareholder value amidst today's globalised and intertwined financial and economic environments.

The Bank embraces risk management as an integral part of our business, operations, and decision-making processes. In ensuring that we achieve optimum returns whilst operating within a sound business environment, Risk Management Unit is involved at the early stage of the risk-taking process by providing independent inputs, including relevant valuations, credit evaluations, new product assessments, and quantification of capital requirements. These inputs enable the business units to assess the risk-vs-reward of their propositions, thus enabling the Bank to determine appropriate pricing.

Generally, the objective of our risk management activities are to:

(i) identify the various risk exposures and capital requirements;

(ii) ensure that risk-taking activities are consistent with risk policies and the aggregated risk positions, along with being within the risk appetite as approved by the Board of Directors; and

(iii) create shareholder value through a sound risk management framework.

RISK MANAGEMENT AND CONTROL FRAMEWORK

The Board recognises that sound risk management is an integral part of the Bank's business, operations, and decision-making process, and also are critical in ensuring the Bank's success and sustainable growth.

The emphasis on a strong risk management culture is the foundation of the control mechanisms within the Bank's Enterprise-Wide Risk Management (EWRM) framework. The framework consists of an on-going process of identifying and assessing, measuring, managing and controlling, as well as monitoring and reporting material risks affecting the achievement of the Bank's strategic business objectives. It provides the Board and its management with tools to anticipate and manage both the existing and potential risks, taking into consideration the changing risk profile as dictated by changes in business strategies, external environment, and/or regulatory environment.

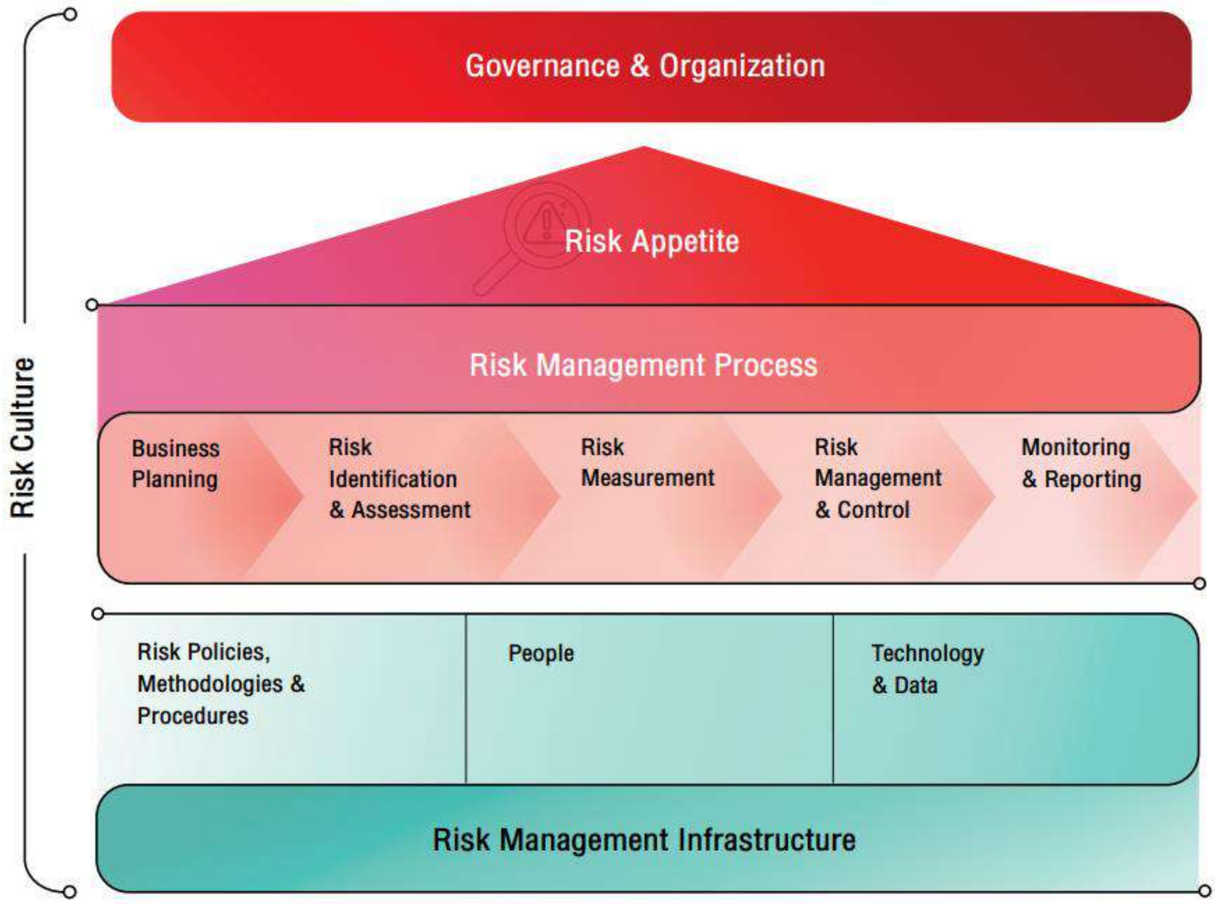
To further enhance the cultivation of risk management culture, the Bank employs the three lines of defence model in implementing the EWRM framework, providing risk management accountability across the Bank. The business units, as the first line of defence, is primarily responsible for risk management on day-to-day basis by taking appropriate actions to mitigate risk through effective controls. Risk Management Unit and other control functions within the second line of defence provide oversight, and perform independent monitoring of business activities with reporting to the Board and management to ensure that the Bank conducts business and operates within the approved risk appetite, and is in compliance with regulations. Corporate Assurance Unit as the third line of defence, provides independent assurance of the adequacy and effectiveness of the internal controls and risk management processes. The Board has also established the Board Risk and Compliance Committee, whose responsibilities, amongst others, include overseeing the effective implementation of the EWRM framework.

ENTERPRISE-WIDE RISK MANAGEMENT FRAMEWORK

The Bank employs the Enterprise-Wide Risk Management (EWRM) framework as the standardised approach to effectively manage its risks and business opportunities. The framework provides the Board and the management with a tool to anticipate and manage both the existing and potential risks, taking into consideration the changing risk profiles as dictated by changes in business strategies, external environment, and/or regulatory environment.

The design of the EWRM framework incorporates a complementary "top-down strategic" and "bottom-up tactical" risk management approach.

Key components of the EWRM framework are presented below:



Risk Culture: The Bank embraces risk management as an integral part of our culture and decision-making processes. The three lines of defence approach is embodied in the risk management philosophy, whereby risks are managed at the point of risk-taking activity. There is clear accountability of risk ownership across the Bank.

Governance & Organisation: A strong governance structure is important to ensure an effective and consistent implementation of the Bank's EWRM framework. The Board is ultimately responsible for the Bank's strategic direction, which is to be within the risk appetite and in accordance with relevant risk management frameworks/ policies and procedures. The Board is assisted by various risk committees and control functions in ensuring that the Bank's risk management framework is effectively implemented.

Risk Appetite: It is defined as the amount and type of risks that the Bank is able and willing to accept in pursuit of our strategic and business objectives. Risk appetite setting is part of the annual strategy and business planning process to ensure appropriate alignment between strategy, business growth aspirations, operating plans, capital, and business-associated risks.

Risk Management Process

- **Business Planning**: Risk management is central to the business planning process and new product/ new business activities, including framework and risk appetite setting.
- **Risk Identification & Assessment**: Risks are systematically identified and assessed through the robust application of the Bank's risk policies, methodologies/ standards, procedures/ process guidelines.
- **Risk Measurement**: Risks are measured and aggregated by using Bank- wide methodologies across each of the risk types, including stress testing.
- **Risk Management and Control:** Risk limits and controls are used to manage risk exposures to be within the risk appetite as approved by the Board. Risk limits and controls are regularly monitored and reviewed to be in response to evolving business needs, market conditions and regulatory changes. Corrective actions are taken to mitigate risks occurred.
- **Risk Monitoring and Reporting**: Risks on an individual as well as a portfolio basis are regularly monitored and reported to ensure that they remain within the Bank's risk appetite.

Risk Management Infrastructure

- **Risk Policies, Methodologies/Standards and Procedures/Process Guidelines:** Well-defined risk management policies by risk type provide the principles by which the Bank manages risks. Methodologies/Standards provide specific directions that help support and enforce policies. Procedures/Process Guidelines provide more detailed guidance to assist the implementation of policies.
- **People**: Attracting the right talents and skills is key to ensuring a well-functioning EWRM framework. The banking organisation has to continuously evolve and proactively respond to the increasing complexity of business operations, as well as the economic and regulatory environments.

- **Technology and Data**: Appropriate technology and sound data management support risk management activities.

The Bank focuses on sound and effective risk management principles to ensure not only the financial soundness and integrity, but also sustainability of the organisation and that returns must be commensurate with risks taken. The risks to which a bank is particularly exposed in the conduct of businesses are credit risk, market risk, liquidity risk, operational risk and strategic risk.

With regard to the risk management governance and oversight, the Board has appointed the Board Risk and Compliance Committee (BRCC), comprised of members who are all Board members, directly reporting to the Board to ensure that risk management is independent, more effective, and responsible for all types of risks, including compliance risk.

In addition, the Board has appointed the Risk Management Committee (RMC), directly reporting to the BRCC, to oversee various risk areas and any related matters, such as credit risk, operational risk, reputation risk, capital risk (to comply with Basel regulatory requirements), and etc. The RMC is composed of members with relevant and seasoned experience and expertise. Its key responsibilities are to review and give recommendation to the BRCC and the Board on risk management policies and frameworks, as well as establish a corresponding governance structure which would ensure that not only risks are managed efficiently and effectively, but also decisions are made in a transparent manner. Moreover, the Asset Quality Committee (AQC) has been appointed by the BRCC with responsibilities to review and/or give recommendation for approval on debt resolution plan for troubled debt or debt with signs of deterioration to the Board/relevant committee (where necessary), as well as approve and concur on proposals of and provision for non-retail debtors with problems or signs of deterioration.

Risk Management Unit has been established to act as a catalyst for the development and maintenance of sound risk management policies, strategies and procedures within the Bank. It provides functional support to the BRCC, the RMC, the Credit Committee (CC), and Risk Management sub-committees, and assists the management in managing risks inherent to the Bank and its businesses. Risk Management Unit is independent from other business units involved in risk taking transactions or activities. In addition, Special Assets Management Team has been established under Risk Management Unit to take charge of managing impaired loans, as well as providing advice to customers who, if not managed properly, may turn into impaired loans.

Roles and Responsibilities of Functions in Risk Managment as follows:

1. Non-Retail Credit Risk Management (NRCR) is responsible to perform a thorough credit risk assessment and evaluate credit applications according to the minimum standard requirement in credit analysis and lending business within bank's Credit Policy and Procedure and/or other regulations, provide credit recommendation to the respective Committee or credit decision as per delegated authority (JDA), and oversight the credit risk intensity in order to ensure of maintaining credit quality and healthy portfolio while preemptively prevent/mitigate credit risk including Non-retail credit risk analytics both static and dynamic portfolio to enable senior management/Board to actively monitor the risk profile with reliable, timely and relevant information for appropriate actions to be taken, if necessary.

2. Retail Credit Risk Management is responsible to monitor and prepare Asset Quality Report of retail loan of the Bank and subsidiaries in the financial group in order to clearly identify and understand the respective portfolio's risk drivers across relevant credit cycle and to analyse and reporting of the risk profile to relevant committees of the Bank.

3. Market Risk Management is responsible to analyse and identify market risk in trading activities, to evaluate market risk position and monitor on approved Market Risk Limits and report to Management and relevant units and to perform Escalation Procedure per Bank's policy.

4. Asset and Liability Management is responsible to measure, monitor, and control the liquidity risk and IRRBB under the Asset Liability Management Committee (ALCO)'s or BOD's policies.

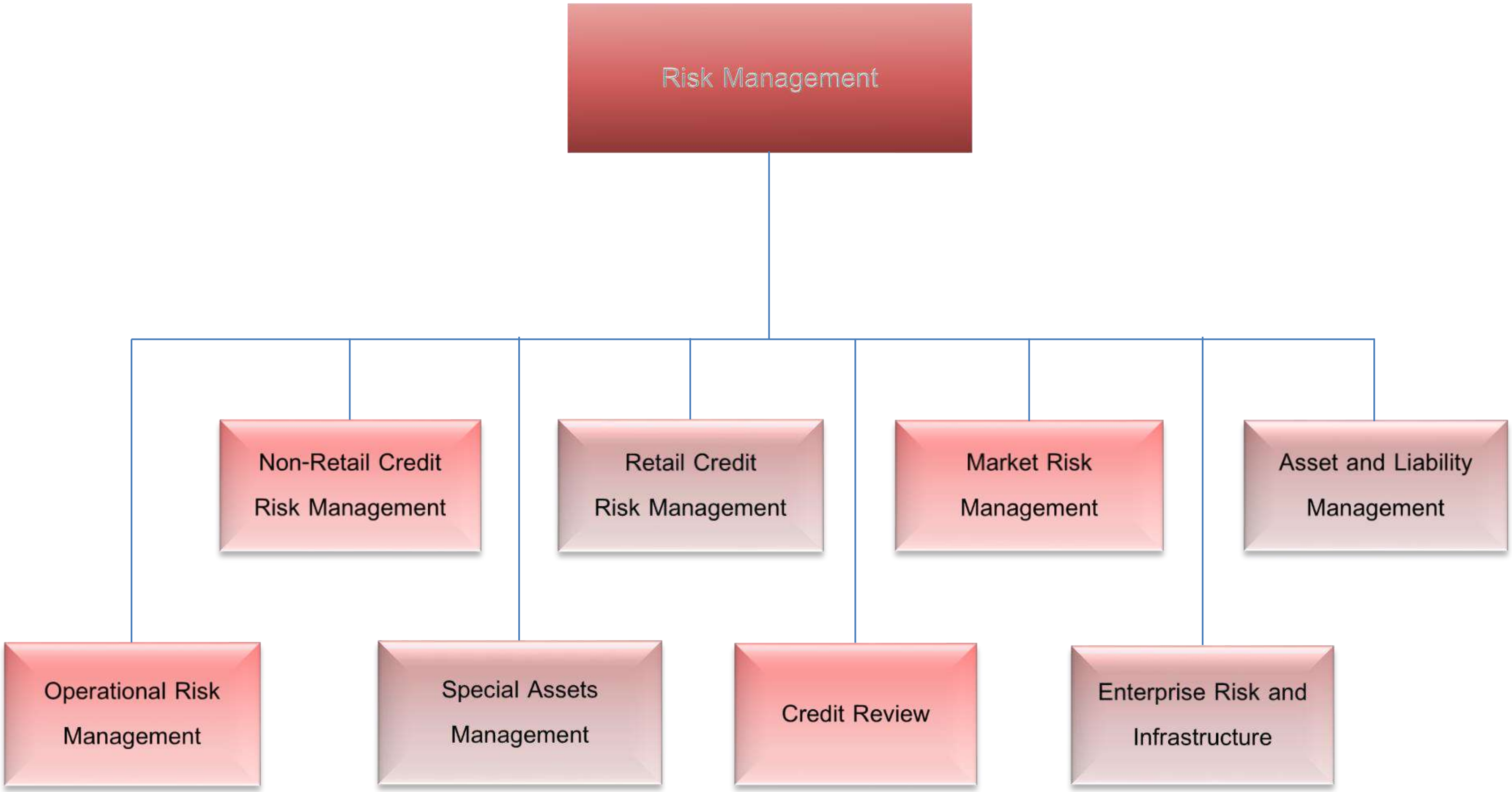
5. Operational Risk Management is responsible to study, review, monitor and develop Operational Risk Framework and plan to be in line with the Bank of Thailand Policy Statement and the Bank's business plan. The scope of Operational Risk is also including technology & cyber risk, fraud risk, and business continuity.

