

Questions in Advance and Clarifications for the General Meeting of Shareholders No. 114

1. Policies and Expenses

1.1 Bank Investments

1.1.1 Given the Bank's investments in other businesses, such as venture capital, could you please elaborate on the policies and criteria used in evaluating investments in each company? Additionally, does the Bank set an annual investment limit? What is the investment budget for 2026? What governance, monitoring mechanisms, and key performance indicators are used to assess the performance of these investments?

- The Bank's investment policy focuses on strategic investments, with the objective of strengthening the core businesses and enhancing abilities to provide comprehensive financial services to customers. In addition, the Bank invests in businesses that can create synergies with existing operations or generate new business opportunities, enabling the Bank to develop new revenue streams and foster innovation to support sustainable long-term growth.
- The Bank has clearly defined investment criteria, focusing on investments that are aligned with the Bank's strategy and deliver benefits to the Bank's group. These include value-accretive financial returns, with due consideration of risk-adjusted returns, business growth potential, and the ability to generate synergies with the Bank's core businesses. The evaluation criteria are tailored to the investment objectives, the nature and the development stage of the invested businesses.
- For 2026, the Bank maintains the existing investment budget framework approved by the Board of Directors in the previous years, with no additional approved investment budget. The Bank continues to adopt a prudent investment approach, particularly in light of the heightened economic uncertainty.
- The Bank maintains close oversight and monitoring of all investments. All investment projects are subject to approval by the Board of Directors or designated committees, and are governed under a clear corporate governance framework. Performance is regularly monitored and reviewed using both financial performance and appropriate leading indicators, tailored to the investment objectives, the nature of the business, industry, and the development stage of the invested businesses. This approach ensures that investments deliver appropriate value and remain aligned with the Bank's overall strategy and objectives. The Bank also upholds disciplined capital allocation to ensure that such investments generate sustainable value for shareholders, while supporting opportunities that enhance the Bank's long-term competitiveness.

1.1.2 Does the Bank set target return rates (Target IRR) for each investment type (e.g., Venture Capital and Strategic Investment)? What are the return profile and success rate of these investments?

- The Bank evaluates investment performance using both quantitative and qualitative metrics. These include leading indicators (e.g., number of customers), financial performance, and strategic outcomes such as the potential to generate synergies with the Bank's core businesses.
- Each investment is assessed against a predefined target internal rate of return (Target IRR), which varies depending on the investment objectives, the nature and the development stage of the invested businesses. The Target IRR is also benchmarked against comparable companies within the relevant industry.

- Performance varies depending on the investment objectives, type of investment, vintage investment, and the development stage of the invested businesses. The Bank regularly reviews the performance of investment portfolio against defined metrics within a specified timeframe. For more mature investments, these companies have been able to generate sustainable financial returns and have already achieved payback. For early-stage investments, including venture capital, the Bank continuously monitors, evaluates, and reviews the portfolio against established metrics and milestones to ensure alignment with evolving market conditions. Overall, venture capital investments aimed at financial returns have delivered IRRs at levels comparable to benchmarks of VC funds from the same investment vintage.

1.1.3 Could you please elaborate on the policy for recognition and allowance for impairment of investments? Have there been any cases of significant losses, and if so, please provide details.

- The Bank regularly assesses impairment of investments in invested companies in accordance with financial reporting standards. This assessment considers both external factors and internal information that may affect the performance of the investee companies, including changes in economic conditions, the companies' historical performance, and their business plans.
- For the financial statements for the year ended 2025, which have been audited by external auditors, no additional impairment of investments was recognized.

1.1.4 What would be the Bank's policy regarding investment in Muang Thai Life Assurance Public Company Limited going forward?

- The Bank's investment in Muang Thai Life Assurance Public Company Limited (MTL) is a strategic investment and plays a key role in offering wealth management and insurance protection products through the Bank's distribution channels, thereby enhancing ability to deliver integrated financial solutions to customers. In 2025, MTL ranked No. 1 in market share of bancassurance new business premium, at 20.5%.
- In 2025, MTL reported a net profit of Baht 7.6 billion for the nine-month period, compared to Baht 5.5 billion in the previous year, representing growth of over 30%. This investment has contributed to value creation for the Bank.
- The Bank remains committed to working closely with MTL to uphold high standards of corporate governance, customer solutions, and sustainable long-term growth, in order to maximize value to the Bank's shareholders.

