



Sumitomo Mitsui Trust Bank (Thai) Public Company Limited

Pillar 3 Disclosure

March 31st, 2025



Contents

1. Scope of Application	3
2. Key Prudential Metrics	3
3. Capital	5
3.1 Capital Structure	5
3.2 Capital Adequacy	5
4. Risk Exposure and Assessment	7
4.1 Qualitative Disclosures	7
4.2 Qualitative and quantitative disclosure for each type of risk	12
4.2.1 Disclosure of credit risk information	12
4.2.2 Disclosure of market risk information	26
4.2.3 Disclosure of operational risk information	29
4.2.4 Disclosure of interest rate risk in the banking book	30
5. Additional disclosure of capital information under the BCBS guideline (Composition of capital disclosure requirements)	33
6. Liquidity Coverage Ratio	34
6.1 Liquidity Coverage Ratio and Disclosure Standard	34
6.2 LCR Qualitative Disclosure	34
6.3 LCR Quantitative Disclosure	35

Introduction

Sumitomo Mitsui Trust Bank (Thai) Public Company Limited (the “Bank”), is incorporated in Thailand. The ultimate parent company during the financial year/period was Sumitomo Mitsui Trust Group, Inc. and the Bank’s major shareholders and the immediate parent company during the year/period is Sumitomo Mitsui Trust Bank, Limited (99.99% shareholding). Both companies were incorporated in Japan. The formation of the Bank was registered with Department of Business Development, Ministry of Commerce on July 7th, 2014. The Bank obtained its banking license on August 14th, 2015, and commenced operating as a bank on October 28th, 2015.

All quantitative disclosures are reported in Million Baht.

1. Scope of Application

With pursuant to the BOT notification no. SorNorSor 04/2556 Re: Capital Disclosure Requirements for Commercial Banks and SorNorSor. 14/2562 Re: Capital Disclosure Requirements for Commercial Banks (No.2), the Bank is required to disclose capital maintenance function based on ‘Solo basis’. The Bank discloses this report under the Bank’s website at www.smtb.jp/smtbthai/

2. Key Prudential Metrics

Bank of Thailand requires the Bank to disclose the key prudential metrics in respect of both capital and liquidity. The key prudential metrics is reflected the provisioning impact from Thai Financial Reporting Standard No.9 (TFRS 9) which effective on the Bank’s accounting periods beginning from April 1st, 2020.

Table 1: Key Prudential Metrics

Item		31 March 2025	30 September 2024
Available capital (unit: million baht)			
1	Common equity tier 1 (CET1)	20,846.17	20,698.72
1A	Fully loaded ECL ^{1/} CET1	20,846.17	20,698.72
2	Tier 1	20,846.17	20,698.72
2A	Fully loaded ECL tier 1	20,846.17	20,698.72
3	Total capital	21,020.70	20,873.25
3A	Fully loaded ECL total capital	21,020.70	20,873.25
Risk-weighted assets (unit: million baht)			
4	Total risk-weighted assets (RWA)	76,826.22	77,294.39
Risk-based capital ratios as a percentage of RWA (%)			
5	CET1 ratio	27.13	26.78
5A	Fully loaded ECL CET1 ratio	27.13	26.78
6	Tier 1 ratio	27.13	26.78
6A	Fully loaded ECL tier 1 ratio	27.13	26.78
7	Total capital ratio	27.36	27.00
7A	Fully loaded ECL total capital ratio	27.36	27.00
Capital buffer ratios a percentage of RWA (%)			
8	Conservation buffer ratio	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
12	Ratio of CET1 available after meeting the commercial bank's minimum capital requirements ^{2/}	18.86	18.50
Liquidity coverage ratio (LCR)			
13	Total high-quality liquid assets (Total HQLA) (unit: million baht)	17,179.23	14,998.08
14	Total net cash outflows (within a 30-day period) (unit: million baht)	6,735.65	7,143.13
15	LCR ratio (%)	255.05	209.97

1/ Expected credit losses according to the Thai Financial Reporting Standard No.9 - Financial Instruments

2/ CET1 ratio remaining after maintaining the minimum capital is not necessarily equal to the difference between CET1 ratio in items no.5 with minimum CET1 ratio requirement at 4.5% since CET1 ratio may be included in minimum Tier 1 ratio requirement at 6% and/or minimum total capital ratio requirement at 8.5%.

3. Capital

3.1 Capital Structure

In this section, it covers the disclosure of the Bank's capital structure and capital adequacy.