6. Special Assets Management is responsible to manage non-retail's distressed assets which comprise of direct account management of distressed accounts, proper recovery strategy, i.e. restructuring or legal proceedings, is to be determined and proposed once the account is transferred and management of NPAs, which includes properties, obtained via debt to assets swap and closed branches. Beside maintenance of NPAs to be ready for disposal, clear marketing plan and approach are to be set up for disposal of NPAs to enhance efficient use of the bank's resources and capital, and must be in accordance with both local and group regulations.

7. Credit Review is responsible to perform a review function that provides credit assurance oriented towards the review of credits, credit-like transactions and contingent liabilities to ensure that credit approval and administration processes are in line with the Credit Risk Policy and procedures, and the accuracy of loan classification and provisioning according to BOT's Policy Guidelines.

8. Enterprise Risk and Infrastructure is responsible to manage and develop appropriate database for risk management, control, monitor and overall risk reporting, supervision on capital risk in accordance with Basel regulatory compliance, develop credit risk model and portfolio analysis, manage credit rating implementation, Non-retail credit risk analytics and Climate risk management.

Risk Management Organization



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6. Risk Assessment for each risk

6.1 Strategic Risk

Strategic risk is the risk of losses as a result of insufficient consideration of possible threats to the Bank's activities, insufficiently substantiated prospective business where the Bank could gain advantage over its competitors, or lacking or incomplete provision of necessary resources and organisational measures that are required to achieve strategic objectives.

The major goal of strategic risk management is to maintain the risks taken by the Bank at levels determined in accordance with its strategic tasks and to ensure safety of assets and capital by minimisation of possible losses. The Bank defines risk appetite subject to approval by the Board of Directors. It uses the following strategic risk management methods: business planning, financial planning, monitoring of approved plan implementation, market analysis, SWOT analysis and readjustment of plans where necessary. Senior management and the Board of Directors are closely involved and engaged throughout the formulation process. Subsequent to the implementation stage, the Board of Directors and designated Management Committee regularly monitor and review actual results against the targets and plans.

6.2 Credit Risk

6.2.1 Credit Risk Management

Credit risk arises from customers or counterparties who are not able to or are not willing to fulfill their contractual obligations under loan agreements or other credit facility agreements. Credit risk results in the deterioration of credit quality, and affects the Bank's profitability and capital. The underlying objective of credit risk management of the Bank is to create value for shareholders by ensuring that the revenue received must be worthwhile and in line with the acceptable credit risk appetite. Under the credit risk management policy, the Bank has put in place credit risk management process, techniques and controls to maintain a check and balance system with clearly defined responsibilities for relationship managers, credit analysts, credit evaluators, credit approvers and risk management officers. The risk management framework and procedures for the Bank and subsidiaries have continued to be enhanced to support our business, and to ensure the overall adherence to the risk management policy of the Bank and CIMB Group.

The Bank has continuously reviewed and improved credit risk assessment tools to be suitable to different types of customers and in line with the growth of loan portfolios. The tools include Corporate Rating Model developed and implemented for corporate customers, SME Rating Model for SME customers, Life Insurance Rating Model and General Insurance Rating Model for life and non-life bancassurance customers, specialised lending rating models such as Project Finance (PF) Model, Income Producing Real Estate (IPRE) for specialised customer groups, credit underwriting tool for small SME customers, and credit scoring tools and system for retail customers, both secured and unsecured loans, as well as hire purchase loans. Credit rating and credit scoring tools are implemented in work systems to ensure efficiency of rating/scoring and model performance monitoring. Moreover, the Bank has also put in place Acquisition Quality Trigger (AQT) for new retail loan acquisition to closely and more efficiently monitor the quality of retail loans.

The Bank determines and reviews risk appetite, considering the forecasted economy in each year, in order to be the guideline of business expansion and management to be within acceptable risk level. Risk appetite has been monitored on a monthly basis and reported to the RMC, the BRCC, and the Board.

- Credit Approval

The Bank has approval processes for non-retail credits, i.e. Credit Committee and Joint Delegation Authority (JDA) between Risk Management Unit and business units.

JDA approval level is determined by group exposure, global group rating, and loan-to-collateral value, to help alleviate Credit Committee's burden and shorten the approval process. In case any customer does not fall into the criteria prescribed in the JDA, approval by Credit Committee shall be sought.

- Collateral Policy

Pertaining to the Bank's lending policies, the primary basis is assessing the creditworthiness according to the borrower's ability to repay loan obligations, most often from cash flows generated through normal business operations and other sources of repayment. Additionally, the Bank also emphasises the importance of collateral as a guarantee for borrowing, serving as a security for debt repayment and helping mitigate loss in the event of default. Among the different types of collateral which we accept are deposits, government bonds, debt and equity instruments, land, construction and machinery, and etc. The collateral value and loan-tocollateral value ratio will vary based upon the risk level of each credit product, the borrower's creditworthiness, and liquidity of collaterals. We have established the collateral valuation policy to ensure effective risk management as well as to comply with the Bank of Thailand's guidelines. Once the collateral is taken, it is important to follow the Bank's policy regarding collateral price appraisal and price appraisal frequency.

- **Non-performing Loan (NPL)**

Non-performing loan (NPL) risk is one of the key risks affecting profitability and capital adequacy of the Bank. As such, we closely and prudently monitor and manage NPL, thus allowing for adequate provisioning for doubtful debts. In addition, as a pre-emptive measure, problem accounts are proactively monitored and managed before they turn into NPL. For portfolio risk management, particular attention is given to credit concentration risk by imposing appropriate risk limits, i.e. country risk limits, internal lending limits, and business sector limits, with Black and RAG (Red, Amber & Green) indicators used to monitor concentration risk, as well as to provide a better visual guidance to credit granting decision, i.e. Black – "Forbidden", Red – "Restricted", Amber – "Selective", and Green – "Grow". The Bank also performs stress tests to evaluate the impact on the Bank in the event of unfavourable economic and financial conditions, in both plausible scenario and severe scenario.

In addition, the Bank has set policies and procedures for credit risk to prevent and minimize risk that may occur in the future, which can be summarizes as follows:

- **Debt Control and Monitoring Guidelines**

The Bank has set up guidelines for closely managing and monitoring watchlist and problem loan accounts, in order to speedily resolve problem loans and standardise the problem loan control and monitoring procedure. The guidelines prescribe a control and monitoring procedure for watchlist accounts which will be revised periodically to ensure their effectiveness and relevance. In addition to mandatory debt classification in accordance with the Bank of Thailand's guidelines, we have established additional qualitative criteria for early classification of debts with signs of deterioration prior to default. In order for the debtors with signs of deterioration to be more effectively managed, the Bank has developed a guideline called the "Early Warning Process" to track and report on the performance of this group of debtors. This serves as a guide for Relationship Managers (RM) to regularly assess the status of debtors. Early Warning Indicators are established, and if trends suggest potential future problems, appropriate and timely action plans are devised for these debtors to mitigate risks for the Bank. The accounts with potential problems are put under watchlist and classified by degree of their problems and risk level into three groups, i.e. Watchlist – Low, Watchlist – Medium, and Watchlist – High.

The accounts under Watchlist – Low and Watchlist – Medium shall remain as performing loans (stage1) class, while those under Watchlist – High are classified as under-performing loans (stage2). These three groups of watchlist accounts as well as NPL accounts with exposure more than THB 10 million are regularly reported to Asset Quality Committee (AQC) on a monthly basis.

AQC was set up to closely monitor development of those watchlist accounts, problem loan accounts, and any other accounts requiring close attention, and provide guidance, approve, or recommend recovery actions to be taken, so that the Bank can more effectively manage both potential problem loans and problem loans in all dimensions, e.g. debt reclassification, provisioning, and recovery actions to minimise loss and maximise recovery for the Bank.

Moreover, the Bank has refreshed the policies in relation to non-performing loan (NPL) and non-performing asset (NPA) management and guidelines to determine valuation for disposition based on discounted cash flow and fair market value, to enhance transparency and openness to examination while also minimising loss for the Bank.

- Debt Restructuring Policy

The Bank has established a policy to undertake debt restructuring for borrowers who have cooperated with the Bank as well as have potential to comply with the conditions newly agreed upon. The objective of the policy is to ensure that the Bank and the borrowers have mutually benefited from the debt restructuring, that is, the Bank has opportunity to maximise recovery or minimise potential loss, while the borrowers are able to continue their business operations with incurrence of some losses on their part. We will restructure debts in accordance with the Bank of Thailand's regulations and the task will be carried out prudently and in a way that does not avoid the requirements regarding debt reclassification, additional provisioning, and suspension of income recognition of accrued interest.

The Bank's debt restructuring takes into consideration and adheres to the criteria, process and method provided for debt restructuring process covering debtor analysis, approval, preparation of agreement, follow-up, and assessment. Such process must be in compliance with the applicable rules and regulations of the authorities and the Bank. The responsibility for executing/ coordinating debt restructuring activities lies primarily with the Bank's internal units. However, a certified and experienced third party specialised in this area may be assigned by the Bank to engage in providing financial advisory services, or undertaking debt restructuring. Debt restructuring conditions are subject to approval of the Board of Directors, or the Credit Committee, or the Asset Quality Committee, or other persons as authorised by the Bank.

- Policy on Asset Classification and Loan Loss Provision

The Bank has complied with the Bank of Thailand's regulations as prescribed in the Bank of Thailand Notification's No. SorNorSor 23/2018 re: Regulations on Asset Classification and Provisioning of Financial Institutions dated 13 December 2018, thus classification and provisioning is required for financial assets and exposure from loan commitments and financial guarantee contracts, in accordance with Thai Financial Reporting Standard No. 9 (TFRS9) re: financial instruments, with effect from 1 January 2020. Such financial assets and commitments are classified into three types, comprising (1) credit-impaired financial assets and commitments (Non-performing), (2) financial assets and commitments with significant increase in credit risk (Under-performing), and (3) financial assets and commitments with no significant increase in credit risk (Performing). Provisioning is also required to accommodate expected credit loss (ECL). This is in accordance with Thai Financial Reporting Standard No. 9 (TFRS9) re: financial instruments, effective from 1 January 2020 onwards.

For the calculation of capital adequacy to risk weighted assets by using SA approach both Bank level and Full Consolidated level. The provisions to be set aside for assets and off-balance sheet items shall be classified as follows:

- **General Provision** includes reserves for assets and obligations with an insignificant increase in credit risk (Perfoming) and reserves for assets and obligations with a significant increase in credit risk (Under-performing) excluding any provision held against assets classified as pass which is already counted as specific provision. The general provision shall be in accordance with the Notification of the Bank of Thailand Re: Regulations on Assets Classification and Provisioning of Financial Institutions.
- **Specific Provision** means a provision ascribed to identified deterioration of any particular assets and off-balance sheet items, including allowance for a decrease occurred from financial instruments that measured at fair value through profit or loss (FVTPL), financial instruments that measured at fair value through other comprehensive income (FVOCI) and allowance for expected credit loss but excluding general provision that has already been included in Tier 2 capital.
- **Non-performing claims** mean claims on assets classified as non-performing and purchased or originated credit impaired under the Notification of the Bank of Thailand on Asset Classifidation and Provisioning of Financial Institutions.

- **Policy for Intra-Group Transaction of the Financial Group**

In adherence to the good governance principles, the Bank has established Intra-Group Transaction Policy to provide guidelines for efficient risk management of intra-group transactions which are able to identify, measure, monitor, and control risks that may arise from intra-group transactions.

This policy is also to ensure that intra-group transactions of the financial business group are in compliance with the Bank of Thailand's regulations, i.e. the procedure of conducting intra-group transactions should be the same as conducting transactions with a general person. Moreover, the execution of legally binding documents and various terms and conditions has to be the same as those agreed upon with a general person of the same risk level, and etc.