1.2 Employee Expenses

1.2.1 Did the Early Retirement program implemented in 2025 achieve its target? How many employees participated, and does the Bank plan to run a similar program in the future?

- The Special Early Retirement (SER) program has received a positive response. In 2025, approximately 1,500 employees exited the Bank, comprising both normal attrition and participants in the SER program.
- The benefits of the program are expected to be materially realized on a sustained basis over the coming years, through reductions in personnel expenses and employee retirement benefit expenses. The incremental costs are minimal and represent one-time expenses, which have already been fully included in the Bank's employee expenses in 2025.
- The Bank will carefully assess various circumstances to evaluate the appropriateness of implementing a new Special Early Retirement (SER) program in the future.



1.2.2 Will there be further reductions in the number of employees in the future?

- The Bank adopts a structured approach to workforce planning, encompassing both reskilling and upskilling initiatives to equip employees with capabilities required for higher value-added roles and greater organizational contribution.
- As business requirements and technology continue to evolve, the Bank adjusts its workforce needs in a prudent and appropriate manner to remain aligned with the changing operating environment and strategic direction.
- The Bank's primary objective is to build an agile and future-ready organization, rather than to focus solely on workforce reductions, which could adversely affect business operations and the Bank's ability to effectively serve customer needs.

1.3 Share Repurchase Program

1.3.1 Under the Bank's share repurchase program, the Bank has repurchased approximately 18 million shares, or about 0.77% of the Bank's total paid-up capital, and the program is scheduled to end on 13 May 2026. Does the Bank intend to complete the repurchase up to the full limit approved by the shareholders' meeting? After the program ends, how will the repurchased shares be managed? Does the Bank plan to proceed with a capital reduction, and if so, on what timeline?

- Share buybacks form part of the Bank's capital management framework, in addition to dividends, special dividends, or other methods. This share repurchase is within the approval authority of the Bank's Board of Directors.
- The Bank is in the process of repurchasing of up to Baht 8,800,000,000, representing not more than 2% of the Bank's total paid-up capital, with the repurchase period ending on 13 May 2026. At present, the Bank had repurchased shares totaling Baht 3,479,842,650, representing 0.77% of the Bank's total paid-up capital.
- The Bank will manage the repurchase, distribution, and cancellation of treasury shares in compliance with applicable laws and regulations, with due regard to capital management efficiency and the enhancement of total shareholder return. Following the completion of the share repurchase, the Bank is required to dispose the repurchased shares within a period of not more than three years from the completion of repurchase date. Under the Ministerial Regulations Prescribing Rules and Procedures Concerning Share Repurchase, Disposal of Repurchased Shares, and Cancellation of Repurchased Shares (No. 3), B.E. 2568 (2025), if the Bank is unable to dispose of the repurchased shares within such period, it may seek shareholder approval to extend the disposal period for up to an additional two years. This is subject to the condition that the three-month average price of the shares prior to the Board's resolution to convene the shareholders' meeting for such approval is lower than the average repurchase price.

1.4 IT Investment and IT Expenses

1.4.1 Over the next five years, what is the Bank's IT investment framework to ensure that investment spending (CAPEX) and operating expenses (OPEX) deliver maximum value and align with the Bank's long-term strategy?

- The Bank establishes the IT investment framework, covering both CAPEX and OPEX, in alignment with K-Strategy 3+1 & P. Investments are focused on uplifting solutions for customer needs, driving revenue growth, and improving operational efficiency on a continuous basis. These investments encompass the development of key infrastructure, alongside strengthening risk management capabilities and ensuring compliance with regulatory requirements, in order to drive transformation and enhance long-term competitiveness.

- The Bank's new IT investment (CAPEX) is approximately 3–5% of total operating income – net, while total IT spending (IT expenses, excluding depreciation, combined with new IT investment) is approximately 8–10% of total operating income – net. This is in line with industry benchmarks, based on Gartner's banking and financial services benchmarks (Source: Gartner IT Key Metrics Data, December 2025).

1.4.2 To what extent has the Bank considered streamlining and/or optimizing the Bank's overall IT applications and infrastructure in order to reduce redundancies, enhance agility, and lower long-term costs?