As of March 31st, 2025, the Bank's capital component comprises Common Equity Tier 1 (CET1) capital 20,846.17 Million Baht, there is no additional tier 1 capital. And Tier 2 capital is 174.53 Million Baht. The Bank maintains regulatory capital 21,020.70 Million Baht in total.

Table 2: Capital of Locally-Registered Commercial Banks

Unit: Million Baht		
Item Details	31 March 2025	30 September 2024
1. Tier 1 capital	20,846.17	20,698.72
1.1 CET1	20,846.17	20,698.72
1.1.1 Paid-up capital (common stock) deducted by buyback of common stock	20,000.00	20,000.00
1.1.2 Legal reserves	61.60	61.60
1.1.3 Net profits after appropriated	1,031.96	1,031.96
1.1.4 Other items of owner's equity:		
• Accumulated other comprehensive income	61.48	(53.86)
• Other items from owner changes	-	-
1.1.5 Items to be deducted from CET1:		
• Total amount of items to be deducted from (e.g. net losses, intangible assets, deferred tax asset and other)	(308.87)	(340.98)
2. Tier 2 capital	174.53	174.53
2.1 General provision	174.53	174.53
Total regulatory capital	21,020.70	20,873.25

Based on the BOT notification no. SorNorSor 22/2562 Re: Guidelines on Holding of Minimum Provisions for Financial Institutions and Financial Business Groups, the Bank shall hold the minimum provision (provision floor) at 1.00% or 849.49 Million Baht at the end of March 31st, 2025. However, the Bank has shortfall provision by 204.43 Million Baht which will be deducted from CET1 and treat this shortage as general provision in the same period of retained earnings after apportion in tier 1 capital according to the resolution of shareholders' general meeting or company's regulations.

3.2 Capital Adequacy

Risk Management Department carries out monitoring of capital adequacy ratio plans by monitoring the status of risk-weighted asset amounts and capital adequacy ratio on a monthly basis. In particular, Risk Management Department monitors that such events as a significant impact on the capital adequacy ratio have not been occurred. In cases where the required capital levels are reviewed due to changes in the strategic targets, risk profile and external business conditions, Risk Management Department examines the need of revising capital adequacy ratio plans as necessary.

The Bank applies Standardised Approach for credit risk weighted assets calculation as well as market risk weighted assets calculations. For operational risk, the Bank has applied Basic Indicator Approach (BIA) in calculation of operational risk weighted assets.

As of March 31st, 2025, the Bank has minimum capital requirement for to absorb each risk under Pillar 1 based on the calculation method specified as above as shown in below table.

Unit: Million Baht	
Risk type	Minimum capital requirements
Credit risk	6,388.39
Market risk	3.83
Operational risk	138.01

Table 3: Minimum capital requirement for credit risk classified by type of assets under the SA

Unit: Million Baht		
Minimum capital requirement for credit risk classified by type of assets under the SA	31 March 2025	30 September 2024
Performing claims:		
1. Claims on sovereigns and central banks, multilateral development banks (MDBs), and non-central government public sector entities (PSEs) treated as claims on sovereigns	-	-
2. Claims on financial institutions, non-central government public sector entities (PSEs) treated as claims on financial institutions, and securities firms	255.02	440.13
3. Claims on corporates, non-central government public sector entities (PSEs) treated as claims on corporate	6,120.92	5,913.11
4. Other assets	12.45	11.20
Total minimum capital requirement for credit risk	6,388.39	6,364.44

Table 4: Minimum capital requirement for market risk (SA)

Unit: Million Baht		
Minimum capital requirement for market risk (positions in the trading book)	31 March 2025	30 September 2024
1. Standardised method	3.83	73.98
Total minimum capital requirement for market risk	3.83	73.98

Table 5: Minimum capital requirement for operational risk (BIA)

Unit: Million Baht		
Minimum capital requirement for operational risk	31 March 2025	30 September 2024
1. Basic Indicator Approach	138.01	131.60
Total minimum capital requirement for operational risk	138.01	131.60

Table 6: Ratio of total capital to risk-weighted assets, ratio of Tier 1 capital to risk-weighted assets and ratio of Common Equity tier 1 to risk-weighted assets

Below table illustrates the ratio of capital to risk weighted assets, the ratio of Tier 1 capital to risk weighted assets and ratio of Common Equity Tier 1 to risk-weighted assets.