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Table 5 Outstanding of on-balance sheet assets and off-balance sheet items before credit risk mitigation

Unit: Baht million

As at	Consolidated		Bank Only	
	Dec 31, 2023	Dec 31, 2022	Dec 31, 2023	Dec 31, 2022
1. On-balance sheet assets	421,716	437,864	416,728	432,126
1.1 Loans and accrued interest receivables, net [1/]	243,928	237,942	239,264	232,510
1.2 Investments in debt securities, net [2/]	112,735	105,025	112,733	105,023
1.3 Deposits and accrued interests, net [3/]	4,767	14,613	4,445	14,309
1.4 Derivative assets	60,286	80,284	60,286	80,284
2. Off-balance sheet items [4/]	5,796,282	5,444,664	5,807,532	5,452,114
2.1 Aval of bills, financial guarantees and Letter of credits	630	667	630	667
2.2 OTC derivatives [5/]	5,777,455	5,425,285	5,777,455	5,425,285
2.3 Undrawn committed line	18,197	18,712	29,447	26,162

[1/] Including undue interest receivables, net of deferred income, unamortised modification gain (loss) and expected credit loss and including loans and accrued interest receivalbes of interbank and money market, net

[2/] Including investment in loan, which excluding accrued interest receivables and net of allowances for revaluation securities and expected credit loss

[3/] Including undue interest receivables and net of expected credit loss

[4/] Before using credit conversion factor

[5/] Including equity-related derivatives

Table 6 Outstanding of on-balance sheet assets and off-balance sheet items before credit risk mitigation classified by country or geographic area of debtors

Consolidated

Unit: Baht million

As at	Dec 31, 2023								
	On-balance sheet assets					Off-balance sheet items [3/]			
	Total	Net loans [1/]	Net investments in debt securities [2/]	Deposits (including accrued interests) [3/]	Derivative assets	Total	Aval of bills, financial guarantees and letter of credits	OTC derivatives [4/]	Undrawn committed line
1. Thailand	388,243	248,027	112,735	3,556	23,925	2,040,856	459	2,022,200	18,197
2. Asia Pacific (excluding Thailand)	11,290	97	-	154	11,039	620,934	171	620,763	-
3. North America and Latin America	8,211	-	-	1,017	7,194	1,028,564	-	1,028,564	-
4. Africa and Middle East	1	-	-	-	1	244	-	244	-
5. Europe	19,386	1,237	-	22	18,127	2,105,684	-	2,105,684	-
6. Oceania	1,154	1,136	-	18	-	-	-	-	-
Total	428,285	250,497	112,735	4,767	60,286	5,796,282	630	5,777,455	18,197
Less General provision	(6,569)	(6,569)	-	-	-	-	-	-	-
Total	421,716	243,928	112,735	4,767	60,286	5,796,282	630	5,777,455	18,197

[1/] Including undue interest receivables, net of deferred income, unamortised modification gain (loss) and expected credit loss and including loans and accrued interest receivalbes of interbank and money market, net

[2/] Including investment in loan, which excluding accrued interest receivables and net of allowances for revaluation securities and expected credit loss

[3/] Including undue interest receivables and net of expected credit loss

[4/] Before using credit conversion factor

[5/] Including equity-related derivatives

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Consolidated

Unit: Baht million

As at	Dec 31, 2022								
	On-balance sheet assets					Off-balance sheet items [3]			
	Total	Net loans [1]	Net investments in debt securities [2]	Deposits (including accrued interests) [3]	Derivative assets	Total	Aval of bills, financial guarantees and letter of credits	OTC derivatives [4]	Undrawn committed line
1. Thailand	386,040	242,918	102,285	3,315	37,522	2,143,780	667	2,124,964	18,149
2. Asia Pacific (excluding Thailand)	21,153	336	2,740	7,653	10,424	538,173	-	538,173	-
3. North America and Latin America	9,327	-	-	458	8,869	811,129	-	811,129	-
4. Africa and Middle East	1	-	-	1	-	-	-	-	-
5. Europe	27,277	631	-	3,177	23,469	1,951,582	-	1,951,019	563
6. Oceania	9	-	-	9	-	-	-	-	-
Total	443,807	243,885	105,025	14,613	80,284	5,444,664	667	5,425,285	18,712
Less General provision	(5,943)	(5,943)	-	-	-	-	-	-	-
Total	437,864	237,942	105,025	14,613	80,284	5,444,664	667	5,425,285	18,712

[1] Including undue interest receivables, net of deferred income, unamortised modification gain (loss) and expected credit loss and including loans and accrued interest receivalbes of interbank and money market, net

[2] Including investment in loan, which excluding accrued interest receivables and net of allowances for revaluation securities and expected credit loss

[3] Including undue interest receivables and net of expected credit loss

[4] Before using credit conversion factor

[5] Including equity-related derivatives

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Bank Only

Unit: Baht million

As at	Dec 31, 2023								
	On-balance sheet assets					Off-balance sheet items [3/]			
	Total	Net loans [1/]	Net investments in debt securities [2/]	Deposits (including accrued interests) [3/]	Derivative assets	Total	Aval of bills, financial guarantees and letter of credits	OTC derivatives [4/]	Undrawn committed line
1. Thailand	381,510	241,618	112,733	3,234	23,925	2,052,106	459	2,022,200	29,447
2. Asia Pacific (excluding Thailand)	11,290	97	-	154	11,039	620,934	171	620,763	-
3. North America and Latin America	8,211	-	-	1,017	7,194	1,028,564	-	1,028,564	-
4. Africa and Middle East	1	-	-	-	1	244	-	244	-
5. Europe	19,386	1,237	-	22	18,127	2,105,684	-	2,105,684	-
6. Oceania	1,154	1,136	-	18	-	-	-	-	-
Total	421,552	244,088	112,733	4,445	60,286	5,807,532	630	5,777,455	29,447
Less General provision	(4,824)	(4,824)	-	-	-	-	-	-	-
Total	416,728	239,264	112,733	4,445	60,286	5,807,532	630	5,777,455	29,447

[1/] Including undue interest receivables, net of deferred income, unamortised modification gain (loss) and expected credit loss and including loans and accrued interest receivalbes of interbank and money market, net

[2/] Including investment in loan, which excluding accrued interest receivables and net of allowances for revaluation securities and expected credit loss

[3/] Including undue interest receivables and net of expected credit loss

[4/] Before using credit conversion factor

[5/] Including equity-related derivatives

Bank Only

Unit: Baht million

As at	Dec 31, 2022								
	On-balance sheet assets					Off-balance sheet items [3/]			
	Total	Net loans [1/]	Net investments in debt securities [2/]	Deposits (including accrued interests) [3/]	Derivative assets	Total	Aval of bills, financial guarantees and letter of credits	OTC derivatives [4/]	Undrawn committed line
1. Thailand	378,761	235,945	102,283	3,011	37,522	2,151,230	667	2,124,964	25,599
2. Asia Pacific (excluding Thailand)	21,153	336	2,740	7,653	10,424	538,173	-	538,173	-
3. North America and Latin America	9,327	-	-	458	8,869	811,129	-	811,129	-
4. Africa and Middle East	1	-	-	1	-	-	-	-	-
5. Europe	27,277	631	-	3,177	23,469	1,951,582	-	1,951,019	563
6. Oceania	9	-	-	9	-	-	-	-	-
Total	436,528	236,912	105,023	14,309	80,284	5,452,114	667	5,425,285	26,162
Less General provision	(4,402)	(4,402)	-	-	-	-	-		-
Total	432,126	232,510	105,023	14,309	80,284	5,452,114	667	5,425,285	26,162

[1/] Including undue interest receivables, net of deferred income, unamortised modification gain (loss) and expected credit loss and including loans and accrued interest receivalbes of interbank and money market, net

[2/] Including investment in loan, which excluding accrued interest receivables and net of allowances for revaluation securities and expected credit loss

[3/] Including undue interest receivables and net of expected credit loss

[4/] Before using credit conversion factor

[5/] Including equity-related derivatives

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Table 7 Outstanding of on-balance sheet assets and off-balance sheet items before credit risk mitigation classified by the remaining maturity

Unit: Baht million

As at	Consolidated							
	Dec 31, 2023				Dec 31, 2022			
	Maturity not exceeding 1 year	Maturity exceeding 1 year	General provision	Total	Maturity not exceeding 1 year	Maturity exceeding 1 year	General provision	Total
1. On-balance sheet assets	75,084	353,201	(6,569)	421,716	121,766	322,041	(5,943)	437,864
1.1 Loans and accrued interest receivables, net [1/]	33,260	217,237	(6,569)	243,928	43,823	200,062	(5,943)	237,942
1.2 Investments in debt securities, net [2/]	5,290	107,445	-	112,735	20,884	84,141	-	105,025
1.3 Deposits and accrued interests, net [3/]	4,767	-	-	4,767	14,613	-	-	14,613
1.4 Derivative assets	31,767	28,519	-	60,286	42,446	37,838	-	80,284
2. Off-balance sheet items [4/]	3,768,075	2,028,207	-	5,796,282	3,559,308	1,885,356	-	5,444,664
2.1 Aval of bills, financial guarantees and Letter of credits	630	-	-	630	667	-	-	667
2.2 OTC derivatives [5/]	3,758,450	2,019,005	-	5,777,455	3,545,383	1,879,902	-	5,425,285
2.3 Undrawn committed line	8,995	9,202	-	18,197	13,258	5,454	-	18,712

[1/] Including undue interest receivables, net of deferred income, unamortised modification gain (loss) and expected credit loss and including loans and accrued interest receivalbes of interbank and money market, net

[2/] Including investment in loan, which excluding accrued interest receivables and net of allowances for revaluation securities and expected credit loss

[3/] Including undue interest receivables and net of expected credit loss

[4/] Before using credit conversion factor

[5/] Including equity-related derivatives

Unit: Baht million

As at	Bank Only							
	Dec 31, 2023				Dec 31, 2022			
	Maturity not exceeding 1 year	Maturity exceeding 1 year	General provision	Total	Maturity not exceeding 1 year	Maturity exceeding 1 year	General provision	Total
1. On-balance sheet assets	90,864	330,688	(4,824)	416,728	129,919	306,609	(4,402)	432,126
1.1 Loans and accrued interest receivables, net [1/]	49,364	194,724	(4,824)	239,264	52,282	184,630	(4,402)	232,510
1.2 Investments in debt securities, net [2/]	5,288	107,445	-	112,733	20,882	84,141	-	105,023
1.3 Deposits and accrued interests, net [3/]	4,445	-	-	4,445	14,309	-	-	14,309
1.4 Derivative assets	31,767	28,519		60,286	42,446	37,838	-	80,284
2. Off-balance sheet items [4/]	3,779,325	2,028,207	-	5,807,532	3,566,758	1,885,356	-	5,452,114
2.1 Aval of bills, financial guarantees and Letter of credits	630	-	-	630	667	-	-	667
2.2 OTC derivatives [5/]	3,758,450	2,019,005	-	5,777,455	3,545,383	1,879,902	-	5,425,285
2.3 Undrawn committed line	20,245	9,202	-	29,447	20,708	5,454	-	26,162

[1/] Including undue interest receivables, net of deferred income, unamortised modification gain (loss) and expected credit loss and including loans and accrued interest receivalbes of interbank and money market, net

[2/] Including investment in loan, which excluding accrued interest receivables and net of allowances for revaluation securities and expected credit loss

[3/] Including undue interest receivables and net of expected credit loss

[4/] Before using credit conversion factor

[5/] Including equity-related derivatives

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Table 8 Outstanding balance of financial instruments * before credit risk mitigation and provisions (General provision and Specific provision)

Unit: Baht million

Consolidated						
Dec 31, 2023						
Items	Exposures		Provisions [2/]	Reserve value of the position using the SA mehtod [2/]		Net exposures [3/]
	Defaulted exposures [1/]	Non-defaulted exposures [1/]		General provision	Specific provision	
1. Loans and accrued interest receivables [4/]	8,934	244,570	9,576	6,569	3,007	243,928
2. Investment in debt Securities [5/]	-	112,735	-	-	-	112,735
3. Deposits and accrued interests [6/]	-	4,767	-	-	-	4,767
4. Loan commitment and financial guarantee contract [7/]	302	26,601	668	190	478	26,235
Total	9,236	388,673	10,244	6,759	3,485	387,665

* Recognized impairment in accordance with TFRS 9 Re: Financial Instruments

[1/] The Bank uses the SA method: defaulted exposures and non-defaulted exposures as according to the Bank of Thailand Notification Re: Regulations for Classification and Provision of Financial Institutions

[2/] Refers to the allowance for expected credit loss as defined in TFRS 9. For financial instruments measured at fair value through other comprehensive income. The reserve value is not required as stipulated in TFRS 7 Re: Financial Instruments Disclosure. The outstanding value of such financial instruments is shown in net amount of reserve value.

[3/] Net exposure = Exposure - Provsion

[4/] Including undue interest receivables, net of deferred income, unamortised modification gain (loss) and expected credit loss and including loans and accrued interest receivalbes of interbank and money market, net

[5/] Excluding accrued interest receivables and net of allowances for revaluation, and excluding Investment in loan

[6/] Including undue interest receivables

[7/] Before using credit conversion factor

Unit: Baht million

Consolidated						
Dec 31, 2022						
Items	Exposures		Provisions [2/]	Reserve value of the position using the SA mehtod [2/]		Net exposures [3/]
	Defaulted exposures [1/]	Non-defaulted exposures [1/]		General provision	Specific provision	
1. Loans and accrued interest receivables [4/]	8,296	237,843	8,197	5,943	2,254	237,942
2. Investment in debt Securities [5/]	-	105,025	-	-	-	105,025
3. Deposits and accrued interests [6/]	-	14,613	-	-	-	14,613
4. Loan commitment and financial guarantee contract [7/]	411	26,187	743	168	575	25,855
Total	8,707	383,668	8,940	6,111	2,829	383,435

* Recognized impairment in accordance with TFRS 9 Re: Financial Instruments

[1/] The Bank uses the SA method: defaulted exposures and non-defaulted exposures as according to the Bank of Thailand Notification Re: Regulations for Classification and Provision of Financial Institutions

[2/] Refers to the allowance for expected credit loss as defined in TFRS 9. For financial instruments measured at fair value through other comprehensive income. The reserve value is not required as stipulated in TFRS 7 Re: Financial Instruments Disclosure. The outstanding value of such financial instruments is shown in net amount of reserve value.

