Basel III - Pillar 3 and

Liquidity coverage ratio (LCR) disclosures

As of December 31, 2024

CIMB THAI
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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 semiannual Pillar 3 reports 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 Co., Ltd. engaged in commercial banking (the parent company)
2. CIMB Thai Auto Co., Ltd. engaged in leasing/hire-purchase of automobiles and hire-purchase motorcycles
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 came to effect for accounting periods beginning on and from 1 January 2020, requiring commercial banks to disclose key quantitative prudential metrics relating to 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).

Subsequently, the BOT has issued Notification No. 9/2566 to revise the regulation for calculating the counterparty credit risk-weighted assets for derivative transactions, effective from July 1, 2024. The regulation requires commercial banks to calculate Credit Valuation Adjustment risk (CVA risk) in addition to the Default risk, which previously required commercial banks to maintain regulatory capital to cover only the losses from Default risk. This amendment is to ensure that commercial banks maintain adequate regulatory capital to fully cover the counterparty credit risk from derivative transactions and is consistent with international standards.

Additionally, the BOT has set risk weights for the calculation of risk-weighted assets for Default risk in case of clearing of derivative transactions through central counterparties in this notification.

Table 1 Disclosure of quantitative data for key risk indicators

Items		Consolidated		Bank-Only	
		Dec 31, 2024	Jun 30, 2024	Dec 31, 2024	Jun 30, 2024
Available capital (Unit: Million Baht)					
1	Common Equity Tier 1 capital (CET 1)	46,924	44,207	45,253	41,735
1a	Fully loaded ECL[1/] accounting model CET 1	46,924	44,207	45,253	41,735
2	Tier 1 capital (Tier 1)	46,924	44,207	45,253	41,735
2a	Fully loaded ECL accounting model Tier 1	46,924	44,207	45,253	41,735
3	Total capital funds	59,824	59,336	58,245	56,957
3a	Fully loaded ECL accounting model total capital	59,824	59,336	58,245	56,957
Risk-weighted assets (Unit: Million Baht)					
4	Total risk-weighted assets (RWA) [2/]	276,734	285,339	277,171	285,634
Risk-based capital ratios as a percentage of RWA (%)					
5	Common Equity Tier 1 ratio (CET 1 ratio)	16.96%	15.49%	16.33%	14.61%
5a	Fully loaded ECL accounting model CET 1 ratio	16.96%	15.49%	16.33%	14.61%
6	Tier 1 ratio	16.96%	15.49%	16.33%	14.61%
6a	Fully loaded ECL accounting model Tier 1 ratio	16.96%	15.49%	16.33%	14.61%
7	Total capital ratio[2/]	21.62%	20.79%	21.01%	19.94%
7a	Fully loaded ECL accounting model total capital ratio	21.62%	20.79%	21.01%	19.94%
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 [3/]	10.96%	9.49%	10.33%	8.61%
Liquidity Coverage Ratio (LCR) [4/]					
13	Total high-quality liquid assets (Total HQLA) (Unit: Million Baht)	-	-	115,561	112,666

	Items	Consolidated		Bank-Only	
		Dec 31, 2024	Jun 30, 2024	Dec 31, 2024	Jun 30, 2024
14	Total net cash outflows within 30 Days (Unit: Million Baht)	-	-	67,242	75,941
15	LCR ratio (%)[5/]	-	-	173%	149%
	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/] To comply with BOT's notification No. SorNorSor. 9/2566 dated September 19, 2023, the Bank shall gradually sum risk-weighted assets for CVA risk of not less than 25% of the calculated total risk-weighted assets for CVA risk, together with other credit risk-weighted assets, for the calculation of the total capital ratio according to the Notification of the Bank of Thailand on Supervision of Capital for Commercial Banks starting from 1 July 2024. As such, the Bank shall gradually increase the portion of risk-weighted assets for CVA risk into the calculation to not less than 50% starting from 1 January 2025, and not less than 75% starting from 1 January 2026, until the portion reaches 100% starting from 1 January 2027 onwards.

[3/] 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%.

[4/] 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

[5/] 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.

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4. Capital

4.1 Capital Structure

As at 31 December 2024, CIMB Thai Financial Group's total capital fund under Basel III was THB 59,824 million consisting of Common Equity Tier 1 (CET 1) capital of THB 46,924 million, Tier 1 capital of THB 46,924 million, and Tier 2 capital of THB 12,900 million. For Bank level, capital consists Common Equity Tier 1 capital of THB 45,253 million, Tier 1 capital of THB 45,253 million, and Tier 2 capital of THB 12,992 million, totaling THB 58,245 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 is expected credit loss for financial assets no matter whether they have an significant or insignificant increase in credit risk, not exceeding 1.25% of credit risk-weighted assets .

- 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.
- The Bank issued MYR 415 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 on 19 April 2023.
- The Bank issued THB 2,000 million of subordinated, unsecured and non-guaranteed green notes intended to qualify as tier 2 capital of commercial banks to local investors. The note 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 BOT. 498/2568.

Table 2 Capital Structure

Unit: Million Baht

As at	Consolidated		Bank-Only	
	Dec 31, 2024	Jun 30, 2024	Dec 31, 2024	Jun 30, 2024
1. Tier 1 Capital	46,924	44,207	45,253	41,735
1.1 Common Equity Tier 1 capital	46,924	44,207	45,253	41,735
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	928	832	928	832
1.1.4 Net profit after appropriation	19,075	17,869	16,259	14,438
1.1.5 Other Comprehensive Income	1,381	1,065	1,383	1,067
1.1.5.1 Accumulated Other Comprehensive Income	1,424	1,108	1,383	1,067
1.1.5.2 Other owner changes items	(43)	(43)	-	-
1.1.6 Any adjustments that are not allowed to have impacts on capital	74	(48)	74	(48)
1.1.6.1 Cash flow hedge reserves	(25)	(155)	(25)	(155)
1.1.6.2 Gains on financial liabilities designated at fair value relating to own credit risk	99	107	99	107
1.1.7 Items to be deducted from CET 1	(2,091)	(3,068)	(948)	(2,111)
1.1.7.1 Remeasurements of post-employment benefit obligations	-	(41)	-	(34)
1.1.7.2 Intangible assets	(977)	(975)	(948)	(952)
1.1.7.3 Deferred tax asset	(1,114)	(2,052)	-	(1,125)
1.2 Additional Tier 1 capital	-	-	-	-
2. Tier 2 capital	12,900	15,129	12,992	15,222
2.1 Qualifying Tier 2 capital instruments	10,374	12,462	10,374	12,462
2.2 General provisions	2,526	2,667	2,618	2,760
3. Total capital funds	59,824	59,336	58,245	56,957

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, 2024	Jun 30, 2024	Dec 31, 2024	Jun 30, 2024
Credit Risk [1/]	17,178	18,138	17,806	18,772
1. Performing Assets	16,704	17,638	17,374	18,311
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	2,124	2,014	2,120	2,009
1.3 Claims on corporate and public sector entities (PSEs) whose risk weight is comparable to that of corporate Entities	6,839	7,993	9,523	10,722
1.4 Claims on retail	3,601	3,581	1,388	1,342
1.5 Claims on residential mortgage exposures	3,571	3,437	3,571	3,437
1.6 Other assets	569	613	772	801
2. Non-Performing Assets	474	500	432	461
Market Risk	4,234	4,021	4,234	4,021
1. Interest rate risk	4,169	3,800	4,169	3,800
2. Equity price risk	-	-	-	-
3. Foreign exchange rate risk	65	221	65	221
4. Commodity price risk	-	-	-	-
Operational Risk	2,110	2,095	1,520	1,486
Total minimum capital requirement [2/]	23,522	24,254	23,560	24,279
Total minimum capital buffer [3/]	6,918	7,133	6,929	7,141
Total minimum capital requirement and capital buffer	30,440	31,387	30,489	31,420
Total Risk Weight Assets	276,734	285,339	277,171	285,634

[1/] To comply with BOT's notification No. SorNorSor. 9/2566 dated September 19, 2023, the Bank shall gradually sum risk-weighted assets for CVA risk of not less than 25% of the calculated total risk-weighted assets for CVA risk, together with other credit risk-weighted assets, for the calculation of the total capital ratio according to the Notification of the Bank of Thailand on Supervision of Capital for Commercial Banks starting from 1 July 2024. As such, the Bank shall gradually increase the portion of risk-weighted assets for CVA risk into the calculation to not less than 50% starting from 1 January 2025, and not less than 75% starting from 1 January 2026, until the portion reaches 100% starting from 1 January 2027 onwards.