- The Bank is committed to continuously enhancing its IT capabilities to support long-term business growth, with ongoing management of IT applications and infrastructure through the following approaches: 1) Application Portfolio Review – to reduce redundancy at an optimal cost level 2) Application Modular Design – to enhance development speed and enable seamless integration 3) Infrastructure Optimization – to support scalability and efficient resource utilization
- In addition, the Bank has designed the system architecture to support business growth while optimizing cost efficiency and scalability, thereby enhancing flexibility in development and enabling timely responses to evolving customer and market needs.

1.4.3 What framework does the Bank use to assess Benefit-to-Cost and/or ROI for IT investments, to reflect tangible outcomes in cost reduction, risk reduction, revenue generation, and customer retention?

- The Bank has a clear framework for evaluating IT investments, categorizing projects into: 1) Financial benefit projects, which target strong returns on investment (ROI), covering both revenue-generating and efficiency-enhancing initiatives that lead to cost reductions; and 2) Non-financial benefit projects, which focus on infrastructure development, risk and regulatory compliance, and customer experience enhancement, with performance tracked through qualitative (non-financial) metrics.
- From a governance perspective, the IT Investment Sub-Committee is responsible for reviewing and approving investments, ensuring value for money and the selection of appropriate solutions aligned with project objectives. Clear key performance indicators—both financial and non-financial—are established to enable ongoing monitoring and evaluation, particularly for a period of at least six months post go-live, to assess performance against targets and ensure overall investment effectiveness. Overall, investments in both categories remain in line with expectations and within the defined budget framework.

1.4.4 Does KASIKORN Business-Technology Group (KBTG) generate revenue from clients outside the Bank's group, or from companies that are not subsidiaries of the Bank? If so, what is the proportion of such revenue relative to KBTG's total revenue?

- KBTG, as the Group's core technology arm, plays a key role in supporting the Bank's core businesses and subsidiaries. KBTG's focus is on developing and enhancing IT capabilities to support business growth, strengthening digital competitiveness, and continuously improving customer experience.



- Revenue generated from providing services to clients outside the Bank's Group represents an extension of the Bank's existing technology capabilities and forms part of the Bank's "+1" new revenue creation strategy. At present, income from this segment remains relatively small, as the business is in an early stage of development, with primary emphasis on product development, user base expansion, and the build-up of long-term growth potential rather than short-term revenue generation.
- The provision of services to external clients is conducted in compliance with the Bank of Thailand's regulations on other businesses related to IT services that support digital banking. These services are considered related or necessary to the Bank's core banking operations and contribute to the enhancement and expansion of digital financial services.

1.5 Credit Loss and ECL

1.5.1 **What are the Bank's policy and strategy for non-performing loans (NPL) sales? What criteria are used in the decision-making process, such as the use of auctions, and factors including loan type, collateral, loan amount, and delinquency period?**

1.5.2 **Are there any terms or constraints requiring NPL sales to be conducted through the Bank's asset management joint ventures, such as JK Asset Management Company Limited (JKAMC) and Arun Asset Management Company Limited?**

1.5.3 **From a policy perspective, to what extent does the Bank allow external parties outside the Bank's group to participate in NPL acquisitions, in order to ensure appropriate competition and maximize value for shareholders?**

- The Bank has multiple options for managing NPLs, including direct customer assistance and NPL sales. The selected approach is based on what is most beneficial to the Bank, taking into account key factors such as loan type, repayment history, collateral value, management costs, and time to resolution.
- In considering NPL sales, the Bank evaluates the above mentioned factors across different channels, including auction sales to third-party investors and direct sales to asset management companies, namely JK Asset Management Company Limited and Arun Asset Management Company Limited. In determining the direct sale of NPLs, the Bank considers the auction results to ensure that the sale price appropriately reflects prevailing market prices.

1.6 Digitalization

1.6.1 **Given K PLUS has a large digital user base while branch usage continues to decline, what is the Bank's approach to managing and repositioning branches to improve cost efficiency and leverage the digital advantage to generate revenue or business value creation?**

- The Bank continues to refine the channel strategy to respond to the increasing adoption of digital channels, as well as evolving customer behavior and preferences.
- In the medium term, routine transactions are being shifted to digital and self-service channels, while in the longer-term, the Bank's branch network will focus on higher value-added activities, such as product advisory and sales, as well as customer relationship management.



2. Board of Directors and Board Committees

2.1 The Bank has established the Credit and Investment Committee, which comprises the same members as the full Board (15 members). What is the rationale and necessity for establishing the committee separately from the Bank's Board?