[3/] Net exposure = Exposure - Provsion

[4/] Including undue interest receivables, net of deferred income, unamortised modification gain (loss) and expected credit loss and including loans and accrued interest receivalbes of interbank and money market, net

[5/] Excluding accrued interest receivables and net of allowances for revaluation, and excluding Investment in loan

[6/] Including undue interest receivables

[7/] Before using credit conversion factor

Unit: Baht million

Bank Only						
Dec 31,2023						
Items	Exposures		Provisions [2/]	Reserve value of the position using the SA mehtod [2/]		Net exposures [3/]
	Defaulted exposures [1/]	Non-defaulted exposures [1/]		General provision	Specific provision	
1. Loans and accrued interest receivables [4/]	8,277	238,560	7,573	4,824	2,749	239,264
2. Debt Securities [5/]	-	112,733	-	-	-	112,733
3. Deposits and accrued interests [6/]	-	4,445	-	-	-	4,445
4. Loan commitment and financial guarantee contract [7/]	302	37,851	681	203	478	37,472
Total	8,579	393,589	8,254	5,027	3,227	393,914

* Recognized impairment in accordance with TFRS 9 Re: Financial Instruments

[1/] The Bank uses the SA method: defaulted exposures and non-defaulted exposures as according to the Bank of Thailand Notification Re: Regulations for Classification and Provision of Financial Institutions

[2/] Refers to the allowance for expected credit loss as defined in TFRS 9. For financial instruments measured at fair value through other comprehensive income. The reserve value is not required as stipulated in TFRS 7 Re: Financial Instruments Disclosure. The outstanding value of such financial instruments is shown in net amount of reserve value.

[3/] Net exposure = Exposure - Provsion

[4/] Including undue interest receivables, net of deferred income, unamortised modification gain (loss) and expected credit loss and including loans and accrued interest receivalbes of interbank and money market, net

[5/] Excluding accrued interest receivables and net of allowances for revaluation, and excluding Investment in loan

[6/] Including undue interest receivables

[7/] Before using credit conversion factor

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Unit: Baht million

Bank Only						
Dec 31,2022						
Items	Exposures		Provisions [2/]	Reserve value of the position using the SA mehtod [2/]		Net exposures [3/]
	Defaulted exposures [1/]	Non-defaulted exposures [1/]		General provision	Specific provision	
1. Loans and accrued interest receivables [4/]	7,788	231,180	6,458	4,402	2,056	232,510
2. Debt Securities [5/]	-	105,023	-	-	-	105,023
3. Deposits and accrued interests [6/]	-	14,309	-	-	-	14,309
4. Loan commitment and financial guarantee contract [7/]	411	33,637	748	173	575	33,300
Total	8,199	384,149	7,206	4,575	2,631	385,142

* Recognized impairment in accordance with TFRS 9 Re: Financial Instruments

[1/] The Bank uses the SA method: defaulted exposures and non-defaulted exposures as according to the Bank of Thailand Notification Re: Regulations for Classification and Provision of Financial Institutions

[2/] Refers to the allowance for expected credit loss as defined in TFRS 9. For financial instruments measured at fair value through other comprehensive income. The reserve value is not required as stipulated in TFRS 7 Re: Financial Instruments Disclosure. The outstanding value of such financial instruments is shown in net amount of reserve value.

[3/] Net exposure = Exposure - Provsion

[4/] Including undue interest receivables, net of deferred income, unamortised modification gain (loss) and expected credit loss and including loans and accrued interest receivalbes of interbank and money market, net

[5/] Excluding accrued interest receivables and net of allowances for revaluation, and excluding Investment in loan

[6/] Including undue interest receivables

[7/] Before using credit conversion factor

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Table 9 Outstanding of loans including accrued interests and investments in debt securities before credit risk mitigation classified by country or geographic area of debtors and by asset classification specified by the Bank of Thailand

Unit: Baht million

Consolidated										
Dec 31, 2023										
country or geographic area	Loans and accrued interest receivables [1/]					Investment in debt securities [2/]				
	Performing (Stage 1)	Under-performing (Stage 2)	Non-performing (Stage 3)	Purchased or originated crdit-impaired	Total	Performing (Stage 1)	Under-performing (Stage 2)	Non-performing (Stage 3)	Purchased or originated crdit-impaired	Total
Thailand	230,116	11,984	8,888	46	251,034	112,735	-	-	-	112,735
Asia Pacific (exclude Thailand)	15	82	-	-	97	-	-	-	-	-
North America and Latin America	-	-	-	-	-	-	-	-	-	-
Africa and Middle East	-	-	-	-	-	-	-	-	-	-
Europe	1,237	-	-	-	1,237	-	-	-	-	-
Oceania	1,136	-	-	-	1,136	-	-	-	-	-
Total	232,504	12,066	8,888	46	253,504	112,735	-	-	-	112,735

[1/] Including undue interest receivables, net of deferred income, unamortised modification gain (loss) and expected credit loss and including loans and accrued interest receivalbes of interbank and money market, net

[2/] Excluding accrued interest receivables and net of allowances for revaluation, and excluding Investment in loan

Unit: Baht million

Consolidated										
Dec 31, 2022										
country or geographic area	Loans and accrued interest receivables [1/]					Investment in debt securities [2/]				
	Performing (Stage 1)	Under-performing (Stage 2)	Non-performing (Stage 3)	Purchased or originated crdit-impaired	Total	Performing (Stage 1)	Under-performing (Stage 2)	Non-performing (Stage 3)	Purchased or originated crdit-impaired	Total
Thailand	220,198	16,678	8,249	47	245,172	102,285	-	-	-	102,285
Asia Pacific (exclude Thailand)	192	144	-	-	336	2,740	-	-	-	2,740
North America and Latin America	-	-	-	-	-	-	-	-	-	-
Africa and Middle East	-	-	-	-	-	-	-	-	-	-
Europe	631	-	-	-	631	-	-	-	-	-
Oceania	-	-	-	-	-	-	-	-	-	-
Total	221,021	16,822	8,249	47	246,139	105,025	-	-	-	105,025

[1/] Including undue interest receivables, net of deferred income, unamortised modification gain (loss) and expected credit loss and including loans and accrued interest receivalbes of interbank and money market, net

[2/] Excluding accrued interest receivables and net of allowances for revaluation, and excluding Investment in loan

Unit: Baht million

Bank Only										
Dec 31, 2023										
country or geographic area	Loans and accrued interest receivables [1/]					Investment in debt securities [2/]				
	Performing (Stage 1)	Under-performing (Stage 2)	Non-performing (Stage 3)	Purchased or originated crdit-impaired	Total	Performing (Stage 1)	Under-performing (Stage 2)	Non-performing (Stage 3)	Purchased or originated crdit-impaired	Total
Thailand	230,139	5,951	8,231	46	244,367	112,733	-	-	-	112,733
Asia Pacific (exclude Thailand)	15	82	-	-	97	-	-	-	-	-
North America and Latin America	-	-	-	-	-	-	-	-	-	-
Africa and Middle East	-	-	-	-	-	-	-	-	-	-
Europe	1,237	-	-	-	1,237	-	-	-	-	-
Oceania	1,136	-	-	-	1,136	-	-	-	-	-
Total	232,527	6,033	8,231	46	246,837	112,733	-	-	-	112,733

[1/] Including undue interest receivables, net of deferred income, unamortised modification gain (loss) and expected credit loss and including loans and accrued interest receivalbes of interbank and money market, net

[2/] Excluding accrued interest receivables and net of allowances for revaluation, and excluding Investment in loan

Unit: Baht million

Bank Only										
Dec 31, 2022										
country or geographic area	Loans and accrued interest receivables [1/]					Investment in debt securities [2/]				
	Performing (Stage 1)	Under-performing (Stage 2)	Non-performing (Stage 3)	Purchased or originated crdit-impaired	Total	Performing (Stage 1)	Under-performing (Stage 2)	Non-performing (Stage 3)	Purchased or originated crdit-impaired	Total
Thailand	218,643	11,569	7,742	47	238,001	102,283	-	-	-	102,283
Asia Pacific (exclude Thailand)	192	144	-	-	336	2,740	-	-	-	2,740
North America and Latin America	-	-	-	-	-	-	-	-	-	-
Africa and Middle East	-	-	-	-	-	-	-	-	-	-
Europe	631	-	-	-	631	-	-	-	-	-
Oceania	-	-	-	-	-	-	-	-	-	-
Total	219,466	11,713	7,742	47	238,968	105,023	-	-	-	105,023

[1/] Including undue interest receivables, net of deferred income, unamortised modification gain (loss) and expected credit loss and including loans and accrued interest receivalbes of interbank and money market, net

[2/] Excluding accrued interest receivables and net of allowances for revaluation, and excluding Investment in loan

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Table 10 Provisions (General provision and Specific provision) and bad debt write-offs for loans including accrued interests and investments in debt securities classified by country or geographic area

Consolidated

Unit: Baht million

As at	Dec 31, 2023				Dec 31, 2022			
	Loans and accrued interest receivables [1]			Investment in debt securities Specific provision [2]	Loans and accrued interest receivables [1]			Investment in debt securities Specific provision [5]
	Reserve value of the position using the SA method [3]		Write-off during period		Reserve value of the position using the SA method [3]		Write-off during period	
	General provision [4]	Specific provision			General provision [4]	Specific provision		
Thailand		3,007	1,776	1		2,254	1,641	1
Asia Pacific (exclude Thailand)		-	-	-		-	-	-
North America and Latin America		-	-	-		-	-	-
Africa and Middle East		-	-	-		-	-	-
Europe		-	-	-		-	-	-
Oceania		-	-	-		-	-	-
Total	6,569	3,007	1,776	1	5,943	2,254	1,641	1

1/ Including provisions and write-offs for outstanding amounts and accrued interest receivables of interbank and money market

2/ Excluded Investment in loan

3/ Expected credit loss

4/ Disclosed in total amounts

5/ Included Investment in loan

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Unit: Baht million

As at	Dec 31, 2023				Dec 31, 2022			
	Loans and accrued interest receivables [1/]			Investment in debt securities Specific provision [2/]	Loans and accrued interest receivables [1/]			Investment in debt securities Specific provision [5/]
	Reserve value of the position using the SA method [3/]		Write-off during period		Reserve value of the position using the SA method [3/]		Write-off during period	
	General provision [4/]	Specific provision			General provision [4/]	Specific provision		
Thailand		2,749	453	1		2,056	677	1
Asia Pacific (exclude Thailand)		-	-	-		-	-	-
North America and Latin America		-	-	-		-	-	-
Africa and Middle East		-	-	-		-	-	-
Europe		-	-	-		-	-	-
Oceania		-	-	-		-	-	-
Total	4,824	2,749	453	1	4,402	2,056	677	1

[1/] Including provisions and write-offs for outstanding amounts and accrued interest receivables of interbank and money market

[2/] Excluded Investment in loan

[3/] Expected credit loss

[4/] Disclosed in total amounts

[5/] Included Investment in loan

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Table 11 Outstanding of loans and accrued interest receivables * before credit risk mitigation classified by type of business and by asset classification specified by the Bank of Thailand

Consolidated

Unit: Baht million

As at	Dec 31, 2023				
	Performing (Stage 1)	Under-performing (Stage 2)	Non-performing (Stage 3)	Purchased or originated credit-impaired	Total
Agricultural and mining	3,388	-	297	-	3,685
Manufacturing and commerce	32,314	1,647	1,228	7	35,196
Real estate and construction	11,958	111	1,238	-	13,307
Public utilities and services	27,370	2,069	629	36	30,104
Housing loans	102,844	1,740	4,281	-	108,865
Financial Intermediaries	10,494	-	-	-	10,494
Personal consumption	44,136	6,499	1,215	3	51,853
Total	232,504	12,066	8,888	46	253,504

* Including undue interest receivables, net of deferred income, unamortised modification gain (loss) and expected credit loss and including loans and accrued interest receivalbes of interbank and money market, net

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Consolidated

Unit: Baht million

As at	Dec 31, 2022				
	Performing (Stage 1)	Under-performing (Stage 2)	Non-performing (Stage 3)	Purchased or originated credit-impaired	Total
Agricultural and mining	4,490	51	299	-	4,840
Manufacturing and commerce	32,398	3,144	1,260	7	36,809
Real estate and construction	9,114	2,696	1,292	-	13,102
Public utilities and services	23,800	3,462	905	36	28,203
Housing loans	91,135	1,742	3,485	-	96,362
Financial Intermediaries	17,468	150	-	-	17,618
Personal consumption	42,616	5,577	1,008	4	49,205
Total	221,021	16,822	8,249	47	246,139

* Including undue interest receivables, net of deferred income, unamortised modification gain (loss) and expected credit loss and including loans and accrued interest receivalbes of interbank and money market, net

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Unit: Baht million

As at	Dec 31, 2023				
	Performing (Stage 1)	Under-performing (Stage 2)	Non-performing (Stage 3)	Purchased or originated credit-impaired	Total
Agricultural and mining	3,388	-	297	-	3,685
Manufacturing and commerce	32,314	1,647	1,228	7	35,196
Real estate and construction	11,958	111	1,238	-	13,307
Public utilities and services	27,370	2,069	629	36	30,104
Housing loans	102,844	1,740	4,281	-	108,865
Financial Intermediaries	40,254	-	-	-	40,254
Personal consumption	14,399	466	558	3	15,426
Total	232,527	6,033	8,231	46	246,837

* Including undue interest receivables, net of deferred income, unamortised modification gain (loss) and expected credit loss and including loans and accrued interest receivalbes of interbank and money market, net

Bank Only

Unit: Baht million

As at	Dec 31, 2022				
	Performing (Stage 1)	Under-performing (Stage 2)	Non-performing (Stage 3)	Purchased or originated credit-impaired	Total
Agricultural and mining	4,490	51	299	-	**4,840**
Manufacturing and commerce	32,398	3,144	1,260	7	**36,809**
Real estate and construction	9,114	2,696	1,292	-	**13,102**
Public utilities and services	23,800	3,462	905	36	**28,203**
Housing loans	91,130	1,742	3,485	-	**96,357**
Financial Intermediaries	45,062	150	-	-	**45,212**
Personal consumption	13,472	468	501	4	**14,445**
Total	219,466	11,713	7,742	47	238,968

* Including undue interest receivables, net of deferred income, unamortised modification gain (loss) and expected credit loss and including loans and accrued interest receivalbes of interbank and money market, net

Table 12 Provisions (general and specific provisions) and bad debt write-offs for loans and accrued interests * classified by type of business

Consolidated

Unit: Baht million

As at	Dec 31, 2023			Dec 31, 2022		
	Reserve value of the position using the SA method [1/]		Write-off during period	Reserve value of the position using the SA method [1/]		Write-off during period
	General provision [2/]	Specific provision		General provision [2/]	Specific provision	
Agricultural and mining		210	-		266	-
Manufacturing and commerce		538	22		530	153
Real estate and construction		342	-		205	-
Public utilities and services		219	-		210	49
Housing loans		1,234	125		683	96
Personal consumption		464	1,629		360	1,343
Total	6,569	3,007	1,776	5,943	2,254	1,641