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

[3/] 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 2024, the financial group's CET 1 ratio, Tier 1 ratio, and Total capital ratio were at 16.96%, 16.96%, and 21.62%, respectively, while the Bank's ratio were at 16.33%, 16.33%, and 21.01%, 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, 2024	Jun 30, 2024	Dec 31, 2024	Jun 30, 2024		
CET 1 capital to risk-weighted assets	16.96	15.49	16.33	14.61	4.50	7.00
Tier 1 capital to risk-weighted assets	16.96	15.49	16.33	14.61	6.00	8.50
Total capital to risk-weighted assets[3/]	21.62	20.79	21.01	19.94	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%.

[3/] To comply with BOT's notification No. SorNorSor. 9/2566 dated September 19, 2023, the Bank shall gradually sum risk-weighted assets for CVA risk of not less than 25% of the calculated total risk-weighted assets for CVA risk, together with other credit risk-weighted assets, for the calculation of the total capital ratio according to the Notification of the Bank of Thailand on Supervision of Capital for Commercial Banks starting from 1 July 2024. As such, the Bank shall gradually increase the portion of risk-weighted assets for CVA risk into the calculation to not less than 50% starting from 1 January 2025, and not less than 75% starting from 1 January 2026, until the portion reaches 100% starting from 1 January 2027 onwards.

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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 objectives 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.

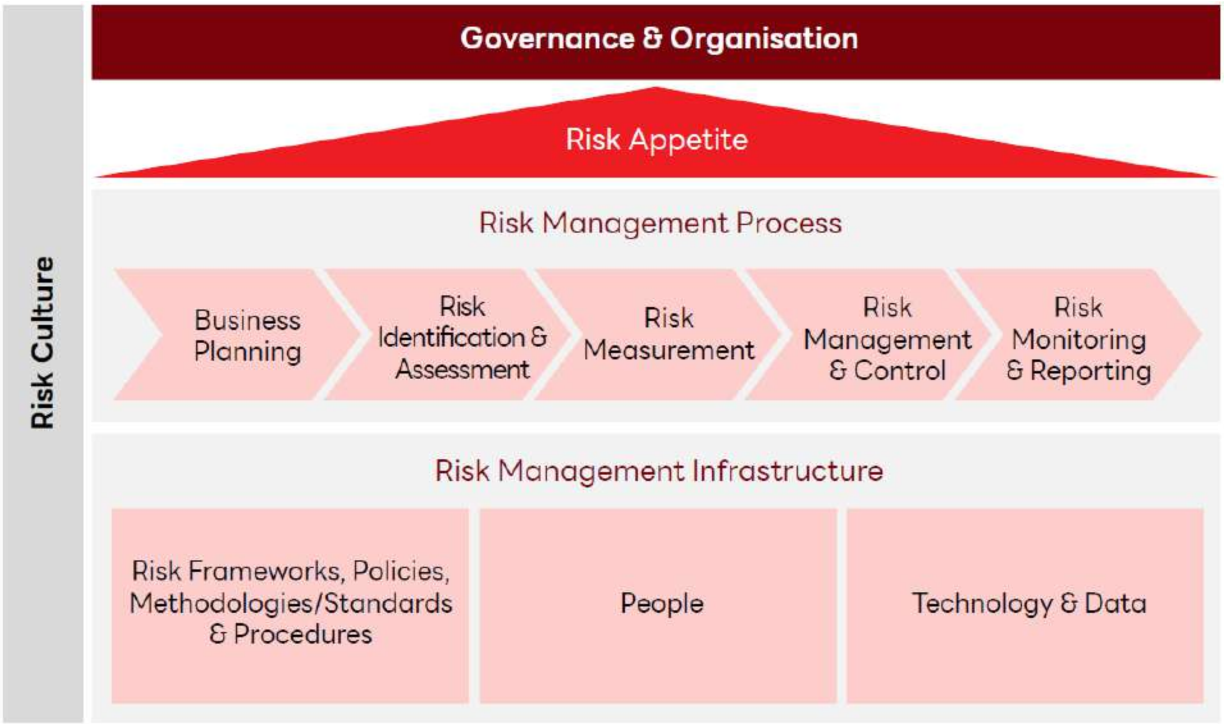
To further enhance the cultivation of risk management culture, the Bank employs the Three Lines of Defence model in implementing the EWRM framework, providing risk management accountability across the Bank. The business units, as the first line of defence, is primarily responsible for risk management 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 Frameworks, Policies, Methodologies/Standards and Procedures/Process Guidelines:** Frameworks provide broad objectives and overarching risk management architecture for managing risks. Well-defined risk management policies by risk type provide the principle 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**: Since the banking organisation must constantly adapt to respond to the increasing complexity of business operations, as well as the economic and regulatory environments, capable and skilled personnel are key factor in ensuring that the EWRM framework is implemented effectively and achieves its objectives.
- **Technology and Data**: The Bank will leverage appropriate data management and technology to support risk management activities.

The Bank is committed to adopting 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 undertaken. In conducting its business, the Bank faces.

In overseeing risk management, the Board has established the Board Risk and Compliance Committee (BRCC), which is composed of members selected from the Board and directly reporting to the Board. This ensures that risk oversight is independent, more effective, and accountable for all types of risks, including compliance risk.

In addition, the Board has established the Risk Management Committee (RMC), which reports directly to the BRCC, to oversee various types of risks and related matters, such as credit risk, operational risk, reputation risk, capital risk (to ensure compliance with Basel regulatory requirements), etc. The RMC comprises members with expertise, knowledge, and experience in relevant fields. Its key responsibilities are to review and give recommendations to the BRCC and the Board on risk management policies and frameworks, as well as establish a corresponding governance structure to ensure risks are managed efficiently and effectively, with transparent decision-making processes. Furthermore, the BRCC has established the Asset Quality Committee (AQC), tasked with reviewing and/or providing recommendations for approval on the management of troubled or potentially troubled debts to the Board/relevant committee (where necessary), as well as approving and concurring on proposals and provisioning plans for non-retail debtors with problems or signs of deterioration.

The Risk Management Unit has been established to develop and oversee appropriate policies, strategies, and processes for risk management within the Bank. It also supports the functions of the BRCC, the RMC, the Credit Committee (CC), and sub-committees under the RMC, as well as assists the management in managing risks inherent to the Bank and its business operations. The Risk Management Unit operates independently from other business units involved in risk-related transactions or activities. In addition, Special Assets Management Team has been established under the Risk Management Unit to manage impaired loans, and provide advisory services to customers who, without proper management, may become 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.