Ratio	31 March 2025			30 September 2024		
	Capital ratio of the bank	Minimum Capital Requirement Ratio	Minimum Capital Requirement and Capital Buffer Ratio	Capital ratio of the bank	Minimum Capital Requirement Ratio	Minimum Capital Requirement and Capital Buffer Ratio
1. Total Capital Ratio	27.36	8.50	11.000	27.00	8.50	11.000
2. Tier 1 Ratio	27.13	6.00	8.500	26.78	6.00	8.500
3. Common Equity Tier 1 Ratio	27.13	4.50	7.000	26.78	4.50	7.000

4. Risk Exposure and Assessment

The following section describes the information on each risk exposure which includes credit, market and operational risk as well as the techniques which are applied to identify, measure and monitor and control such exposures.

4.1 Qualitative Disclosures

Risk Management Processes:

Risk Management Department manages risk at the bank-wide level as the following process:

1. Risk Identification

The identification process covers full scope of any business activities including every department and all third parties to which any business is outsourced. Risk Management Department identifies risk potential, scales and characteristics exhaustively and precautionously.

2. Risk Assessment

The risk identified in the scope of management are analysed, assessed and measured in an appropriate manner to match with its scales, characteristics and risk profiles.

3. Risk Monitoring

The risk status is monitored to ensure that risk level progress within the risk management plan and is approved by Board of Directors. Risk Management Department provides recommendations to relevant departments by taking into account the internal environment, e.g., risk profiles, credit limit utilisation, external economic conditions and market environments. Risk Management Department reports the status of risk management to Risk Management Committee on monthly basis and to the Board of Directors and the Executive Committee on a quarterly basis or whenever deemed necessary.

4. Risk Control and mitigation

In the event that a large risk event causes negative impact to the Bank, and the risk exceeds or is likely to exceed the risk limit, Risk Management Department shall provide information to Risk Management Committee, Executive Committee and the Board of Directors and request upon an immediate action.

5. Risk Review

Risk Management Department regularly conducts reviews on existing risk management measures to uncover any limitations and weaknesses, and implement remedial or supplement measures. The department regularly conducts investigation, and analysis on those limitations and weaknesses, to ensure that the risk management measures are appropriate to the risk profile and the business complexity.

The risk management measures are reviewed regularly to conform with the Bank's strategic objectives, the scales, the characteristics and the risk profiles of business, and shall be updated as necessary if needed.

Structures and responsibilities of relevant risk management unit:

Risk Management Department, independent of the front office, is established for check-and-balance system. The department develops and manages risk management process of identification, assessment, monitoring, control and mitigation for overall Enterprise Risk. The department plans and promotes Risk Management system such as synthetically monitoring the status of risk and overall risk management while sharing appropriate information with each department, and reporting regularly or as necessary to the management.

Below is the Bank's Committee structure.



1) Board of Directors:

The Board of Directors that also takes roles of Risk Oversight Committee has the following roles and responsibilities.

- Formulate or approve strategies, policies, internal rules (rule 1) which require a resolution of the Board or framework for managing all associated risks faced by the bank whereby the strategies, policies, rule 1 or frameworks should include risk identification, assessment, monitoring, control & limit, mitigation of the risk, risk reporting, and responsible person/committee to manage risks.
- Formulate or approve strategies, transaction or new product policy, and business plan that is appropriate to risk profile, business model and the level of systemic importance as well as robustness of capital and liquidity positions of the Bank for absorbing various types of risk in line with the approved risk appetite, policy on the management of non-performing loans and investments, and set aside sufficient bad-debt provisions to absorb possible losses.
- Oversee at least once a year or when there is a significant change, review and assess adequacy, effectiveness and efficiency of policies and strategies on overall risk management and risk appetite in accordance with size, country and complexity of transactions to ensure to be in line with the strategy, acceptable level of risk, and anticipated returns, as well as reflect changes from the economic conditions and environment. Should consult and exchange view with audit committee to assess the coverage on all existing and new types of risk faced by the Bank.
- Monitor the overall risk exposure, exposure by risk type, effectiveness of risk management, implementation of risk culture, significant factors, problems faced by the Bank both currently and in the future, capital and liquidity position based on the information or reports which accurately, complete, timely and regularly submitted by relevant committees and senior executives.
- Supervise the bank to ensure there must be stress testing and assessment while conduct capital planning according to specified strategies, set out the policies on preparation of a recovery plan in accordance with the BOT's guidelines and if the Bank uses modeling technique for assessing risk exposures, BDM must assign senior executive to oversee that the Bank comply with the minimum BOT's requirements, and that there is the independent assessment and

validation of the model on regular basis and must be aware of and understand limitations and uncertainty of the results and risk from the use of modeling technique.