* Including loans and accrued interests of interbank and money market items

[1/] Expected credit loss

[2/] Disclosed in total amounts

Bank Only

Unit: Baht million

As at	Dec 31, 2023			Dec 31, 2022		
	Reserve value of the position using the SA method [1/]		Write-off during period	Reserve value of the position using the SA method [1/]		Write-off during period
	General provision [2/]	Specific provision		General provision [2/]	Specific provision	
Agricultural and mining		210	-		266	-
Manufacturing and commerce		538	22		530	153
Real estate and construction		342	-		205	-
Public utilities and services		219	-		210	49
Housing loans		1,234	125		683	96
Personal consumption		206	306		162	379
Total	4,824	2,749	453	4,402	2,056	677

* Including loans and accrued interests of interbank and money market items

[1/] Expected credit loss

[2/] Disclosed in total amounts

Table 13 Reconciliation of changes in provisions (General provision and Specific provision) for loans including accrued interests *

Consolidated

Unit: Baht million

As at	Dec 31, 2023			Dec 31, 2022		
	Reserve value of the position using the SA method [1/]			Reserve value of the position using the SA method [1/]		
	General provision	Specific provision	Total	General provision	Specific provision	Total
Balance, beginning of the year	5,943	2,254	8,197	5,281	3,059	8,340
Increases / decreases of provisions during the year [2/]	629	2,526	3,155	667	831	1,498
Write-offs during the year	(3)	(1,773)	(1,776)	(5)	(1,636)	(1,641)
Balance, end of the year	6,569	3,007	9,576	5,943	2,254	8,197

* Including provisions and write-offs for outstanding amounts and accrued interest receivables of interbank and money market

[1/] Expected credit loss

[2/] Excluding allowance for expected credit loss on financial instruments measured at FVOCI

Bank Only

Unit: Baht million

As at	Dec 31, 2023			Dec 31, 2022		
	Reserve value of the position using the SA method [1/]			Reserve value of the position using the SA method [1/]		
	General provision	Specific provision	Total	General provision	Specific provision	Total
Balance, beginning of the year	4,402	2,056	6,458	3,854	2,927	6,781
Increases / decreases of provisions during the year [2/]	425	1,143	1,568	553	(199)	354
Write-offs during the year	(3)	(450)	(453)	(5)	(672)	(677)
Balance, end of the year	4,824	2,749	7,573	4,402	2,056	6,458

* Including provisions and write-offs for outstanding amounts and accrued interest receivables of interbank and money market

[1/] Expected credit loss

[2/] Excluding allowance for expected credit loss on financial instruments measured at FVOCI

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Table 14 Outstanding of on-balance sheet assets and off-balance sheet items for credit risk under the SA approach classified by type of assets

Unit: Baht million

As at	Consolidated					
	Dec 31, 2023			Dec 31, 2022		
	On-balance sheet assets	Off-balance sheet items *	Total	On-balance sheet assets	Off-balance sheet items *	Total
1. Performing Assets	444,903	116,510	561,413	467,543	102,594	570,137
1.1 Debtors that are sovereigns and central banks, multilateral development banks (MDBs) and public sector entities (PSEs) whose risk weight is comparable to that of sovereigns	76,115	3,228	79,343	75,347	14,760	90,107
1.2 Debtors that are financial institutions, and public sector entities (PSEs) whose risk weight is comparable to that of financial institutions and securities companies	30,542	84,525	115,067	38,191	52,545	90,736
1.3 Debtors that are corporate and public sector entities (PSEs) whose risk weight is comparable to that of corporate entities	95,210	27,885	123,095	93,385	34,410	127,795
1.4 Retail	55,905	872	56,777	54,370	879	55,249
1.5 Residential mortgage loan	102,298	-	102,298	90,743	-	90,743
1.6 Other assets	84,833	-	84,833	115,507	-	115,507
2. Non-Performing Assets	5,928	16	5,944	6,043	20	6,063
Total	450,831	116,526	567,357	473,586	102,614	576,200

* Off-balance-sheet items (including Repo and Reverse Repo transactions) after multiplying with Credit Conversion Factor (CCF), net of specific provision

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Unit: Baht million

As at	Bank Only					
	Dec 31, 2023			Dec 31, 2022		
	On-balance sheet assets	Off-balance sheet items *	Total	On-balance sheet assets	Off-balance sheet items *	Total
1. Performing Assets	439,980	118,760	558,740	462,256	104,084	566,340
1.1 Debtors that are sovereigns and central banks, multilateral development banks (MDBs) and public sector entities (PSEs) whose risk weight is comparable to that of sovereigns	76,113	3,228	79,341	75,345	14,760	90,105
1.2 Debtors that are financial institutions, and public sector entities (PSEs) whose risk weight is comparable to that of financial institutions and securities companies	30,220	84,525	114,745	37,887	52,545	90,432
1.3 Debtors that are corporate and public sector entities (PSEs) whose risk weight is comparable to that of corporate entities	124,783	30,135	154,918	120,803	35,900	156,703
1.4 Retail	20,322	872	21,194	20,293	879	21,172
1.5 Residential mortgage loan	102,298	0	102,298	90,738	-	90,738
1.6 Other assets	86,244	0	86,244	117,190	-	117,190
2. Non-Performing Assets	5,530	16	5,546	5,733	20	5,753
Total	445,510	118,776	564,286	467,989	104,104	572,093

* Off-balance-sheet items (including Repo and Reverse Repo transactions) after multiplying with Credit Conversion Factor (CCF), net of specific provision

6.2.2 Credit Risk Rating

Currently, the Bank uses rating from External Credit Assessment Institutions (“ECAIs”) such as Standard & Poor’s, Moody’s Investors Service, Fitch Ratings, Fitch Ratings (Thailand) Co., Ltd. and TRIS Rating Co., Ltd. or used Country risk classification of OECD, in case of no Country Risk Rating from ECAIs, to set risk weight of obligors who are sovereign, central bank, government agencies or financial institution by based on their country risk rating.

For calculation of credit risk-weighted assets for claims on corporate. The Bank set risk weight from credit rating given by ECAIs as follows:

Group of Obligors	External Credit Assessment Institutions
▪ Thai corporate (excluding debt instrument issued by private sector)	Fitch Ratings (Thailand) Co., Ltd. and TRIS Rating Co., Ltd.
▪ Foreign corporate ▪ Debt instrument issued by private sector	Standard & Poor’s, Moody’s Investors Service, Fitch Ratings, Fitch Ratings (Thailand) Co., Ltd. and TRIS Rating Co., Ltd.

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Table 15 Outstanding of on-balance sheet assets and off-balance sheet items * net of value of credit risk mitigation for each type of assets classified by risk weight under the SA Approach

Consolidated

Unit: Baht million

As at	Dec 31, 2023											
	Risk Weights for Exposures with Rating					Risk Weights for Exposures without Rating						
Risk weights	0%	20%	50%	100%	150%	0%	20%	35%	50%	75%	100%	150%
Performing Assets	103,136	32,611	29,662	27,619	202	142,746	2	95,151	-	63,458	66,825	-
1. Debtors that are sovereigns and central banks, multilateral development banks (MDBs) and public sector entities (PSEs) whose risk weight is comparable to that of sovereigns	103,127	-	-	-	-							
2. Debtors that are financial institutions, and public sector entities (PSEs) whose risk weight is comparable to that of financial institutions and securities companies	9	12,572	4,039	14,808	171							
3. Debtors that are corporate and public sector entities (PSEs) whose risk weight is comparable to that of corporate entities	-	20,039	25,623	12,811	31						59,272	
4. Retail										56,187	92	
5. Residential mortgage loan								95,151		7,147		
6. Other assets						142,746	2			124	7,461	
Non-Performing Assets [1/]	-	-	-	-	-	11	-	-	851	140	3,304	1,639
Total	103,136	32,611	29,662	27,619	202	142,757	2	95,151	851	63,598	70,129	1,639
Capital deduction prescribed by the BOT	2,875											

[1/] For the part with no CRM whose risk weights depend on the ratio of provisions to total exposures

Consolidated

Unit: Baht million

As at	Dec 31, 2022											
	Risk Weights for Exposures with Rating					Risk Weights for Exposures without Rating						
Risk weights	0%	20%	50%	100%	150%	0%	20%	35%	50%	75%	100%	150%
Performing Assets	105,602	34,736	35,197	22,649	339	152,758	26	87,820	-	57,617	73,394	-
1. Debtors that are sovereigns and central banks, multilateral development banks (MDBs) and public sector entities (PSEs) whose risk weight is comparable to that of sovereigns	105,593	-	-	-	284							
2. Debtors that are financial institutions, and public sector entities (PSEs) whose risk weight is comparable to that of financial institutions and securities companies	9	16,199	10,357	13,116	-							
3. Debtors that are corporate and public sector entities (PSEs) whose risk weight is comparable to that of corporate entities	-	18,537	24,840	9,533	55						64,540	
4. Retail										54,581	74	
5. Residential mortgage loan								87,820		2,923		
6. Other assets						152,758	26			113	8,780	
Non-Performing Assets [1/]	-	-	-	-	-	15	-	-	688	94	3,023	2,242
Total	105,602	34,736	35,197	22,649	339	152,773	26	87,820	688	57,711	76,417	2,242
Capital deduction prescribed by the BOT	2,658											

[1/] For the part with no CRM whose risk weights depend on the ratio of provisions to total exposures

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Unit: Baht million

As at	Dec 31, 2023											
	Risk Weights for Exposures with Rating					Risk Weights for Exposures without Rating						
Risk weights	0%	20%	50%	100%	150%	0%	20%	35%	50%	75%	100%	150%
Performing Assets	103,134	32,290	29,662	27,619	202	141,942	2	95,150	-	27,875	100,864	-
1. Debtors that are sovereigns and central banks, multilateral development banks (MDBs) and public sector entities (PSEs) whose risk weight is comparable to that of sovereigns	103,125	-	-	-	-							
2. Debtors that are financial institutions, and public sector entities (PSEs) whose risk weight is comparable to that of financial institutions and securities companies	9	12,251	4,039	14,808	171							
3. Debtors that are corporate and public sector entities (PSEs) whose risk weight is comparable to that of corporate entities	-	20,039	25,623	12,811	31						91,095	
4. Retail										20,604	92	
5. Residential mortgage loan								95,150		7,147		
6. Other assets						141,942	2			124	9,677	
Non-Performing Assets [1/]	-	-	-	-	-	11	-	-	826	140	2,937	1,632
Total	103,134	32,290	29,662	27,619	202	141,953	2	95,150	826	28,015	103,801	1,632
Capital deduction prescribed by the BOT	2,083											

[1/] For the part with no CRM whose risk weights depend on the ratio of provisions to total exposures

Bank Only

Unit: Baht million

As at	Dec 31, 2022											
	Risk Weights for Exposures with Rating					Risk Weights for Exposures without Rating						
Risk weights	0%	20%	50%	100%	150%	0%	20%	35%	50%	75%	100%	150%
Performing Assets	105,600	34,432	35,197	22,649	339	152,096	26	87,816	-	23,540	104,646	-
1. Debtors that are sovereigns and central banks, multilateral development banks (MDBs) and public sector entities (PSEs) whose risk weight is comparable to that of sovereigns	105,591	-	-	-	284							
2. Debtors that are financial institutions, and public sector entities (PSEs) whose risk weight is comparable to that of financial institutions and securities companies	9	15,895	10,357	13,116	-							
3. Debtors that are corporate and public sector entities (PSEs) whose risk weight is comparable to that of corporate entities	-	18,537	24,840	9,533	55						93,448	
4. Retail										20,504	74	
5. Residential mortgage loan								87,816		2,923		
6. Other assets						152,096	26			113	11,124	
Non-Performing Assets [1/]	-	-	-	-	-	15	-	-	657	94	2,747	2,239
Total	105,600	34,432	35,197	22,649	339	152,111	26	87,816	657	23,634	107,393	2,239
Capital deduction prescribed by the BOT	2,013											

[1/] For the part with no CRM whose risk weights depend on the ratio of provisions to total exposures

6.2.3 Credit Risk Mitigation

The Bank's lending policies are the primary basis of assessing the creditworthiness is the borrower's ability to repay loan obligations, most often from cash flows generated through normal business operations and other primary sources of repayment. Nevertheless, collateral also represents an important component of many credit transactions because it will be the secondary source of repayment and will help alleviate loss in the event of default. Among the different types of collateral which the Bank accepts are deposits, government bond, debt and equity instruments, land, construction and machinery, etc. The loan-to-collateral value ratio will vary based upon the risk level of each credit product, the borrower's creditworthiness and liquidity of collaterals. The Bank has established a collateral valuation policy to ensure effective risk management as well as to comply with Bank of Thailand's guidelines. Once the collateral is taken, it is important to follow the Bank's policy regarding collateral price appraisal and price appraisal frequency.

Credit risk mitigation methods for calculation of the Bank's capital adequacy are as follows:

- Financial collaterals: Financial collaterals comprising cash, deposits, bonds, treasury bills, etc., are used by the Bank for credit risk mitigation by the financial collateral simple method.
- On-balance sheet netting: The Bank has in place standard loan agreement which can be offset with deposits of the same contract party and global master repurchase agreement with repo-style transaction with any institutional counterparties.
- Credit guarantee and derivatives: The Bank capitalizes on guarantors for credit risk mitigation in case that the guarantor is government, central bank, governmental agencies, and financial institutions with lower risk weight than the debtor.