- The Credit and Investment Committee is specifically responsible for considering matters related to credit and investment, which are important, complex, and high-risk issues. These are also areas of particular regulatory focus. Therefore, the Board deems it appropriate to hold dedicated meetings on such matters to ensure thorough and careful consideration.
- The establishment of this Committee serves as a mechanism to enhance the efficiency and effectiveness of governance by providing the Committee with the opportunity to dedicate appropriate time to the consideration of credit and investment matters.

2.2 Why do the Board of Directors deem it appropriate to propose the reappointment of an independent director who has served a full nine years to continue serving as a non-executive director? How does this action align with the Bank's governance approach, given that standard governance practices generally encourage board rotation and diversity of perspectives?

- The Board has considered and concluded that the director possesses knowledge, expertise, and experience that are highly valuable to the Bank. It is therefore proposed that he be re-elected as a non-executive director, in order to preserve continuity of knowledge and enhance the Board's effectiveness, with priority given to the best interests of the Bank and its shareholders.
- This approach is also consistent with good governance principles, as the Bank continues to maintain nine independent directors, accounting for 64% of the Board, which is the highest compared with peer commercial banks. The Bank places emphasis on regularly reviewing Board composition and undertaking board refreshment to ensure that the structure remains appropriate in terms of continuity, independence, and diversity of perspectives.

2.3 Are the qualifications and composition of the Board of Directors aligned with a rapidly evolving industry environment?

- The Board annually reviews its qualifications and composition to ensure alignment with the Bank's strategy and the evolving industry environment, with benchmarking against lending financial institutions both domestically and internationally.
- In addition, the Bank utilizes a Board Skills Matrix to assess the knowledge, expertise, and experience of the Board—both current and those required in the future. This supports succession planning and ensures that the Board's composition remains appropriate and well-balanced on an ongoing basis.

2.4 With respect to the Bank director who receives remuneration separately for serving as a legal advisor, as disclosed in the 2025 Annual Report, what are the scope, role, and responsibilities of such legal advisory services to the Board of Directors?

In addition, why does the Bank not directly engage an external legal advisory firm to provide legal advice to the Board of Directors under a clearly defined contractual framework?

- The legal adviser is responsible for providing legal advice to the Board and the Bank on matters relating to operations and corporate governance. As she also serves as a director, her remuneration in both capacities is subject to shareholder approval in accordance with applicable laws.



- The appointment reflects the Bank's intention to seek advice from an individual with direct knowledge, expertise, and a deep understanding of the Bank's context. This arrangement does not restrict the Board's ability to obtain advice from external law firms. The Board may, as necessary, seek additional external legal advice on specific matters.
- However, at this shareholders' meeting, the Bank has proposed the termination of remuneration for the legal adviser position, as she has expressed intention not to continue serving as a director of the Bank.

3. Directors' Remuneration

3.1 What are the criteria and guidelines for allocating directors' bonuses, and are additional bonuses granted for serving on Board committees?

- Directors' bonuses are determined by the Board, taking into account each director's period of service during the relevant year. No additional bonus is paid specifically for serving on Board committees. Details of directors' bonus payments are disclosed in Form 56-1 One Report.

3.2 Do executive directors receive remuneration for serving as directors or members of Board committees, including monthly remuneration and bonuses, in addition to executive compensation?

- The executive director receives a salary and bonus only in her capacity as an executive and does not receive separate remuneration as a director. Details are provided in Annex 4 for Agenda 6: To consider approving the remuneration of directors.

3.3 What is the rationale for linking the directors' bonus policy to dividend payments, and why is it not based on the Bank's net profit or other factors?

- The determination of directors' bonuses by reference to dividend payments is intended to link directors' remuneration with the returns received by shareholders.
- For this year, the Bank proposes adjusting the Directors' Bonus payment to 0.5% of the dividend payment, subject to a cap not exceeding the total fixed retainer annually paid to the Board of Directors. This results in a reduction in the bonuses compared to the previous year.

3.4 Does the Bank's directors' remuneration policy apply to its subsidiaries?

- Bank executives appointed to serve as directors in subsidiaries do not receive directors' remuneration. The Bank has a policy prohibiting executives from accepting such remuneration, and in cases where it is unavoidable, the remuneration must be donated to charitable organizations.
- For directors who are not Bank executives, remuneration is determined in line with the Bank's approach—based on duties, responsibilities, and relevant risks, as well as consistent with comparable companies in the same industry group.