- Promote risk governance within the Bank to ensure the transparency and fairness, as well as to supervise the Bank to follow relevant rules and regulations and promote the balance of power by segregation of duties between risk-taker functions and risk management functions.
- Supervise the establishment of risk and compliance awareness culture by ensuring that there is regular communication of risk management policies and strategies as well as risk appetite and risk limit, which may be in the form of “risk appetite statement (RAS)” so that all staffs understand the importance, contribute to the risks and risk exposure are controlled.
- Establish organizations for risk management, e.g., establishment of risk management related departments and delegation of authorities for risk management that is favorable to the monitoring, oversight, control and audit to ensure the operations comply with policies, strategies on risk management to ensure that Risk Management is independent, follows sound risk management practices, and is consistent with the bank’s internal control. Oversee the senior executives and the head of risk management to ensure complying with risk management policies and strategies as well as the specified risk appetite. Opine or take part in the evaluation of the effectiveness and efficiency of the Head of Risk Management function.
- Details of Board of Directors’ roles and responsibilities have been described in Board of Director Policy

2) Executive Committee:

The Executive Committee has the following roles and responsibilities.

- Grant approval and dissemination of internal rules based on policy including those of identification, assessment, monitoring, controls and mitigation of risks, and raising recognition of rules throughout the Bank.
- Review and revise Risk Management Policy, Risk Appetite Framework, and IT Security Rule and propose to Board of Directors for approval, at least on an annual basis.
- Review organisational structure, and risk management operation to ensure that both support effective risk management within the Bank.
- Supervise risk management to ensure that it functions in accordance with Risk Appetite Framework.
- Appoint personnel with skills, knowledge and expertise necessary for risk management to the risk management related departments within necessary authority scope.
- Ensure the implementation of risk governance on the 3 lines of defense in order to put in place the “Checks and Balance function”.
- Ensure that any department that involves risk exposure will strictly comply with rules and regulations and secure effectiveness of the risk management while able to take necessary actions upon improving and following up on related risk matters.
- Ensure that the risk and compliance awareness program is arranged for Bank’s Personnel to promote risk and compliance culture.
- Analyse and assess the efficiency and deficiency of risk management systems and controls based on risk audit results conducted by internal or external auditors as well as reports from other risk management related departments.
- Provide risk status reports and reporting to parent company. Ensure that the report is accurate, complete, timely, reflect risk profile and adequacy of capital and liquidity positions.
- Review and revisit the all of the above points based on relevant reports received regularly or whenever it deemed necessary.
- Resolve for approval / pre-approval or to be reported for acknowledgement the matters as prescribed in the Committee policy.
- To ensure the control environment for solving problems and follow up on the progress to compliance culture and customer protection management.
- To ensure the effectiveness and efficiency of the business operational control.
- Oversee the sustainability or ESG topics, to review guidelines, to provide advice and recommendation, to supervise Sustainability/ESG matters and to ensure the sufficient resources allocation and the providing of adequate training to all level of staff according to Sustainability Policy.
- To be responsible for IT management and oversight of IT operations.
- Perform any other tasks as assigned or delegated by the Board of Directors.

3) Credit Business Committee

The Credit Business Committee is established as a sub-committee under the Executive Committee with the main function to assist the Executive Committee and the Board of Directors of the Bank in carrying out its responsibilities to deliberate and determine the Bank's material matters and basic policies surrounding managing/operating, including approve and execute credit transactions. The Credit Business Committee has the following roles and responsibilities.

- Resolve for approval or to be reported for acknowledgement the credit matters.
- Perform any other tasks as assigned or delegated by the Executive Committee or the Board of Directors.

4) Asset and Liability Management Committee

The Asset and Liability Management Committee is established as a sub-committee under the Executive Committee with the main function to assist the Executive Committee and the Board of Directors of the Bank in carrying out its responsibilities to establish the Bank's guidelines for asset and liability management as well as monitor and control the Bank's market and liquidity risks. The Asset and Liability Management Committee has the following roles and responsibilities.

- Resolve for approval or to be reported for acknowledgement the asset and liability management matters.
- Perform any other tasks as assigned or delegated by the Executive Committee or the Board of Directors.

5) Risk Management Committee:

The Risk Management Committee has the following roles and responsibilities.