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Table 16 Outstanding of secured portion* for each type of assets under the SA approach classified by type of collateral

Unit: Baht million

As at	Consolidated				Bank Only			
	Dec 31, 2023		Dec 31, 2022		Dec 31, 2023		Dec 31, 2022	
	Eligible financial collateral	Guarantee & credit derivatives	Eligible financial collateral	Guarantee & credit derivatives	Eligible financial collateral	Guarantee & credit derivatives	Eligible financial collateral	Guarantee & credit derivatives
Performing Assets	68,156	21,138	51,962	20,887	68,156	21,138	51,962	20,887
1. Debtors that are sovereigns and central banks, multilateral development banks (MDBs) and public sector entities (PSEs) whose risk weight is comparable to that of sovereigns	-	-	10,897	-	-	-	10,897	-
2. Debtors that are financial institutions, and public sector entities (PSEs) whose risk weight is comparable to that of financial institutions and securities companies	62,350	21,128	30,192	20,877	62,350	21,128	30,192	20,877
3. Debtors that are corporate and public sector entities (PSEs) whose risk weight is comparable to that of corporate entities	5,319	-	10,289	-	5,319	-	10,289	-
4. Retail	487	10	584	10	487	10	584	10
5. Residential mortgage loan	-	-	-	-	-	-	-	-
6. Other assets	-	-	-	-	-	-	-	-
Non-Performing Assets	6	5	9	6	6	5	9	6
Total	68,162	21,143	51,971	20,893	68,162	21,143	51,971	20,893

* Credit risk mitigation excludes securitization. Values after on-balance sheet and off-balance sheet netting

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6.3 Market Risk

Market risk is defined as any fluctuation in the market value or investment exposure of the trading transaction. Therefore, market risk occurs when the Bank undertakes transactions which are exposed to fluctuation in market parameters, such as interest rates, foreign exchange rates, securities prices in capital and commodity markets, which may negatively affect both the revenue and capital position of the Bank. The Bank employs the market risk policy to ensure that the rules and procedures are in compliance with both the regulatory requirements and the Bank's policy. The Bank has a work unit, independent from risk originating units, to monitor and control market risk. It also regularly assesses and determines the capital reserves to buffer against market risk, which is compliant with the Bank of Thailand's regulations.

6.3.1 Market Risk in Trading Book

Market risk in trading book of the Bank and its financial group as follow:

1. Interest rate risk

Interest rate risks of transactions in the trading book are under the supervision of the RMC under the framework prescribed by the Board. The calculation of fair value for trading transactions is performed on a daily basis, in order to monitor the mark-to-market profits and losses. Daily risk status reports are also independently produced by the unit in charge of risk controlling and monitoring. The one basis point shift (PV01) limit, Greek limit, Value-at-Risk (VaR) limit and stop loss trigger are set to control the risks associated with movements in interest rates which might affect the revenue and capital of the Bank. Furthermore, stress test is periodically conducted, the results of which are thoroughly analysed.

2. Foreign exchange risk

In managing risk from changes in foreign exchange and maintaining risk at the level prescribed by the Bank's policy, the Bank tries to match the currency of the funding source with that of loans, or to employ derivative instruments for foreign exchange risk hedging. Risk limits are determined by product and risk type using such approaches as FX net open position limit, Greek limit, Value-at-Risk (VaR) limit, and stop loss trigger. Daily mark-to-market on the foreign exchange is also conducted. Furthermore, stress test is periodically conducted, the results of which are thoroughly analysed.

3. Market risk related to instruments in capital market and commodities market

The Bank does not invest in trading equity securities other than investments in subsidiaries or affiliated companies, common shares resulted from debt restructuring, and certain property funds which have high potential return and sound management. For commodity derivatives, the Bank fully hedges against the commodity risk on a back-to-back basis, thereby no market risk exposure on trading book of equity securities or commodities.

4. Market risk from other underlying assets

The Bank offers structured products to be alternative investments for customers. However, if the underlying assets are not interest rate or foreign exchange, the Bank will fully hedge against such underlying assets, thereby no market risk exposure on the underlying assets.

Minimum capital requirement for market risk in trading book

Currently, the Bank uses Standardised Approach for calculating the minimum capital requirement for market risk in trading book for both Bank level and Full Consolidated level. Details of market risk capital as at 31 December 2022 and 30 June 2022 are as follows:

Table 17 Minimum Capital Requirement for each type of market risk under SA Approach

Unit: Baht million

Minimum Capital Requirement for Market Risk	Consolidated		Bank only	
	Dec 31, 2023	Jun 30, 2023	Dec 31, 2023	Jun 30, 2023
Interest rate risk	3,295	3,409	3,295	3,409
Equity price risk	-	-	-	-
Foreign exchange rate risk	174	177	174	177
Commodity price risk	-	-	-	-
Total minimum capital requirements for market risk by SA	**3,469**	**3,586**	**3,469**	**3,586**

6.3.2 Interest Rate Risk in Banking Book

Interest Rate Risk in Banking Book (IRRBB) normally arises when the repricing and/or maturity schedule of assets, liabilities and off-balance sheet positions are not matched, or when the movements of reference interest rates on assets and liabilities are not correlated, negatively affecting net interest income (NII) and/or economic value of equity (EVE).

Primary factors affecting the trend and the level of interest rates include macroeconomic conditions and inflation rates, as well as the monetary policies adopted by the Bank of Thailand and central banks of major countries that may directly affect the trend and level of interest rates, or affect the movement of international capital flows and subsequently affect interest rates. Moreover, competition among banks to increase or maintain market share on deposits and loans may also narrow the Bank's NII.

The Bank manages the exposure of fluctuations in interest rates through policies established by the ALCO. IRRBB undertaken by the Bank is governed by an established risk appetite approved by the Board that defines the acceptable level of risk to be assumed by the Bank. The ALCO is the Board's delegated committee which reports to the BRCC. With the support from Asset and Liability Management (ALM) Team under Risk Management Unit and Capital and Balance Sheet Management (CBSM) Team under Finance Unit, the ALCO is responsible for the review and monitoring of the balance sheet, business and hedging strategies, and the overall interest rate risk profile to ensure that IRRBB is within the established risk appetite. Treasury Unit is responsible for day-to-day IRRBB management of exposure and gapping activities, including execution of hedging strategies.

IRRBB is measured by Economic Value of Equity (EVE) sensitivity which measures the long-term impact of sudden interest rate movement across the full tenor/ maturity spectrum of the Bank's assets and liabilities. It defines and quantifies interest rate risk as the charge on the economic value of equity (e.g. present value of potential future earnings and capital) as asset portfolio and liability portfolio values would rise and fall in line with changes in interest rates. This measure helps the Bank to quantify the risk and impact on capital, with the focus on current banking book positions. The Bank's EVE sensitivity is computed using the re-pricing gap analysis method to analyse the interest rate movement of assets and liabilities in different time periods.

The Management Action Triggers (MATs) are set as a pre-emptive measure to control risk arising from the effect on NII effect as well as EVE sensitivity. The analytical results of NII and EVE are reported to the ALCO, the RMC, the BRCC, and the Board on a monthly basis.

The Bank manages interest rate risk by adjusting the assets and liabilities structure to be in line with forecast interest rate trends, taking into consideration the changes in NII and EVE. Results of the stress testing are used to determine alternative balance sheet strategies to be more suited to the business environment, in order to achieve the business return target within the risk appetite.

Table 18 Impact of interest rate change* on net earnings

Unit: Baht million

Currency	Consolidated		Bank only	
	Dec 31, 2023	Dec 31, 2022	Dec 31, 2023	Dec 31, 2022
THB	(717)	(413)	(629)	(397)
USD	(52)	44	(52)	44
Others	12	29	12	29
Total impact of interest rate change	(758)	(340)	(669)	(324)
% of Target Net interest income	-6.92%	-3.26%	-7.97%	-4.44%

* Under assumption of interest rate increase of 100 bps

6.3.3 Equity Investment in the Banking Book

The Bank has no policy to increase investment in equity securities. The current exposures of equity investment are from a result of Mergers & Acquisitions which is an insignificant amount.

Changes in accounting policies relating to financial instruments:

From 1 January 2020, all equity instruments held must be irrevocably classified to measurement at fair value through other comprehensive income without subsequent recycling to profit or loss. Dividends from such investment continue to be recognized in statement of comprehensive income as other operating income.

Details of Equity exposures in the banking book, both Bank level and Full Consolidated level for the position as at 31 December 2023 and 2022 are as follows:

Table 19 Equity exposures in the Banking Book

Unit: Baht million

Equity exposures	Consolidated		Bank Only	
	Dec 31, 2023	Dec 31, 2022	Dec 31, 2023	Dec 31, 2022
1. Equity (both domestic and overseas)				
1.1 Marketable equity securities	12	14	12	14
1.2 Other equities	32	37	2,927	2,933
2. Gains (losses) of sale of equities in the reporting period	-	2	-	2
3. Revaluation surplus (deficit) on investments in equity instruments designated at fair value through other comprehensive income (FVOCI)	(212)	(201)	(212)	(201)
4. Minimum capital requirements for equity exposures classified by SA approach	4	4	250	250

6.4 Operational risk

Operational risk is the risk of direct or indirect loss resulting from inadequate or failed control process, which may stem from internal processes, people, and systems, or from external events. Other risk factors include the lack of good corporate governance and management incompetence. All these factors can negatively affect the Bank's financial performance and capital.

In order to effectively manage operational risks, the Bank has instituted appropriate policies and guidelines that not only bring the Bank in line with international standards, but also contribute to enhancing transparency and good governance. In this respect, the Risk Management Committee (RMC) has been given the authority to establish operational risk policies and guidelines, which correspond with international best practice, and to make recommendations to the Board or the BRCC as per delegated authorities. To increase effectiveness, the Bank has also appointed the Operational Risk Committee (ORC) to discuss, deliberate, assess and give advice on all issues relating to operational risks including frauds and covering key risk factors, such as human resource, process, system, and external factors.

The Bank's standard operating procedure on operational risk defines the responsibility of relevant units, in cooperation with line management and all staff performing the operations, to manage operational risks associated with business, products, services, and systems. Their responsibility includes compliance with all internal and external laws, regulations, policies, and standard operating procedure. In this connection, Risk and Control Officer (RCO)/Designated Compliance & Operational Risk Officer (DCORO) are appointed within each business unit to coordinate and assist in building the risk and compliance culture in own area and to ensure that operational risk management policies and procedures are well implemented and complied with.

Operational Risk Management Team is responsible for developing tools, system and process for identifying, assessing, controlling, reporting, and monitoring operational risks, to be in compliance with the Bank's operational risk policies and international standards.

Business units in the Bank and subsidiaries are required to manage operational risks and other risks along the following tools:

1. Risk Control Self-Assessment (RCSA)

Each business unit is required to conduct risk control self-assessment, and report the results of which regularly to Risk Management Unit. These reports will be used in assessment and analysis of the overall operational risk exposure, and providing a basis for determining corrective actions and follow-up. This makes it incumbent upon individual business units to conduct a review regularly to ensure an appropriateness of work processes and structure, thereby mitigating operational mishaps and enhancing their ability to redress the problems in a coherent and timely manner. In this context, continuous attention has been given to providing effective and efficient risk oversight across the organisation, including defining a clear scope of responsibilities and approval authority, establishing checks and balances, and securing data and information. Particular attention has also been given to ensure the continuity of business activities, in accordance with international standards while enhancing sound corporate governance.

2. Loss Event Data Reports (LED)

The Bank requires every unit to submit loss event report through designated channels. The information captured by each unit is for the determination of the real cause(s) of the loss event and enhancement of the existing operational controls or workflow, to ensure that the lessons are learnt and such loss event will not recur in the future. When the senior management and the Board of Directors of the Bank are informed of the trends and changes of operational risk, they can consider the measure to prevent, control, or mitigate the loss that may occur in time and in proper way.

3. Key Risk Indicators (KRI)

KRI is a tool to monitor and manage operational risk exposures, in order to predict upcoming changes in operational risk profiles. KRI provides early warning signals to the management on changes to the risk environment and the effectiveness of control. This is a forward looking tool to facilitate monitoring and management of risks before operational losses occurred. Hence, the management will be able to take appropriate actions to mitigate and prevent operational losses beforehand.

4. Control Issue Management (CIM)

Control issues are defined as gaps in the Bank's control environment. Inadequately designed controls or ineffective controls may result in a residual risk beyond risk appetite. To manage control issues, the Bank has developed the CIM procedure, which provides a systematic management approach. The purpose of the procedure is to ensure that control issues are captured and classified consistently, and there is a robust governance over their corrective actions and report to enable senior management to understand and assess the risk the Bank faces.

5. New Product Approval Procedure

The Bank has emphasised on developing new products and improving the operation procedures. For such purpose, it enforces the strict approval procedure for any new products with the identification, assessment, and control of all relevant risks, e.g. credit risk, market risk, and operational risk. All products are subject to a suitable review process before they can be signed off by the working groups and relevant business units and further submission for approval, and subsequent market launch, as well as the annual review of the approved products

6. Business Continuity Plan

The Bank has developed and implemented business continuity management. All units bank-wide and in subsidiaries are required to analyse business impact of critical business functions and document a business continuity plan based on the analysis result, as well as exercises the business continuity plan/disaster recovery plan at least once a year. This is to ensure that critical business functions can be recovered and smoothly operated within a specified time in the event of a crisis, disaster or calamity disrupting the critical business functions. Having business continuity management in place will help protect the Bank's reputation and maintain customer confidence in the Bank and subsidiaries.

7. Complaint Management Process

The Bank is aware of reputation risk and importance of customer satisfaction. It has thus set up an independent centralised complaint management unit, i.e. Customer Experience Management Unit (CX), which works closely with customer touchpoints and other units to efficiently govern handling of customers' complaints and queries. The Customer Complaint Handling Policy and Procedures have been established to set out the standard framework and mechanism for dealing with customers' complaints in accordance with local regulatory requirements and CIMB Group standards. This would ensure that all complaints are handled effectively by relevant subject matter experts in a fair and timely manner.

Furthermore, CX has gathered the complaints received as well as knowledge about the Bank's customers based on surveys and voices of customers through various touchpoints. This is to drive for improvement in all angles of customer experience with an aim to uplift customer engagement. The complaint information, knowledge about the Bank's customers, and improvement initiatives are prepared and proposed by CX to discuss in Customer Experience Working Group, and report to Thailand Customer Experience Committee, Management Committee, and other relevant committees regularly.

8. Internal Audit and Compliance

The Bank has established Corporate Assurance and Compliance as independent units to assist Audit Committee (AC) and Board Risk and Compliance Committee (BRCC) in auditing and monitoring the business operation. Corporate Assurance, which reports directly to the AC, is in charge of examining and providing reasonable assurance that all the Bank activities are effectively and efficiently managed and operated in line with risk management and internal control principles. Compliance unit, which reports directly to the BRCC, is tasked with overseeing and monitoring the Bank's business operation to ensure compliance with all relevant laws and regulatory requirements.