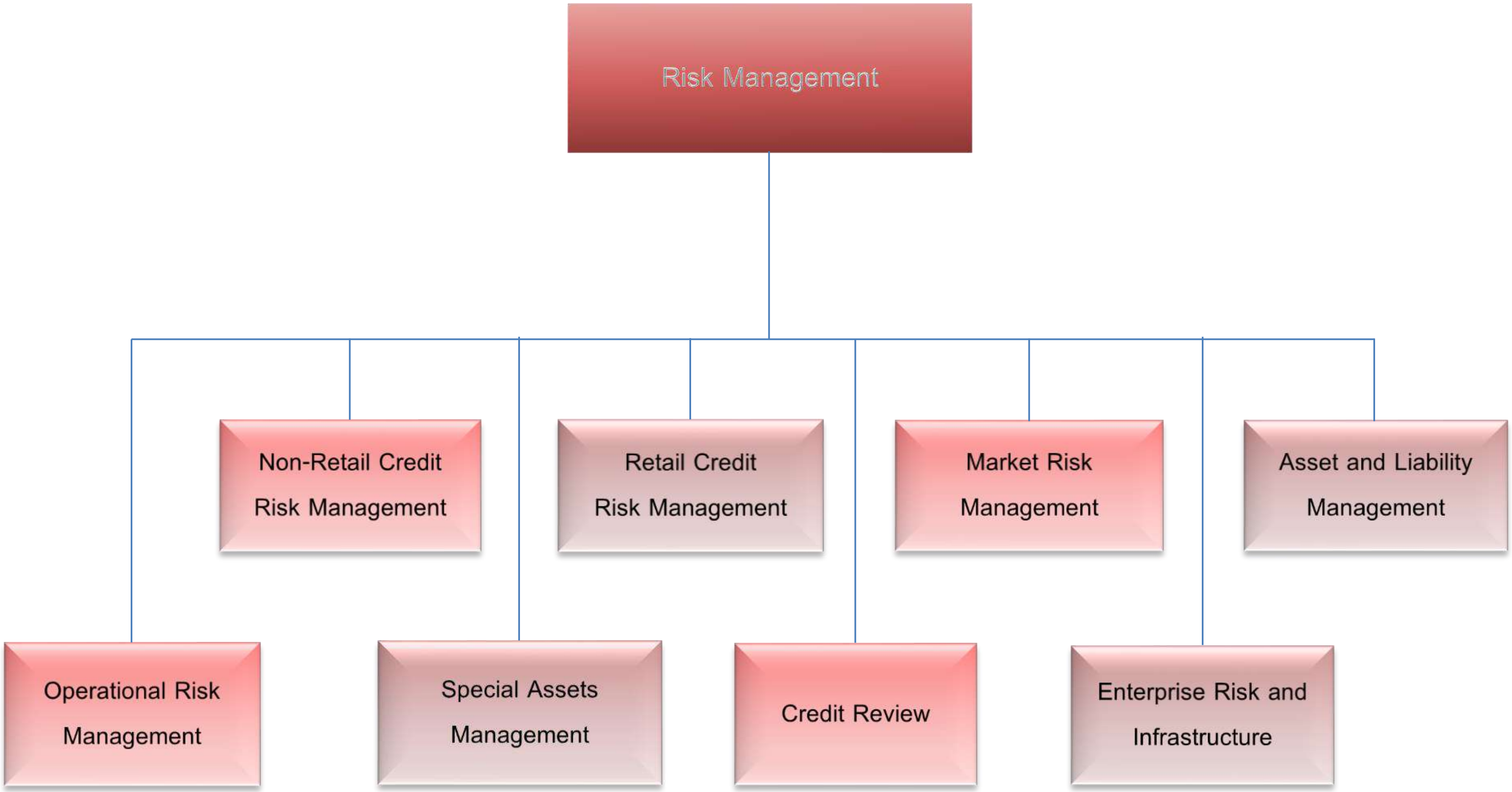
6. Special Assets Management is responsible to manage non-retail's distressed assets which comprise of direct account management of distressed accounts, proper recovery strategy, i.e. restructuring or legal proceedings, is to be determined and proposed once the account is

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 management is essential in ensuring the Bank's financial stability and sustainable growth, particularly in non-retail, where exposures often involve larger and more complex credit structures and transactions with corporations, financial institutions, and public entities that can significantly affect the Bank's balance sheet and overall performance.

Effective non-retail credit risk management is crucial for safeguarding the Bank's asset quality and preserving its financial health, which enhances the Bank's competitive edge in lending markets and instills confidence among stakeholders, investors and regulators. Hence, the following non-retail credit risk management framework allows the Bank to balance its risk appetite with growth ambitions, contributing to sustainable financial performance.

Robust Credit Risk Assessment - A comprehensive analysis of borrowers' key person, business condition and financial health, industry outlook, and macroeconomic conditions is vital in enabling the Bank to quantify and mitigate credit risk.

Addressing Emerging Risks - The evolving economic landscape presents emerging risks, such as geopolitical uncertainties, climate-related credit exposures, and rapid technological advancements. Integrating ESG (Environmental, Social, and Governance) considerations into credit risk frameworks is becoming increasingly important. Monitoring these risks and adapting strategies accordingly will position the Bank to navigate future challenges effectively.

Portfolio Diversification - Avoiding excessive concentration in specific sectors or client groups reduces vulnerability to sectoral or idiosyncratic shocks. Diversifying exposures across industries, regions, and asset classes strengthens portfolio stability, making the credit portfolio more resilient to market fluctuations.

Preemptive Credit Risk Mitigation - Early warning and risk monitoring frameworks help identify signs of borrower distress before defaults occur. Appropriate trigger mechanisms, combined with effective strategic actions, enable the Bank to prevent and/or mitigate risks in a timely manner.

NPL Management and Adequate Provisioning - Proactive measures such as restructuring, recovery planning, and selling distressed assets are critical. Adequate provisioning ensures that potential losses are recognised promptly, preserving the credibility of the Bank's financial statements.

In conclusion, non-retail credit risk management is not just about minimising losses but also about enhancing opportunities within an acceptable risk appetite. By fostering a culture of risk awareness, leveraging advanced analytics, and maintaining stringent oversight mechanisms, the Bank can achieve a well-balanced and resilient credit portfolio. Through such efforts, the Bank reinforces its commitment to financial stability and long-term value creation for stakeholders.

- Credit Approval

The Bank employs a structured and robust credit approval process for non-retail credits, focusing on prudent risk management, operational efficiency, and alignment with strategic objectives. This process incorporates multi-tiered approval mechanisms, including the Credit

Committee and Joint Delegation Authority, which enhance decision-making efficiency while maintaining rigorous risk oversight.

- Credit Committee

The Credit Committee serves as the principal authority for approving non-retail credit facilities within its designated credit approval authority. The Credit Committee is composed of senior executives with expertise, who are responsible for evaluating credit proposals that exceed predetermined thresholds or do not meet the specific criteria outlined in the Joint Delegation Authority framework. Its role ensures that credit decisions for complex or high-exposure transactions are thoroughly vetted and aligned with the Bank's risk appetite and regulatory requirements.

- Joint Delegation Authority

Joint Delegation Authority is a collaborative approval mechanism between the Risk Management Unit and Business Units, designed to enhance efficiency and expedite the approval process for qualifying credit applications that meet designated criteria and parameters, while maintaining accountability and alignment across functions.

Approved credit facilities must be continuously monitored to ensure compliance with terms and conditions, as well as to identify emerging risks. Periodic reviews and audits of the credit approval process ensure adherence to regulatory standards and internal policies, enabling the Bank to adapt to evolving market conditions and risk factors.

This structured and adaptive credit approval process reflects the Bank's commitment to fostering sustainable growth while safeguarding its financial stability. By combining strategic delegation with rigorous oversight, the process supports timely and informed credit decisions, enhancing the Bank's competitiveness and resilience in a dynamic business environment.

- Collateral Policy

The Bank's lending policies prioritise a comprehensive assessment of a borrower's credit worthiness, with a primary focus on their capacity to service debt. This evaluation typically considers the borrower's ability to generate stable revenue and maintain sufficient profitability to meet debt obligations.

In addition to creditworthiness, the Bank places significant importance on collateral as a secondary guarantee for lending. Collateral not only provides security for debt repayment but also serves to mitigate potential losses in the event of default. The Bank accepts a diverse range of collateral types, including cash deposits, government bonds, debt and equity instruments, as well as land and buildings. The valuation of collateral and the applicable loan-to-collateral ratio are determined based on the inherent risk level of the credit product, the borrower's credit profile, and the liquidity of the collateral.