4. Charitable Donations and Support for Projects

4.1 What is the Bank's policy for supporting social and community activities through charitable donations and other projects?

The 2025 Sustainability Report states that total social investment amounted to Baht 1,921.7 million, an increase from the prior year. Please explain the criteria used to consider support for each project, which unit is responsible for proposing projects, which unit or committee reviews them, and who provides final approval.

- The Bank supports social and community initiatives in line with sustainable business approach, which aims to generate long-term value for all stakeholders. This contributes to stable economic growth, strengthening social resilience, improving the quality of life, and maintaining environmental balance in a sustainable manner.
- The Bank operates under a sustainability framework with oversight from relevant committees to ensure that activities are appropriate and aligned with the Bank's sustainability principles. The Board of Directors serves as the approving authority, based on recommendations from the Corporate Governance and Sustainability Committee. The Corporate Sustainability Integration Department, under the Corporate Secretariat Division, is responsible for proposing projects in accordance with established criteria, including budget framework, project objectives, and long-term performance indicators.
- In addition, the Board regularly reviews the investment framework to better reflect sustainability priorities and adjusts the level of investment as appropriate, ensuring that the Bank's business growth remains resilient while achieving long-term environmental, social, and economic objectives.

4.2 Please explain the criteria and approval process for budget disbursements at each authorization level for the Bank's Social Investment projects, including the related governance and audit mechanisms.

- The Board of Directors approves the overall budget framework, while the Corporate Governance and Sustainability Committee oversees the overall sustainability agenda. Relevant divisions are assigned to work in an integrated manner. The Corporate Sustainability Integration Department, under the Corporate Secretariat Division, oversees implementation in collaboration with the Finance and Control Division to ensure that expenditures remain within the approved budget and are aligned with stated objectives.
- The Bank has established clear criteria and procedures for budget disbursement, starting from the annual budget framework approved by the Board. Projects are selected based on principles approved by the Corporate Governance and Sustainability Committee. Appropriate controls, governance processes, and delegated authority limits are applied at each stage—including budget allocation, procurement, and disbursement—to ensure that spending remains within budget, aligned with objectives, and eligible for applicable tax benefits.

4.3 Please disclose information on support funding provided by project or unit, as well as the proportion of donations relative to the Bank's total CSR budget in the past year.

- The Bank has disclosed information on social contribution in the Sustainability Report, including the total value of contributions, objectives of support, and categories of projects supported.

4.4 In what ways do the Bank's social investment projects create value for and benefit the Bank, and what are their impact outcomes?

- The Bank's social investment initiatives represent the practical implementation of sustainability strategy by leveraging the strengths and capabilities to create value for society. The Bank aims to be a partner in building a sustainable ecosystem and strengthening the economy, generating meaningful benefits for the country.
- These investments are aligned with the Bank's sustainability strategy and are designed to address issues holistically, creating positive social impact while contributing to the stability of the national financial system. This is consistent with the Bank's role as a commercial bank in strengthening the economy.
- The Bank implements and monitors social investment projects in accordance with international standards to ensure that such investments achieve their intended objectives and deliver meaningful value to society. Most initiatives are long-term in nature, aiming to generate sustainable impact by addressing complex root causes, including public health, youth education, livelihood development, as well as loss reduction and forest restoration. Impact is assessed through tools such as Social Return on Investment (SROI) and various project-specific leading indicators in Nan Province. For example, outcomes include a continued slowdown and eventual cessation of deforestation from 2017 to 2025, as well as strengthened public health systems contributing to improved quality of life.

5. Other

5.1 Please comment on the corporate governance and risk management approach in relation to a case where a former executive of KXVC solicited investment participation, including the role of executives of KASIKORN Business-Technology Group in this matter.

- The Bank acknowledges the incident and has coordinated with the investigating officers and relevant authorities to proceed with legal actions against the perpetrator. In addition, the Bank has assisted affected parties in filing complaints with the police and continues to cooperate closely with law enforcement and related agencies to support the investigation and legal proceedings. The Bank has also established guidelines and enhanced its incident management measures and related processes to systematically manage impacts and future risks.
- This incident is a personal action to solicit investments into the personal accounts. KXVC has never raised funds from external sources and has not authorized any individual to act on behalf of KXVC in such capacity. KXVC is a Corporate Venture Capital entity that only uses KXVC's own funds.