6.5 Liquidity risk

Liquidity risk is defined as the risk of the Bank's inability to meet the required payments or obligations when they are due, which may be a result of the inability to convert assets into cash or obtain adequate funding in time. It may adversely affect the daily operations and incur unacceptable losses.

The objective of the Bank's liquidity risk management is to ensure that the Bank can meet the cash obligation in a timely and cost-effective manner both at present and in the future. To this end, the liquidity risk management is to maintain high quality liquid assets and well diversified portfolios as well as sources of funds under both business-as-usual and stress conditions. Due to the our business framework to strive for a broader delivery network and markets, we have maintained a diversified core deposit base comprising savings, current, and term deposits, thus providing a large, stable funding base. We have also maintained certain liquidity buffers throughout the year to ensure stable business operation in strategic, structural and tactical perspectives.

The responsibility for liquidity risk management and control is delegated to Asset and Liability Management Committee (ALCO) which meets at least once a month to discuss the liquidity risk and funding profile/plan of the Bank. ALCO is responsible for the overall management and oversight of liquidity and review/ recommendation of liquidity risk management policy before seeking approval from the Board of Directors. ALCO is also in charge of concurring on the liquidity risk limit/ risk appetite before seeking approval from the Board of Directors. Asset and Liability Management (ALM) Team, which is responsible for monitoring of the liquidity risk profile, works closely with Treasury Unit in the surveillance of market conditions. Business units are responsible for establishing and maintaining strong business relationship with their respective depositors and key funding sources. Treasury Unit performs fund dealings on a necessity or contingency basis. We have prudently managed the liquidity position to meet daily operation needs, in conjunction with regular measurement and forecasts of the respective cash flows arising from the maturity profiles of assets, liabilities, off-balance sheet commitments, and derivatives over a variety of time horizons under business-as-usual and stress conditions. As regards companies in the Bank's financial business group, liquidity risk management will be centralised. To support their liquidity, we may consider and approve liquidity lines to them within the respective credit lines approved by the Board of Directors.

The Bank will continue to emphasise and improve our retail customer acquisition to match our asset expansion. One of our liquidity management strategies is to drive the accumulation of current accounts and savings accounts (CASA), as well as retail term deposits, as they are stable and economical funding sources, while using the more price-sensitive corporate deposits, bills of exchange, short-term debentures, and structured products as a means to balance out the funding and liquidity of the Bank. We have designated functional teams to be responsible for the proper marketing strategy for each customer segment, and to strengthen relationship with the customers for sustainable long-term deposit growth. In addition, an early warning system is in place for close monitoring, together with liquidity contingency plan, to alert and enable the management to take effective and efficient measures during a liquidity crunch and under adverse market conditions.

6.6 Environment, Social, and Governamce (ESG) Risk (Sustainability Risk)

Environment, Social, and Governance (ESG) Risk or "Sustainability Risk" is considered as a risk that could have impacts on both financial and non-financial aspects, stemming from environmental, social, and ethical issues related to a business relationship, business operations, and/or the Bank's internal functions and personnel.

As a financial institution, we acknowledge our significant role in the capital flow of business operations. Aligned with CIMB Group's Enterprise-Wide Risk Framework, the Bank had begun to integrate ESG considerations into risk assessments and risk management strategies. This aims to manage financial and non-financial risks, including climate-related physical risks (e.g., floods, wildfires), transition risks (e.g. government policies, technological shifts, market developments, reputational risks), and human rights impacts. This ensures that the Bank has a more holistic approach to risk management.

The Bank has established its Sustainability Policy (SP) to provide clarity and transparency on managing sustainability risk at all levels of business relations of the Bank. ESG risk relating to non-retail financing and capital raising is addressed through the Sustainable Financing Policy (SFP), accompanied by High Sustainability Risk Sector Guide that outlines expectations required of these High Risk sectors. These guides cover areas such as coal, construction and infrastructure, oil and gas, forestry, manufacturing, mining and quarrying, and palm oil.

Under the Sustainability Policy and Sustainable Financing Policy, CIMB Thai Bank, in alignment with CIMB Group, defines Sustainability Risk as:

"Risk of financial and non-financial impact arising from environmental, social and ethical issues stemming from transactions and/or activities associated with:

1. a business relation and its operations, and/or
2. the Group's own internal operations and employees.

These include the risks that the Bank may be exposed to because of changing social and environmental conditions.

Exposure to Sustainability Risk may arise when CIMB Thai Bank undertakes its business and operations in its capacity as a lender / financier, investor, service provider, purchaser, operator, advisor, business partner, sponsor, corporate donor, or as an employer. Failure to anticipate and appropriately manage related risks can have multiple consequences, including financial, legal and reputational impacts."

The Sustainability Team is mandated to oversee the governance and implementation of the Sustainability Policy, Sustainable Financing Policy, High Sustainability Risk Sector Guide, and Human Rights Sector, along with managing the Sustainability due diligence processes covered in these policies in collaboration with the related business units.

Sustainability risk assessments, prescribed in Sustainability and Sustainable Financing policies, involve Sustainability due diligence for all Bank's business relations, encompassing non-retail customers, CSR partners, vendors, suppliers, and outsourcing partners. All Bank's units and its subsidiaries are mandated to conduct Basic Sustainability Due Diligence for new and renewed business relationships. Enhanced Sustainability Due Diligence, conducted by the Bank's Sustainability Team, is required when situations involve controversies with parties, ensuring a robust check on business relations or transactions before seeking approval from governance committees.

The Sustainability Team, along with the business units and the Non-retail Credit Risk Team, also manage customers in various through the High Sustainability Risk Sector Guide. When evaluating whether any customers fall into these High Sustainability Risk Sectors, the Bank cross-checks the customer's business activity with the Bank's internal sector codes that are aligned with Bank of Thailand's International Standard of Industrial Classification (ISIC) codes. Customers who fall into the list of High Sustainability Risk Sectors are required to undergo further assessment based on the Sector Guide

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7. Composition of capital disclosure requirements under BCBS

Table 20 Disclosure information for main features of regulatory capital instruments

Subject		Details	Details	Details
1	Issuer	CIMB Thai Bank PCL.	CIMB Thai Bank PCL.	CIMB Thai Bank PCL.
2	Unique identifier	ISIN code: MYBPN1900082	ISIN code: MYBPN2100039	ISIN code: MYBPN2300068
BOT's regulatory treatment				
3	Instrument type (Common Equity Tier 1 / Additional Tier 1 / Tier 2 capital)	Tier 2 capital	Tier 2 capital	Tier 2 capital
4	Qualified in accordance with Basel III requirements	Yes	Yes	Yes
5	If not qualified in accordance with Basel III requirements (please specify)	-	-	-
6	Transitional phase out or fully countable	Fully countable but gradual reduction on capital calculation and amortised reduction 20% in the last five years before maturity	Fully countable but gradual reduction on capital calculation and amortised reduction 20% in the last five years before maturity	Fully countable but gradual reduction on capital calculation and amortised reduction 20% in the last five years before maturity

Subject		Details	Details	Details
7	Eligible at Bank only (Solo) /Group (Full conso)l /Group & Bank only	Group & Bank only	Group & Bank only	Group & Bank only
8	Amount recognized in regulatory capital (unit : Million Baht)	4,088 Million Baht	5,142 Million Baht	3,231 Million Baht
9	Par value of instrument – (unit : Malaysia Ringgit (MYR))	MYR100	MYR100	MYR100
10	Accounting classification	Liabilities - amortised cost	Liabilities - amortised cost	Liabilities - amortised cost
11	Original date of issuance	July 8, 2019	July 12, 2021	March 29, 2023
12	Perpetual or dated	Dated	Dated	Dated
13	Original maturity date	July 6, 2029	July 12, 2031	March 29, 2033
14	Issuer call subject to prior supervisory approval	Issuer call subject to prior supervisory approval	Issuer call subject to prior supervisory approval	Issuer call subject to prior supervisory approval

Subject		Details	Details	Details
15	Optional call date, contingent call dates and redemption amount	subordinated debentures pursuant to tier 2 subordinated debenture programme to overseas investors / The debenture has a tenor of 10 years and the Bank may exercise its right to early redeem the debenture after 5 years subject to approval by the Bank of Thailand / first date of the redemption rights is on July 8, 2024 / redeem amount of MYR 550 million.	subordinated debentures pursuant to tier 2 subordinated debenture programme to overseas investors / The debenture has a tenor of 10 years and the Bank may exercise its right to early redeem the debenture after 5 years subject to approval by the Bank of Thailand / first date the redemption rights is on July 12, 2026 / redeem amount of MYR 660 million.	subordinated debentures pursuant to tier 2 subordinated debenture programme to overseas investors / The debenture has a tenor of 10 years and the Bank may exercise its right to early redeem the debenture after 5 years subject to approval by the Bank of Thailand / first date the redemption rights is on March 29, 2028 / redeem amount of MYR 415 million.
16	Subsequent call dates, if applicable	-	-	-
	Coupons / dividends			
17	Fixed or floating dividend/coupon	Fixed rate	Fixed rate	Fixed rate
18	Coupon rate and any related index	4.15% per annum	3.90% per annum	4.70% per annum

Subject		Details	Details	Details
19	Existence of a dividend stopper	No dividend stopper	No dividend stopper	No dividend stopper
20	Fully discretionary, partially discretionary or mandatory	Mandatory	Mandatory	Mandatory
21	Existence of step up or other incentive to redeem	No incentive to redeem	No incentive to redeem	No incentive to redeem
22	Noncumulative or cumulative	Non-cumulative	Non-cumulative	Non-cumulative
23	Convertible or non-convertible	Non-convertible	Non-convertible	Non-convertible
24	If convertible, conversion trigger	-	-	-
25	If convertible, fully or partially	-	-	-
26	If convertible, conversion rate	-	-	-
27	If convertible, specify instrument type convertible into	-	-	-
28	If convertible, specify issuer of instrument it converts into	-	-	-
29	Write-down feature	Yes	Yes	Yes

Subject		Details	Details	Details
30	If write-down, write-down trigger(s)	Contractual write-down upon the occurrence of the following trigger events: Trigger events for CIMB Thai 1) the Bank cannot continue its business in any manner such as having insufficient assets to make repayment to its depositors and creditors, its capital funds having dropped to the extent that its depositors and creditors will be adversely affected, or not being able to increase capital by themselves, etc, and 2) The BOT and/or any other empowered government agency decide to grant financial	Contractual write-down upon the occurrence of the following trigger events: Trigger events for CIMB Thai 1) the Bank cannot continue its business in any manner such as having insufficient assets to make repayment to its depositors and creditors, its capital funds having dropped to the extent that its depositors and creditors will be adversely affected, or not being able to increase capital by themselves, etc, and 2) The BOT and/or any other empowered government agency decide to grant financial	Contractual write-down upon the occurrence of the following trigger events: Trigger events for CIMB Thai 1) the Bank cannot continue its business in any manner such as having insufficient assets to make repayment to its depositors and creditors, its capital funds having dropped to the extent that its depositors and creditors will be adversely affected, or not being able to increase capital by themselves, etc, and 2) The BOT and/or any other empowered government agency decide to grant financial

Subject		Details	Details	Details
		assistance to the Bank such as in the form of capital injection Trigger events of CIMB Bank Berhad ("CIMB Bank"), whichever is earlier: 1) Bank Negara Malaysia ("BNM") and the Malaysia Deposit Insurance Corporation ("PIDM") have notified CIMB Bank in writing that they are of the view that the principal write off of the Subordinated Debt is an essential requirement to prevent CIMB Bank from becoming non-viable; or 2) BNM and PIDM publicly announces that a decision has been made by BNM, PIDM or	assistance to the Bank such as in the form of capital injection Trigger events of CIMB Bank Berhad ("CIMB Bank"), whichever is earlier: 1) Bank Negara Malaysia ("BNM") and the Malaysia Deposit Insurance Corporation ("PIDM") have notified CIMB Bank in writing that they are of the view that the principal write off of the Subordinated Debt is an essential requirement to prevent CIMB Bank from becoming non-viable; or 2) BNM and PIDM publicly announces that a decision has been made by BNM, PIDM or	assistance to the Bank such as in the form of capital injection Trigger events of CIMB Bank Berhad ("CIMB Bank"), whichever is earlier: 1) Bank Negara Malaysia ("BNM") and the Malaysia Deposit Insurance Corporation ("PIDM") have notified CIMB Bank in writing that they are of the view that the principal write off of the Subordinated Debt is an essential requirement to prevent CIMB Bank from becoming non-viable; or 2) BNM and PIDM publicly announces that a decision has been made by BNM, PIDM or

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Subject		Details	Details	Details
		any other federal or state government in Malaysia, to provide a capital injection or equivalent support to CIMB Bank, without which CIMB Bank would cease to be viable	any other federal or state government in Malaysia, to provide a capital injection or equivalent support to CIMB Bank, without which CIMB Bank would cease to be viable	any other federal or state government in Malaysia, to provide a capital injection or equivalent support to CIMB Bank, without which CIMB Bank would cease to be viable
31	If write-down, full or partial	fully or partially	fully or partially	fully or partially
32	If write-down, permanent or temporary	Permanent	Permanent	Permanent
33	If temporary write-down, description of write-up mechanism	-	-	-
34	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Immediately senior to (1) All classes of equity securities of the Issuer, including holders of preference shares, if any; (2) Tier 1 Instruments; (3) such instruments which by their terms rank junior to the Subordinated	Immediately senior to (1) All classes of equity securities of the Issuer, including holders of preference shares, if any; (2) Tier 1 Instruments; (3) such instruments which by their terms rank junior to the Subordinated	Immediately senior to (1) All classes of equity securities of the Issuer, including holders of preference shares, if any; (2) Tier 1 Instruments; (3) such instruments which by their terms rank junior to the Subordinated

Subject		Details	Details	Details
		Debt, and will rank pari passu without any preference among themselves and with all other outstanding unsecured and subordinated debt issued by the Issuer that qualifies as Tier 2 capital, present and future.	Debt, and will rank pari passu without any preference among themselves and with all other outstanding unsecured and subordinated debt issued by the Issuer that qualifies as Tier 2 capital, present and future.	Debt, and will rank pari passu without any preference among themselves and with all other outstanding unsecured and subordinated debt issued by the Issuer that qualifies as Tier 2 capital, present and future.