To ensure effective risk management and compliance with the Bank of Thailand's regulations, the Bank has established a comprehensive and robust collateral valuation policy. This policy governs both the initial appraisal of collateral and the frequency of reappraisals. Adherence to these standards ensures that collateral values remain accurate and reflect current market conditions, thereby safeguarding the Bank's risk exposure and maintaining operational stability.

- 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.

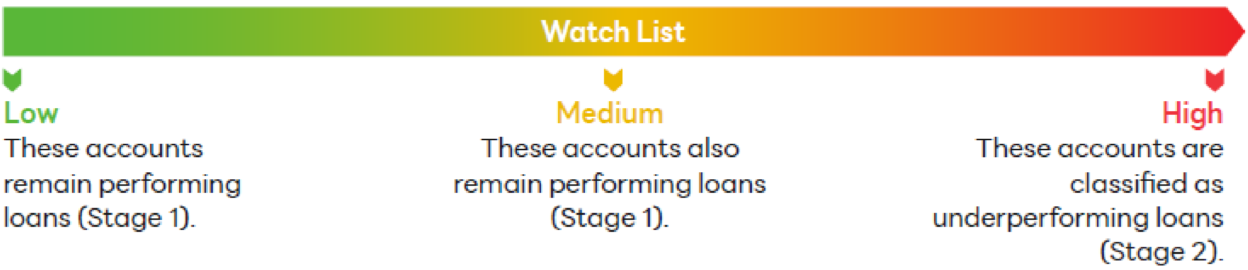
In addition, the Bank has set policies and procedures for credit risk to prevent and minimize risk that may occur in the future, which can be summarizes as follows:

- Debt Control and Monitoring Guidelines

The Bank has established comprehensive guidelines for managing and monitoring watch list and problem loan accounts to proactively prevent and resolve problem loans while standardizing control and monitoring procedures. These guidelines include a structured process for overseeing watch list accounts, which undergoes periodic reviews to maintain effectiveness and alignment with evolving risks.

In compliance with the Bank of Thailand's mandatory debt classification requirements, the Bank has implemented additional qualitative criteria for early identification of debts showing signs of deterioration before default. To enhance the management of these high-risk accounts, the Bank has developed an Early Warning Process (EWP). This process includes tracking and reporting on the performance of borrowers exhibiting early warning signs, providing Relationship Managers (RMs) with a systematic framework to regularly evaluate debtor status. Early Warning Indicators (EWIs) are established to detect potential risks, and if trends indicate a likelihood of loans becoming problematic, timely and appropriate action plans are formulated to mitigate risks.

Accounts with potential problem loans are categorised into three tiers based on the severity of their issues and associated risk levels:



In addition to these watch list accounts, non-performing loans (NPLs) with exposures exceeding THB 10 million are reported monthly to the AQC. The AQC is tasked with closely monitoring developments in watch list accounts, problem loans, and other accounts requiring heightened attention. It provides guidance, approvals, or recommendations on recovery action plans to effectively manage problem loans and mitigate potential risks. This includes addressing key aspects such as debt reclassification, provisioning, and recovery strategies, with the objective of minimising losses and maximising recoveries for the Bank.

Furthermore, the Bank has refreshed its policies concerning the management of NPLs and Non-Performing Assets (NPAs). These updated guidelines include enhanced valuation methodologies for asset disposition, incorporating discounted cash flow analysis and fair market value assessments. This approach ensures transparency and auditability, aligns with regulatory standards, and aims to minimise financial losses and optimise recovery outcomes for the Bank.

- Debt Restructuring Policy

The Bank has established a policy to undertake debt restructuring for borrowers who are cooperative, have potential, and demonstrate the likelihood of complying with newly agreed conditions. 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 process adheres to the criteria, process and method provided, covering debtor analysis, approval, preparation of agreement, follow-up, and assessment. Such a 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 others as authorised by the Bank.

- 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 ensures 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 must be the same as those agreed upon with a general person of the same risk level, and etc.

- **Policy on Asset Classification and Loan Loss Provision**

The Bank has complied with the Bank of Thailand's regulations as prescribed in 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) regarding 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).

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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, 2024	Dec 31, 2023	Dec 31, 2024	Dec 31, 2023
1. On-balance sheet assets	417,939	421,716	413,845	416,728
1.1 Loans and accrued interest receivables, net [1/]	250,448	243,928	247,410	239,264
1.2 Investments in debt securities, net [2/]	105,710	112,735	104,891	112,733
1.3 Deposits and accrued interests, net [3/]	5,552	4,767	5,315	4,445
1.4 Derivative assets	56,229	60,286	56,229	60,286
2. Off-balance sheet items [4/]	5,954,033	5,796,282	5,960,633	5,807,532
2.1 Aval of bills, financial guarantees and Letter of credits	580	630	580	630
2.2 OTC derivatives [5/]	5,941,334	5,777,455	5,941,334	5,777,455
2.3 Undrawn committed line	12,119	18,197	18,719	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

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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, 2024								
	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	389,418	255,252	105,710	4,729	23,727	2,205,746	580	2,193,047	12,119
2. Asia Pacific (excluding Thailand)	8,673	5	-	98	8,570	696,030	-	696,030	-
3. North America and Latin America	8,663	-	-	638	8,025	1,293,911	-	1,293,911	-
4. Africa and Middle East	5	-	-	-	5	162	-	162	-
5. Europe	17,067	1,152	-	14	15,901	1,757,805	-	1,757,805	-
6. Oceania	1,083	1,009	-	73	1	379	-	379	-
Total	424,909	257,418	105,710	5,552	56,229	5,954,033	580	5,941,334	12,119
Less General provision	(6,970)	(6,970)	-	-	-	-	-	-	-
Total	417,939	250,448	105,710	5,552	56,229	5,954,033	580	5,941,334	12,119

[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

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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Unit: Baht million

As at	Dec 31, 2024								
	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	383,402	250,293	104,891	4,491	23,727	2,212,346	580	2,193,047	18,719
2. Asia Pacific (excluding Thailand)	8,674	5	-	99	8,570	696,030	-	696,030	-
3. North America and Latin America	8,663	-	-	638	8,025	1,293,911	-	1,293,911	-
4. Africa and Middle East	5	-	-	-	5	162	-	162	-
5. Europe	17,067	1,152	-	14	15,901	1,757,805	-	1,757,805	-
6. Oceania	1,083	1,009	-	73	1	379	-	379	-
Total	418,894	252,459	104,891	5,315	56,229	5,960,633	580	5,941,334	18,719
Less General provision	(5,049)	(5,049)	-	-	-	-	-	-	-
Total	413,845	247,410	104,891	5,315	56,229	5,960,633	580	5,941,334	18,719

[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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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

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, 2024				Dec 31, 2023			
	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	77,330	347,579	(6,970)	417,939	75,084	353,201	(6,569)	421,716
1.1 Loans and accrued interest receivables, net [1/]	38,145	219,273	(6,970)	250,448	33,260	217,237	(6,569)	243,928
1.2 Investments in debt securities, net [2/]	5,329	100,381	-	105,710	5,290	107,445	-	112,735
1.3 Deposits and accrued interests, net [3/]	5,552	-	-	5,552	4,767	-	-	4,767
1.4 Derivative assets	28,304	27,925	-	56,229	31,767	28,519	-	60,286
2. Off-balance sheet items [4/]	3,846,794	2,107,239	-	5,954,033	3,768,075	2,028,207	-	5,796,282
2.1 Aval of bills, financial guarantees and Letter of credits	580	-	-	580	630	-	-	630
2.2 OTC derivatives [5/]	3,838,623	2,102,711	-	5,941,334	3,758,450	2,019,005	-	5,777,455
2.3 Undrawn committed line	7,591	4,528	-	12,119	8,995	9,202	-	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

Unit: Baht million

As at	Bank Only							
	Dec 31, 2024				Dec 31, 2023			
	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	97,019	321,875	(5,049)	413,845	90,864	330,688	(4,824)	416,728
1.1 Loans and accrued interest receivables, net [1/]	58,890	193,569	(5,049)	247,410	49,364	194,724	(4,824)	239,264
1.2 Investments in debt securities, net [2/]	4,510	100,381	-	104,891	5,288	107,445	-	112,733
1.3 Deposits and accrued interests, net [3/]	5,315	-	-	5,315	4,445	-	-	4,445
1.4 Derivative assets	28,304	27,925	-	56,229	31,767	28,519		60,286
2. Off-balance sheet items [4/]	3,853,394	2,107,239	-	5,960,633	3,779,325	2,028,207	-	5,807,532
2.1 Aval of bills, financial guarantees and Letter of credits	580	-	-	580	630	-	-	630
2.2 OTC derivatives [5/]	3,838,623	2,102,711	-	5,941,334	3,758,450	2,019,005	-	5,777,455
2.3 Undrawn committed line	14,191	4,528	-	18,719	20,245	9,202	-	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

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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, 2024						
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/]	7,188	252,291	9,031	6,970	2,061	250,448
2. Investment in debt Securities [5/]	-	105,710	-	-	-	105,710
3. Deposits and accrued interests [6/]	-	5,552	-	-	-	5,552
4. Loan commitment and financial guarantee contract [7/]	182	20,500	169	23	146	20,513
Total	7,370	384,053	9,200	6,993	2,207	382,223

* 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, 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

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Unit: Baht million

Items	Bank Only Dec 31,2024 Exposures: Defaulted exposures [1/]	Exposures: Non-defaulted exposures [1/]	Provisions [2/]	Reserve value of the position using the SA mehtod [2/]: General provision	Reserve value of the position using the SA mehtod [2/]: Specific provision	Net exposures [3/]
1. Loans and accrued interest receivables [4/]	6,308	247,841	6,739	5,049	1,690	247,410
2. Debt Securities [5/]	-	104,891	-	-	-	104,891
3. Deposits and accrued interests [6/]	-	5,315	-	-	-	5,315
4. Loan commitment and financial guarantee contract [7/]	182	27,100	184	38	146	27,098
Total	6,490	385,147	6,923	5,087	1,836	384,714

* 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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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

country or geographic area	Loans and accrued interest receivables [1/]					Investment in debt securities [2/]				
Consolidated Dec 31, 2024	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	236,605	13,521	7,002	186	**257,314**	105,422	288	-	-	**105,710**
Asia Pacific (exclude Thailand)	5	-	-	-	**5**	-	-	-	-	**-**
North America and Latin America	-	-	-	-	**-**	-	-	-	-	**-**
Africa and Middle East	-	-	-	-	**-**	-	-	-	-	**-**
Europe	1,152	-	-	-	**1,152**	-	-	-	-	**-**
Oceania	1,008	-	-	-	**1,008**	-	-	-	-	**-**
Total	238,770	13,521	7,002	186	259,479	105,422	288	-	-	105,710

[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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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

Bank Only										
Dec 31, 2024										
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	238,676	6,999	6,122	186	251,983	104,603	288	-	-	104,891
Asia Pacific (exclude Thailand)	5	-	-	-	5	-	-	-	-	-
North America and Latin America	-	-	-	-	-	-	-	-	-	-
Africa and Middle East	-	-	-	-	-	-	-	-	-	-
Europe	1,152	-	-	-	1,152	-	-	-	-	-
Oceania	1,009	-	-	-	1,009	-	-	-	-	-
Total	240,842	6,999	6,122	186	254,149	104,603	288	-	-	104,891

[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

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, 2024				Dec 31, 2023			
	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		2,061	2,148	1		3,007	1,776	1
Asia Pacific (exclude Thailand)		-	-	-		-	-	-
North America and Latin America		-	-	-		-	-	-
Africa and Middle East		-	-	-		-	-	-
Europe		-	-	-		-	-	-
Oceania		-	-	-		-	-	-
Total	6,970	2,061	2,148	1	6,569	3,007	1,776	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, 2024				Dec 31, 2023			
	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		1,690	579	1		2,749	453	1
Asia Pacific (exclude Thailand)		-	-	-		-	-	-
North America and Latin America		-	-	-		-	-	-
Africa and Middle East		-	-	-		-	-	-
Europe		-	-	-		-	-	-
Oceania		-	-	-		-	-	-
Total	5,049	1,690	579	1	4,824	2,749	453	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

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, 2024				
	Performing (Stage 1)	Under-performing (Stage 2)	Non-performing (Stage 3)	Purchased or originated credit-impaired	Total
Agricultural and mining	4,411	-	-	-	**4,411**
Manufacturing and commerce	29,795	3,520	458	-	**33,773**
Real estate and construction	9,112	86	1,080	186	**10,464**
Public utilities and services	28,714	1,137	540	-	**30,391**
Housing loans	109,784	1,802	3,483	-	**115,069**
Financial Intermediaries	12,464	2	-	-	**12,466**
Personal consumption	44,490	6,974	1,441	-	**52,905**
Total	238,770	13,521	7,002	186	259,479

* 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, 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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Unit: Baht million

As at	Dec 31, 2024				
	Performing (Stage 1)	Under-performing (Stage 2)	Non-performing (Stage 3)	Purchased or originated credit-impaired	Total
Agricultural and mining	4,411	-	-	-	**4,411**
Manufacturing and commerce	29,796	3,520	458	-	**33,774**
Real estate and construction	9,112	86	1,080	186	**10,464**
Public utilities and services	28,714	1,137	540	-	**30,391**
Housing loans	109,784	1,802	3,482	-	**115,068**
Financial Intermediaries	42,870	2	-	-	**42,872**
Personal consumption	16,155	452	562	-	**17,169**
Total	240,842	6,999	6,122	186	254,149

* 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

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, 2024			Dec 31, 2023		
	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	-
Manufacturing and commerce		147	49		538	22
Real estate and construction		497	-		342	-
Public utilities and services		278	-		219	-
Housing loans		612	168		1,234	125
Personal consumption		527	1,931		464	1,629
Others		-	-		-	-
Total	6,970	2,061	2,148	6,569	3,007	1,776

* 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, 2023		
	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	-
Manufacturing and commerce		147	49		538	22
Real estate and construction		497	-		342	-
Public utilities and services		278	-		219	-
Housing loans		612	168		1,234	125
Personal consumption		156	362		206	306
Others		-	-		-	-
Total	5,049	1,690	579	4,824	2,749	453

* 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, 2024			Dec 31, 2023		
	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	6,569	3,007	9,576	5,943	2,254	8,197
Increases / decreases of provisions during the year [2/]	404	1,199	1,603	629	2,526	3,155
Write-offs during the year	(3)	(2,145)	(2,148)	(3)	(1,773)	(1,776)
Balance, end of the year	6,970	2,061	9,031	6,569	3,007	9,576

* 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, 2024			Dec 31, 2023		
	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	4,824	2,749	7,573	4,402	2,056	6,458
Increases / decreases of provisions during the year [2/]	228	(483)	(255)	425	1,143	1,568
Write-offs during the year	(3)	(576)	(579)	(3)	(450)	(453)
Balance, end of the year	5,049	1,690	6,739	4,824	2,749	7,573