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Table 21 Disclosure of capital during a transitional period according to the Basel III guidelines

Unit: Million Baht

Value of Capital, Inclusions, Adjustments and Deductions for the Period of	Consolidated		Bank only		Net balance of items to be phased out from capital in the future [1/]
	Dec 31, 2023	Jun 30, 2023	Dec 31, 2023	Jun 30, 2023	
Tier 1 capital	44,155	43,038	40,951	39,722	
1. Common Equity Tier 1 capital (CET 1)	44,155	43,038	40,951	39,722	
1.1 Paid-up share capital (ordinary shares)	17,411	17,411	17,411	17,411	
1.2 Premium on share capital	10,146	10,146	10,146	10,146	
1.3 Statutory reserve	792	724	792	724	
1.4 Net profit after appropriation	17,673	16,332	13,669	12,350	
1.5 Other comprehensive income	694	906	696	908	
1.5.1 Revaluation surplus on assets	1,795	1,802	1,754	1,761	
1.5.2 Revaluation surplus (deficit) on change in value of investments	(703)	(548)	(703)	(548)	
1.5.3 Profit (loss) arising from translating the financial statement of a foreign operation	-	-	-	-	
1.5.4 Hedging reserve – cash flow hedge	93	187	93	187	
1.5.5 Financial liabilities at FVTPL reserve - own credit risk	(448)	(492)	(448)	(492)	
1.5.6 Other Comprehensive Income	(43)	(43)	-	-	
1.6 Any adjustments that are not allowed to have impacts on capital	355	305	355	305	
1.6.1 Cash flow hedge reserves	(93)	(187)	(93)	(187)	
1.6.2 Gains on financial liabilities designated at fair value relating to own credit risk	448	492	448	492	
1.7 Items to be deducted from CET 1	(2,916)	(2,786)	(2,118)	(2,122)	
1.7.1 Remeasurements of post-employment benefit obligations	(41)	0	(34)	0	
1.7.2 Intangible assets	(959)	(1,005)	(937)	(972)	
1.7.3 Deferred tax asset	(1,916)	(1,781)	(1,147)	(1,150)	
2. Additional Tier 1 capital	-	-	-	-	

Value of Capital, Inclusions, Adjustments and Deductions for the Period of	Consolidated		Bank only		Net balance of items to be phased out from capital in the future [1/]
	Dec 31, 2023	Jun 30, 2023	Dec 31, 2023	Jun 30, 2023	
Tier 2 capital	15,003	15,053	15,089	15,118	
1. Qualifying Tier 2 capital instruments	12,462	12,462	12,462	12,462	
2. General provisions	2,541	2,591	2,627	2,656	
Total Capital	59,158	58,091	56,040	54,840	

[1/] starting from 1 January 2018 onwards, no remaining net balance of items to be included in or deducted from capital under Basel III guideline because all items are 100% included in or deducted

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Table 22 Disclosure information for reconciliation of composition of capital (Full consolidation only)

Table 22.1 Balance sheet as in published financial statements with under the regulatory scope of consolidation *

Unit: Million Baht

Items related to the capital fund for the period December 2023	Balance sheet as in published financial statements	Balance sheet under the regulatory scope of consolidation	Reference
Assets			
1. Cash	905	905	
2. Interbank and money market items, net	7,594	7,594	
3. Financial assets measured at fair value through profit or loss	62,090	62,090	
4. Derivative assets	60,286	60,286	
5. Investment, net	112,779	112,779	
6. Loans and accrued interest receivables			
6.1 Loans to customers	256,390	256,390	
6.2 Less Deferred revenue	(11,400)	(11,400)	
6.3 Add Accrued interest receivable and undue interest receivable	5,687	5,687	
Total loans and accrued interest receivables	250,677	250,677	
6.4 Less Allowance for expected credit losses	(9,576)	(9,576)	
o Qualified as Capital	-	(2,541)	A [1/]
o Non-qualified as Capital	-	(7,035)	
Loans and accrued interest receivables, net	241,101	241,101	
7. Customers' liability under acceptance	-	-	
8. Properties for sale, net	1,386	1,386	
9. Premises, equipment and right of use assets, net	3,470	3,470	
10. Right of use assets, net	190	190	
11. Intangible assets, net	959	959	B
12. Deferred tax assets	1,916	1,916	C
13. Credit support assets on derivatives	12,466	12,466	

Items related to the capital fund for the period December 2023	Balance sheet as in published financial statements	Balance sheet under the regulatory scope of consolidation	Reference
14. Accounts receivables from sell of financial assets measured at fair value through profit or loss and investments	2,069	2,069	
15. Other assets, net	1,765	1,765	
Total assets	508,976	508,976	
Liabilities			
16. Deposits	257,227	257,227	
17. Interbank and money market items, net	77,267	77,267	
18. Liability payable on demand	522	522	
19. Financial liabilities measured at fair value through profit or loss	20,107	20,107	
20. Derivative liabilities	62,263	62,263	
21. Debt issues and borrowings	21,634	21,634	
○ Qualified as Capital	-	12,462	D [2/]
○ Non-qualified as Capital	-	9,172	
22. Bank's liability under acceptance	-	-	
23. Lease liabilities	195	195	
24. Provisions	2,270	2,270	
25. Deferred tax liabilities	-	-	
26. Credit support liabilitirs on derivatives	13,876	13,876	
27. Accounts payable from purchase of financial assets measured at fair value through profit or loss and investments	1,728	1,728	
28. Other liabilities	4,909	4,909	
Total liabilities	461,998	461,998	
Equity			
29. Share capital			
29.1 Registered - ordinary shares	17,411	17,411	
29.2 Issued and paid-up share capital - ordinary shares	17,411	17,411	E

Items related to the capital fund for the period December 2023	Balance sheet as in published financial statements	Balance sheet under the regulatory scope of consolidation	Reference
30. Premium on share capital	10,146	10,146	F
31. Accumulated other comprehensive income	807	807	
31.1 Revaluation surplus on assets	1,861	1,861	
o Qualified as Capital	-	1,795	G [3/]
o Non-qualified as Capital	-	66	
31.2 Revaluation surplus (deficit) on change in value of investments	(703)	(703)	H
31.3 Remeasurements of post-employment benefit obligations	4	4	
o Qualified as Capital	-	(41)	I
o Qualified as Capital	-	45	O
31.4 Profit (loss) arising from translation of the financial statement	-	-	J
31.5 Gains (losses) on fair value of hedging instruments for cash flow hedges	93	93	K
31.6 Gains on financial liabilities designated at fair value relating to own credit risk	(448)	(448)	L
32. Accretion of equity interest in subsidiary	(43)	(43)	M
33. Retained earnings			
33.1 Appropriated – Statutory reserve	792	792	N
33.2 Unappropriated	17,865	17,865	
o Net profit after appropriation to capital	-	17,714	O
o Non-qualified as Capital	-	151	
Total equity	46,978	46,978	
Total liabilities and equity	508,976	508,976	

* Balance sheet as in published financial statements and under the regulatory scope of consolidation has no difference

[1/] Expected credit losses from performing and under-performing loan under TFRS 9 can be counted as Tier 2 but not exceeding 1.25% of credit risk-weighted ssets

[2/ /] Long-term subordinated debt instruments has qualified under Basel III can be fully countable as Tier 2 capital subject to prior BOT approval

[3/] Surplus on assets revaluation can be counted as capital only for items that the BOT has approved

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Table 22.2 Disclosure of the reconciliation of capital funds

Unit: Million Baht

Items related to the capital fund for the period December 2023	Composition of regulatory capital guidelines reported by the financial group	Source of reference in financial statements under the consolidated supervision
Tier 1 capital	**44,155**	
1. Common Equity Tier 1 capital	44,155	
1.1 Paid-up share capital (ordinary shares)	17,411	E
1.2 Share premium	10,146	F
1.3 Statutory reserve	792	N
1.4 Net profit after appropriation	17,673	O
1.5 Accumulated other comprehensive income	737	
1.5.1 Revaluation surplus on land, building or condominium appraisal	1,795	G
1.5.2 Revaluation surplus (deficit) on change in value of investments	(703)	H
1.5.3 Difference from the translation of financial statements	-	J
1.5.4 Cash flow hedge reserves	93	K
1.5.5 Gains on financial liabilities designated at fair value relating to own credit risk	(448)	L
1.6 Other items of owner changes	(43)	M
1.7 Regulatory adjustments to Common Equity Tier 1 capital	355	K & L
1.8 Regulatory deductions to Common Equity Tier 1 capital	(2,916)	
1.8.1 Remeasurements of post-employment benefit obligations	(41)	I
1.8.2 Intangible assets	(959)	B
1.8.3 Deferred tax assets	(1,916)	C
2. Additional Tier 1 capital	-	
Tier 2 capital	**15,003**	
Qualifying Tier 2 capital instruments	12,462	D
General provisions	2,541	A
Total capital fund	59,158	

Part 2: Liquidity coverage ratio disclosure standards

According to the Bank of Thailand releases of the BOT's Notification no. Sor.Nor.Sor. 9/2558 re: Liquidity Coverage Ratio: LCR which refers to Basel III: The Liquidity Coverage Ratio and liquidity risk monitoring tools: January 2013 by Basel Committee on Banking Supervision (BCBS). The LCR requirement aims for commercial banks to have adequate liquidity to support short-term severe liquidity stress scenarios by requiring commercial banks to maintain unencumbered High-Quality Liquid Assets (HQLA) to cover total net cash outflows over the next 30 calendar days under severe liquidity stress scenarios prescribed by the Bank of Thailand. The minimum requirement of LCR was set at 60% on 1 January 2016 and rise in equal annual steps to reach 100% on 1 January 2020, in additional to the compliance of the liquidity risk management guideline.

In 2020, the Bank of Thailand has an amendment LCR guideline according to BOT's Notification No. SorNorSor. 4/2563 Re: Liquidity Coverage Ratio: LCR (Second Edition) to comply with the credit counterparty types, assets types and financial obligations under the classification and provisioning criteria that have been improved.

According to the BCBS's LCR disclosure standards: January 2014 (revised version: March 2014), the LCR Disclosure is to improve the transparency of regulatory liquidity requirements, reinforce the sound principles, enhance market discipline besides internal control and supervision by the Bank of Thailand, and reduce uncertainty in the markets as the LCR is implemented.

Bank of Thailand ("BOT") announced the BOT's Notification No. Sor.Nor.Sor. 2/2561 re: Liquidity Coverage Ratio disclosure standards dated 25 January 2018 which requires disclose information at "Bank" level on a half-yearly and yearly basis. The first disclosure is based on data as of 30 June 2018 for the first half of 2018 results which need to be published on the Bank's website within 4 months from the end of each period.

CIMB Thai Bank Public Company Limited performs the LCR disclosure, which comprises of:

(1) Liquidity Coverage Ratio (LCR)

(2) Total high-quality liquid assets (Total HQLA)

(3) Total net cash outflows over the next 30 calendar days (Total net cash outflows)

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1. Liquidity Coverage Ratio: LCR

Unit: Million Baht

	4Q/2023 (average) [1/]	4Q/2022 (average) [1/]
(1) **Total High Quality Liquid Assets** (Total HQLA)	106,107	100,124
(2) **Total Net Cash Outflow within 30 Days** (Total net cash outflows)	66,016	71,798
(3) LCR (%) [2/]	161	143
BOT's LCR minimum requirement (%)	100	100

2. LCR figures comparison [3/]

Unit: %

	2023 (average) [1/]	2022 (average) [1/]
3rd Quarter	142	146
4th Quarter	161	143

1/ Calculation based on a simple average using month-end data for each quarter. For example, Q4 was calculated by taking a simple average of month-end data in October, November and December.

2/ Data of item 3 (LCR) might not be equal to item 1 (Total HQLA) divided by item 2 (Total net cash outflows).

3/ LCR data will show Q1-Q2 for first half period and Q3-Q4 for the second half period.

3. Guideline and detail information of Liquidity Coverage Ratio

The bank maintains LCR according to Bank of Thailand's standard to ensure that the bank has sufficient HQLA to survive a significant stress scenario lasting for 30 days. The bank set LCR at 60% on 1 January 2016 and rise in equal annual steps to reach 100% on 1 January 2020.

$$\text{LCR} = \frac{\text{Stock of High-Quality Liquid Assets (HQLA)}}{\text{Total Net cash outflows over the next 30 calendar days estimated under severe liquidity stress scenario}}$$

Average LCR of the 4th Quarter 2023 was 161% which was higher than the minimum requirement of Bank of Thailand at 100%. The compositions of LCR are:

1. **High-quality liquid assets (HQLA)** refer to the good quality assets which are high liquid, low risk, unencumbered and can be easily and immediately converted into cash at little or no significant loss of value under stress scenario. However, each of HQLA has hair cut rate to adjust and cap the limit of holding based on Bank of Thailand.

Average HQLA of the 4th quarter of 2023 was THB 106,107 million (84% was HQLA level 1 including cash and balance at BOT and Government Bond). The computation was to average the balances of HQLA during October to December 2023.

2. **Net Cash Outflow (Net COF)** means the total expected cash outflows minus total expected cash inflows in the specified stress scenario for the subsequent 30 calendar days. Total expected cash inflows are expected to flow in under the scenario up to an aggregated cap of 75% of total expected cash outflows.

Total net cash outflows over the next 30 days under severe liquidity stress scenarios	=	Expected cash outflows over the next 30 days under severe liquidity scenarios	-	Expected cash inflows over the next 30 days under severe liquidity scenarios

Average expected net cash outflows of the 4th quarter 2023 was THB 66,016 million which was to average the balances of net cash outflows for subsequent 30 calendar days during October to December 2023. Total expected cash outflows are mostly from deposit withdrawal and borrowing which calculated by the run-off rate as BOT's definitions while total expected cash inflows are majored from performing loan repayment and maturing in deposit placement and debt intrument which calculated by the inflow rates as BOT's definitions as well.

Moreover, the bank assesses and anlyses the liquidity gap and funding concentration on regularly basis. This is to ensure that is the bank has sufficient liquidity for business operation and also continuously develops the analytical measurements to align with the international standards and the business strategies as well.