* 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

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, 2024			Dec 31, 2023		
	On-balance sheet assets	Off-balance sheet items *	Total	On-balance sheet assets	Off-balance sheet items *	Total
1. Performing Assets	446,999	95,138	542,137	444,903	116,510	561,413
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	81,009	3,829	84,838	76,115	3,228	79,343
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	30,933	74,630	105,563	30,542	84,525	115,067
1.3 Debtors that are corporate and public sector entities (PSEs) whose risk weight is comparable to that of corporate entities	85,662	16,031	101,693	95,210	27,885	123,095
1.4 Retail	56,202	648	56,850	55,905	872	56,777
1.5 Residential mortgage loan	109,224	-	109,224	102,298	-	102,298
1.6 Other assets	83,969	-	83,969	84,833	-	84,833
2. Non-Performing Assets	5,127	15	5,142	5,928	16	5,944
Total	452,126	95,153	547,279	450,831	116,526	567,357

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

Unit: Baht million

As at	Bank Only					
	Dec 31, 2024			Dec 31, 2023		
	On-balance sheet assets	Off-balance sheet items *	Total	On-balance sheet assets	Off-balance sheet items *	Total
1. Performing Assets	442,708	96,458	539,166	439,980	118,760	558,740
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	80,189	3,829	84,018	76,113	3,228	79,341
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	30,695	74,630	105,325	30,220	84,525	114,745
1.3 Debtors that are corporate and public sector entities (PSEs) whose risk weight is comparable to that of corporate entities	115,917	17,351	133,268	124,783	30,135	154,918
1.4 Retail	21,496	648	22,144	20,322	872	21,194
1.5 Residential mortgage loan	109,225	0	109,225	102,298	0	102,298
1.6 Other assets	85,186	0	85,186	86,244	0	86,244
2. Non-Performing Assets	4,618	15	4,633	5,530	16	5,546
Total	447,326	96,473	543,799	445,510	118,776	564,286

* 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

The Bank uses rating from External Credit Assessment Institutions (“ECAIs”) as permitted by Bank of Thailand for commercial banks to determine the risk weights of debtors under Standardised Approach (SA). For the debtors classified as claim on sovereign and financial institutions, the Bank shall determine the risk weight based on their Country Risk Rating issued by ECAIs or use the OECD's Country Risk Classification score (in case where there is no Country Risk Rating from ECAIs). For claim on corporate, the Bank shall determine the risk weight from the obligor’s rating issued by ECAIs which is in accordance with the criteria that the Bank notified to the Bank of Thailand.

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, 2024												
	Risk Weights for Exposures with Rating					Risk Weights for Exposures without Rating							
Risk weights	0%	20%	50%	100%	150%	0%	2%	20%	35%	50%	75%	100%	150%
Performing Assets	106,164	21,139	28,619	25,450	219	128,766	400	1,174	99,770	-	65,810	64,626	-
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	106,154	-	-	-	-								
2. Debtors that are financial institutions, and public sector entities (PSEs) whose risk weight is comparable to that of financial institutions and securities companies	10	14,417	2,882	17,611	-								
3. Debtors that are corporate and public sector entities (PSEs) whose risk weight is comparable to that of corporate entities	-	6,722	25,737	7,839	219		400					58,073	
4. Retail											56,355	93	
5. Residential mortgage loan									99,770		9,455		
6. Other assets						128,766		1,174				6,460	
Non-Performing Assets [1/]	-	-	-	-	-	3	-	-	-	560	183	2,865	1,531
Total	106,164	21,139	28,619	25,450	219	128,769	400	1,174	99,770	560	65,993	67,491	1,531
Capital deduction prescribed by the BOT	2,091												

[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	103,136	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

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Unit: Baht million

As at	Dec 31, 2024												
	Risk Weights for Exposures with Rating					Risk Weights for Exposures without Rating							
Risk weights	0%	20%	50%	100%	150%	0%	2%	20%	35%	50%	75%	100%	150%
Performing Assets	105,344	20,901	28,619	25,450	219	127,605	400	1,174	99,770	-	31,105	98,579	-
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	105,334	-	-	-	-								
2. Debtors that are financial institutions, and public sector entities (PSEs) whose risk weight is comparable to that of financial institutions and securities companies	10	14,179	2,882	17,611	-								
3. Debtors that are corporate and public sector entities (PSEs) whose risk weight is comparable to that of corporate entities	-	6,722	25,737	7,839	219		400					89,647	
4. Retail											21,650	93	
5. Residential mortgage loan									99,770		9,455		
6. Other assets						127,605		1,174				8,839	
Non-Performing Assets [1/]	-	-	-	-	-	3	-	-	-	523	183	2,401	1,523
Total	105,344	20,901	28,619	25,450	219	127,608	400	1,174	99,770	523	31,288	100,980	1,523
Capital deduction prescribed by the BOT	947												

[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

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.

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, 2024		Dec 31, 2023		Dec 31, 2024		Dec 31, 2023	
	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	53,437	20,980	68,156	21,138	53,437	20,980	68,156	21,138
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	659	-	-	-	659	-	-	-
2. Debtors that are financial institutions, and public sector entities (PSEs) whose risk weight is comparable to that of financial institutions and securities companies	49,685	20,968	62,350	21,128	49,685	20,968	62,350	21,128
3. Debtors that are corporate and public sector entities (PSEs) whose risk weight is comparable to that of corporate entities	2,703	-	5,319	-	2,703	-	5,319	-
4. Retail	390	12	487	10	390	12	487	10
5. Residential mortgage loan	-	-	-	-	-	-	-	-
6. Other assets	-	-	-	-	-	-	-	-
Non-Performing Assets	3	-	6	5	3	-	6	5
Total	53,440	20,980	68,162	21,143	53,440	20,980	68,162	21,143

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

6.3 Market Risk

Market risk is defined as any fluctuation in the market value of transactions or trading investments. 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 comply with regulatory requirements and the Bank's internal policy. The Bank has a work unit responsible for monitoring and controlling market risks that operates independently from the units generating the risks. The Bank also regularly assesses and sets asides the capital reserves to buffer against market risk in accordance with the regulations set by the Bank of Thailand.

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. Fair value calculations for trading book transactions are conducted on a daily basis 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 testing is periodically conducted, the results of which are thoroughly analysed as per the prescribed schedule.

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, VaR limit, and stop loss trigger. Daily mark-to-market on the foreign exchange is also conducted. Furthermore, stress testing is periodically conducted, the results of which are thoroughly analysed as per the prescribed schedule.

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

The Bank does not engage in equity securities trading transactions other than investments in subsidiaries or affiliated companies, common shares received 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 to 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 2024 and 30 June 2024 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, 2024	Jun 30, 2024	Dec 31, 2024	Jun 30, 2024
Interest rate risk	4,169	3,800	4,169	3,800
Equity price risk	-	-	-	-
Foreign exchange rate risk	65	221	65	221
Commodity price risk	-	-	-	-
Total minimum capital requirements for market risk by SA	**4,234**	**4,021**	**4,234**	**4,021**

6.3.2 Interest Rate Risk in Banking Book

Interest Rate Risk in Banking Book (IRRBB) refers to the risk arising from mismatches in the repricing or maturity schedules of assets, liabilities and off-balance sheet items, 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, inflation rates, and 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 the movement of international capital flows and subsequently affect interest rates. Moreover, competition among commercial banks to increase or maintain market share in deposits and loans may also narrow the Bank’s NII.

The Bank manages interest rate fluctuations 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, as the Board’s delegated committee, reports to the RMC, the BRCC and the Board committee on monthly basis. With the support from the ALM Team under Risk Management Unit and Capital and Balance Sheet Management (CBSM) Team under Finance Unit, the ALCO is responsible for reviewing and monitoring the balance sheet, business and hedging strategies, and the overall interest rate risk profile to ensure that IRRBB remains within the established risk appetite. The Treasury Unit is responsible for day-to-day IRRBB exposure and gapping activities, including the execution of hedging strategies.

IRRBB is measured by EVE sensitivity which measures the long-term impact 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. the 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 enables the Bank to assess risks and its impact on the capital, with a focus on current banking book positions. The Bank's EVE sensitivity is calculated using the Yield curve risk methodology to evaluate interest rate risk in the banking book under stress scenarios. This approach assesses the impact on economic value from changes in the shape and slope of the yield curve, including both parallel and non-parallel shifts.

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 appropriate 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, 2024	Dec 31, 2023	Dec 31, 2024	Dec 31, 2023
THB	(973)	(717)	(881)	(629)
USD	(47)	(52)	(47)	(52)
Others	(2)	12	(2)	12
Total impact of interest rate change	(1,023)	(758)	(930)	(669)
% of Target Net interest income	-9.45%	-6.92%	-11.20%	-7.97%

* 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 2024 and 2023 are as follows:

Table 19 Equity exposures in the Banking Book

Unit: Baht million

Equity exposures	Consolidated		Bank Only	
	Dec 31, 2024	Dec 31, 2023	Dec 31, 2024	Dec 31, 2023
1. Equity (both domestic and overseas)				
1.1 Marketable equity securities	9	12	9	12
1.2 Other equities	684	32	3,580	2,927
2. Gains (losses) of sale of equities in the reporting period	-	-	-	-
3. Revaluation surplus (deficit) on investments in equity instruments designated at fair value through other comprehensive income (FVOCI)	(222)	(212)	(222)	(212)
4. Minimum capital requirements for equity exposures classified by SA approach	59	4	305	250

6.4 Operational risk

Operational risk is the risk of direct or indirect loss resulting from an insufficient or incomplete 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 operational 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 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 fraud incidents and covering key risk factors, such as human resource, process, system, and external factors.

The Bank's fundamental principle 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 each 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, systems and processes 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 suitability 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 a loss event report through designated channels. These reports help units identify the root cause(s) of loss events, improve their operational risk controls and processes, and serve as lessons to prevent similar events 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 occur. 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 places great importance on developing new products and improving the operation procedures. For such purposes, 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 must undergo a comprehensive 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. Additionally, all approved products are subject to an annual review

6. Business Continuity Plan

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

7. Complaint Management Process

The Bank recognises the significance of reputation risk and customer satisfaction as key priorities. The Bank has thus established a procedure and an independent and centralized complaint management unit, i.e. Customer Experience Management Unit (CX). This Unit works closely with customer touchpoints and other relevant units that are involved in receiving and resolving customer complaints. The CX Unit manages customer complaints through the Customer Complaint Handling Policy and Procedures designed in compliance with CIMB Group standards and local regulatory requirements. This would ensure that all complaints resolved effectively, fairly, and in a timely manner by relevant subject-matter experts.

Furthermore, CX gathers information about complaints received, as well as knowledge about the Bank's customers derived from surveys, along with feedback and recommendations collected from various touchpoints. This information is utilised to continuously enhance all aspects of customer experience, with an aim to build a stronger customer engagement. Such complaint information is presented by the CX Unit for discussion in the Customer Experience Working Group, and further reported to Audit Committee, Thailand Customer Experience Committee, Management Committee, and other relevant committees on a regular basis.

8. Internal Audit and Compliance

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

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

Liquidity risk factors mainly comprise the structure of the sources and use of funds, the shift in deposit mobilisation of commercial banks towards a larger share in proper-cost deposits amidst rising interest rate environment, and the compliance with Liquidity Coverage Ratio (LCR) guidelines with focus on growing transactional current and savings accounts and Net Stable Funding Ratio (NSFR) focusing on deposits, borrowing, and shareholders' equity to better match investment, credit lines and facilities, and commitments over the time horizon of one year. Additionally, the monetary policies adopted by the Bank of Thailand and central banks of major countries may directly affect the movement of international capital flows and result in money market fluctuations, which may subsequently affect liquidity and increase funding costs.

The responsibility for liquidity risk management and control is delegated to the 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. It is also in charge of reviewing liquidity risk limits/risk appetite before seeking approval from the Board. Asset and Liability Management (ALM) Team, which is responsible for monitoring 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 relationships with their respective depositors and key funding sources. Treasury Unit performs fund dealings on a necessity or contingency basis. The Bank has to prudently manage the liquidity position to meet daily operation needs. We regularly measure and forecast 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, the Bank may consider and approve liquidity lines to them within the respective credit lines approved by the Board

Liquidity risk undertaken by the Bank is governed by a set of established liquidity risk limits and Management Action Triggers (MATs). The limits and MATs are set to alert the management to potential and emerging liquidity pressures. The Bank's liquidity risk management policy, together with assumptions and threshold levels, are reviewed on an annual basis, or when there is any significant change in response to regulatory changes, and changing business needs, and market conditions. Liquidity positions are monitored on a daily basis to ensure compliance with internal risk thresholds and regulatory requirements for liquidity risk.

The Bank's liquidity contingency plan is in place to alert and enable the management to act effectively during a liquidity crisis and under adverse market conditions. The plan consists of two key components: an Early Warning System (EWS) and a Funding Crisis Management Team (FCMT). EWS is designed to alert the Bank's management whenever the liquidity position may be at risk. It provides the Bank with the analytical framework to detect a likely liquidity problem and to evaluate the funding needs and strategies in advance of a liquidity crisis. EWS is made up of a set of indicators (monitored against pre-determined thresholds) that can reliably signal the financial strength and stability of the Bank. Stress test conducted in various areas, including liquidity stress test, is performed on a semi-annual basis to identify vulnerable areas in the portfolio, gauge the financial impact, and enable the management to take pre-emptive actions. Three scenarios, namely Bank Idiosyncratic Crisis (BISC), Market-Wide Crisis (MWC), and Combined Crisis (CC) are modeled. The assumptions used, including run-off rates on deposits, drawdown rates on undrawn commitments, and haircuts for marketable securities are documented and the test results are submitted to the ALCO and the Board. The test results to date have indicated that the Bank possesses sufficient liquidity capacity to meet the liquidity requirements under various stress test 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 governance issues related to a business relationship, business operations, and/or the Bank's internal activities and employees.

As a financial institution, the Bank acknowledges its significant role in the capital flow of business operations. Aligned with CIMB Group's EWRM Framework, the Bank has 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. Business relationships and operations, and/or
2. The Bank's own internal activities 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 Finance 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 the Bank's business relations, encompassing non-retail customers, CSR partners, vendors, suppliers, and outsourcing partners. All the 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 relevant committees.

The Sustainability Team, along with the business units and the Non-Retail Credit Risk Team, also manage customers in various ways using 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 aligned with Bank of Thailand's International Standard of Industrial Classification (ISIC) codes. Customers classified under High Sustainability Risk Sectors are required to undergo further assessment as specified in 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: MYBPN2100039	ISIN code: MYBPN2300068	ISIN code: TH004103EA08
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)	5,142 Million Baht	3,231 Million Baht	2,000 Million Baht
9	Par value of instrument – (unit : Malaysia Ringgit (MYR))	MYR100	MYR100	THB1,000
10	Accounting classification	Liabilities - amortised cost	Liabilities - amortised cost	Liabilities - amortised cost
11	Original date of issuance	July 12, 2021	March 29, 2023	October 28, 2024
12	Perpetual or dated	Dated	Dated	Dated
13	Original maturity date	July 12, 2031	March 29, 2033	October 28, 2034
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 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.	subordinated, unsecured and non-guaranteed green notes intended to qualify as tier 2 capital of commercial banks to local investors / The note has a tenor of 10 years and the Bank may exercise its right to early redeem the notes after 5 years subject to approval by the Bank of Thailand / first date the redemption rights is on October 28, 2029 / redeem amount of THB 2,000 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	3.90% per annum	4.70% per annum	3.90% per annum

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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

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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 <u>Trigger events of CIMB Bank Berhad ("CIMB Bank")</u>, 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; <u>or</u> 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 <u>Trigger events of CIMB Bank Berhad ("CIMB Bank")</u>, 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; <u>or</u> 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

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	
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, 2024	Jun 30, 2024	Dec 31, 2024	Jun 30, 2024	
Tier 1 capital	46,924	44,207	45,253	41,735	
1. Common Equity Tier 1 capital (CET 1)	46,924	44,207	45,253	41,735	
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	928	832	928	832	
1.4 Net profit after appropriation	19,075	17,869	16,259	14,438	
1.5 Other comprehensive income	1,381	1,065	1,383	1,067	
1.5.1 Revaluation surplus on assets	1,757	1,764	1,716	1,723	
1.5.2 Revaluation surplus (deficit) on change in value of investments	(259)	(704)	(259)	(704)	
1.5.3 Profit (loss) arising from translating the financial statement of a foreign operation	-	-	-	-	
1.5.4 Hedging reserve – cash flow hedge	25	155	25	187	
1.5.5 Financial liabilities at FVTPL reserve - own credit risk	(99)	(107)	(99)	(107)	
1.5.6 Other Comprehensive Income	(43)	(43)	-	-	
1.6 Any adjustments that are not allowed to have impacts on capital	74	(48)	74	(48)	
1.6.1 Cash flow hedge reserves	(25)	(155)	(25)	(155)	
1.6.2 Gains on financial liabilities designated at fair value relating to own credit risk	99	107	99	107	
1.7 Items to be deducted from CET 1	(2,091)	(3,068)	(948)	(2,111)	
1.7.1 Remeasurements of post-employment benefit obligations	-	(41)	-	(34)	
1.7.2 Intangible assets	(977)	(975)	(948)	(952)	
1.7.3 Deferred tax asset	(1,114)	(2,052)	-	(1,125)	
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, 2024	Jun 30, 2024	Dec 31, 2024	Jun 30, 2024	
Tier 2 capital	12,900	15,129	12,992	15,222	
1. Qualifying Tier 2 capital instruments	10,374	12,462	10,374	12,462	
2. General provisions	2,526	2,667	2,618	2,760	
Total Capital	59,824	59,336	58,245	56,957	

[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 of December 2024	Balance sheet as in published financial statements	Balance sheet under the regulatory scope of consolidation	Reference
Assets			
1. Cash	951	951	
2. Interbank and money market items, net	7,150	7,150	
3. Financial assets measured at fair value through profit or loss	62,283	62,283	
4. Derivative assets	56,229	56,229	
5. Investment, net	106,404	106,404	
6. Loans and accrued interest receivables			
6.1 Loans to customers	262,990	262,990	
6.2 Less Deferred revenue	(11,670)	(11,670)	
6.3 Add Accrued interest receivable and undue interest receivable	6,561	6,561	
Total loans and accrued interest receivables	257,881	257,881	
6.4 Less Allowance for expected credit losses	(9,031)	(9,031)	
○ Qualified as Capital	-	(2,526)	A [1/]
○ Non-qualified as Capital	-	(6,505)	
Loans and accrued interest receivables, net	248,850	248,850	
7. Customers' liability under acceptance	-	-	
8. Properties for sale, net	1,133	1,133	
9. Premises, equipment and right of use assets, net	3,361	3,361	
10. Right of use assets, net	189	189	
11. Intangible assets, net	977	977	B
12. Deferred tax assets	1,114	1,114	C
13. Credit support assets on derivatives	12,668	12,668	
14. Accounts receivables from sell of financial assets measured at fair value through profit or loss and investments	4,882	4,882	

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Items related to the capital fund for the period of December 2024	Balance sheet as in published financial statements	Balance sheet under the regulatory scope of consolidation	Reference
15. Other assets, net	2,265	2,265	
Total assets	508,456	508,456	
Liabilities			
16. Deposits	278,929	278,929	
17. Interbank and money market items, net	67,945	67,945	
18. Liability payable on demand	235	235	
19. Financial liabilities measured at fair value through profit or loss	10,820	10,820	
20. Derivative liabilities	57,793	57,793	
21. Debt issues and borrowings	18,351	18,351	
○ Qualified as Capital	-	10,374	D [2/]
○ Non-qualified as Capital	-	7,977	
22. Bank's liability under acceptance	-	-	
23. Lease liabilities	193	193	
24. Provisions	1,557	1,557	
25. Deferred tax liabilities	92	92	
26. Credit support liabilitirs on derivatives	12,134	12,134	
27. Accounts payable from purchase of financial assets measured at fair value through profit or loss and investments	4,589	4,589	
28. Other liabilities	5,071	5,071	
Total liabilities	457,709	457,709	
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
30. Premium on share capital	10,146	10,146	F
31. Accumulated other comprehensive income	1,735	1,735	
31.1 Revaluation surplus on assets	1,846	1,846	
○ Qualified as Capital	-	1,757	G [3/]
○ Non-qualified as Capital	-	89	

Items related to the capital fund for the period of December 2024	Balance sheet as in published financial statements	Balance sheet under the regulatory scope of consolidation	Reference
31.2 Revaluation surplus (deficit) on change in value of investments	(259)	(259)	H
31.3 Remeasurements of post-employment benefit obligations	114	114	
○ Qualified as Capital	-	-	I
○ Non-qualified as Capital	-	69	
○ Qualified as Capital (recognized in Net profit after appropriation)	-	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	25	25	K
31.6 Gains on financial liabilities designated at fair value relating to own credit risk	(99)	(99)	L
31.7 Other accretions	108	108	
32. Accretion of equity interest in subsidiary	(43)	(43)	M
33. Retained earnings			
33.1 Appropriated – Statutory reserve	928	928	N
33.2 Unappropriated	20,569	20,569	
○ Net profit after appropriation to capital	-	19,030	O
○ Non-qualified as Capital	-	1,539	
Total equity	50,747	50,747	
Total liabilities and equity	508,456	508,456	

* 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

Table 22.2 Disclosure of the reconciliation of capital funds

Unit: Million Baht

Items related to the capital fund for the period December 2024	Composition of regulatory capital guidelines reported by the financial group	Source of reference in financial statements under the consolidated supervision
Tier 1 capital	46,924	
1. Common Equity Tier 1 capital	46,924	
1.1 Paid-up share capital (ordinary shares)	17,411	E
1.2 Share premium	10,146	F
1.3 Statutory reserve	928	N
1.4 Net profit after appropriation	19,075	O
1.5 Accumulated other comprehensive income	1,424	
1.5.1 Revaluation surplus on land, building or condominium appraisal	1,757	G
1.5.2 Revaluation surplus (deficit) on change in value of investments	(259)	H
1.5.3 Difference from the translation of financial statements	0	J
1.5.4 Cash flow hedge reserves	25	K
1.5.5 Gains on financial liabilities designated at fair value relating to own credit risk	(99)	L
1.6 Other items of owner changes	(43)	M
1.7 Regulatory adjustments to Common Equity Tier 1 capital	74	K & L
1.8 Regulatory deductions to Common Equity Tier 1 capital	(2,091)	
1.8.1 Remeasurements of post-employment benefit obligations	-	I
1.8.2 Intangible assets	(977)	B
1.8.3 Deferred tax assets	(1,114)	C
2. Additional Tier 1 capital	-	
Tier 2 capital	12,900	
Qualifying Tier 2 capital instruments	10,374	D
General provisions	2,526	A
Total capital fund	59,824	

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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/2024 (average) [1/]	4Q/2023 (average) [1/]
(1) **Total High Quality Liquid Assets** (Total HQLA)	115,561	106,107
(2) **Total Net Cash Outflow within 30 Days** (Total net cash outflows)	67,242	66,016
(3) LCR (%) [2/]	173	161
BOT's LCR minimum requirement (%)	100	100

2. LCR figures comparison [3/]

Unit: %

	2024 (average) [1/]	2023 (average) [1/]
3rd Quarter	151	142
4th Quarter	173	161

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 2024 was 173% 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 2024 was THB 115,561 million (92% 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 2024.

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 2024 was THB 67,242 million which was to average the balances of net cash outflows for subsequent 30 calendar days during October to December 2024. 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.