- Establish policies, rules, procedures and controls of risk management for every risk categories in accordance with the supervisory guidelines and Bank's criteria.
- Implement risk management strategies to comply with Risk Management Policy and to ensure that risks are assessed, monitored and controlled within the pre-specified level of Risk Appetite.
- Review the policies related to risk management and risk management system to ensure the effectiveness of risk management and compliance management within the Bank.
- Monitor and Check the Bank's status on compliance with applicable laws and regulations, including monitor and provide updates with respect to any movement of regulators to the parent company of the Bank and other bodies within the Bank, as necessary.
- Regular report to the Executive Committee and/or Board of Directors, as appropriate, on status of risk, compliance, IT outsourcing, and IT security matters.
- Discuss for acknowledgement the risk management matters.
- Resolve for approval or to be reported for acknowledgement the risk management matters.
- Advice the Executive Committee on the Bank's risk management for credit business and market transactions.
- Assess the thoroughness and efficiency of the risk management systems and policies.
- Promote the risk awareness in the Bank.
- To be responsible for the oversight of IT risk management according to the Bank's related IT risk management policies and rules.
- To perform as Data Governance Committee as specified in Data Governance Policy.
- Perform any other tasks as assigned or delegated by the Board of Directors.

6) Audit Committee

The Audit Committee is established with the main function to assist the Board of Directors of the Bank in carrying out its oversight responsibilities to ensure effectiveness and efficiency of business operation, reliability of financial reporting, internal control, risk management and governance systems and processes and to ensure that they are complied with applicable laws and regulations and safeguarding of assets of the Bank, thereby helping to protect the Bank and its reputation including fraud. The Audit Committee has the following roles and responsibilities.

- Resolve for approval or to be reported for acknowledgement the audit matters.
- Review the Bank's financial reporting process to ensure accuracy and adequacy.
- Ensure that the Bank has in place appropriate and effective internal control and audit systems.
- Review the Bank's compliance with laws governing securities and stock exchange, the Stock Exchange of Thailand regulations, and other laws relating to the Bank's business.

- Review a report on the Audit Committee's monitoring activities, and disclose it in the Bank's annual report.
- Formulate the Audit Committee's duties, including changes in composition, and changes that might materially affect the Audit Committee's performance, in writing as approved by the Board of Directors and inform the shareholders in the annual report.
- Assess the efficiency and effectiveness of the performance of the Head of Internal Audit Department.
- To be responsible for the oversight of IT audit, where the IT audit should cover IT operations and IT risk management as well as compliance with relevant IT laws and regulations.
- Perform any other tasks as assigned or delegated by the Board of Directors.

7) Compliance Committee

The Compliance Committee is established with the main function to assist the Board of Directors of the Bank in monitoring the compliance situation of each and everybody within the Bank and ensuring effectiveness and efficiency of customer protection management and personal data protection of the Bank. The Compliance Committee has the following roles and responsibilities.

- Discuss for acknowledgement the compliance matters.
- Oversee and monitor the appropriateness and efficiency of the Bank's compliance and customer protection management and personal data protection related policies and plans, and the implementation thereof.
- Assess the performance of Head of Compliance Department.
- Promote the compliance awareness in the Bank.
- Resolve for approval or to be reported for acknowledgement the compliance matters as prescribed in the Committee policy.
- Perform any other tasks as assigned or delegated by the Board of Directors.

Roles and Responsibilities of Internal Auditors:

Below is the roles and responsibilities of internal auditors.

- Provide independent opinions to Board of Directors and Audit Committee regarding the internal audit within the Bank.
- Report auditing status to Audit Committee regarding important investigations, findings and advice.
- Promote effective internal control and transparency in risk governing and control within the Bank.

Scopes and Nature of Risk Measuring, Monitoring and Reporting System:

Risk is a possibility of loss event of the Bank due to certain negative activities or change of external environments that affects bank negatively. Risk management is the act when the Bank takes necessary measures against any events of risk, by utilising the risk governing processes of risk identification, risk assessment, risk monitoring, and risk control, in order to secure or limit risk to an acceptable level in accordance with the corporate strategies to ensure soundness, profitability and sustainable growth of the Bank.

The scope and nature of risk measuring, monitoring and reporting system covers each risk category which is classified based on their causes, i.e., Credit Risk, Market Risk, Liquidity Risk, Operational Risk, and Information Technology (IT) Risk.

Setting Risk Controlling Limits:

The Bank's risk limit setting plan has been established in the viewpoints listed below:

- Risk limits are set up in accordance with the Internal Capital Adequacy Assessment (ICAAP) that is conducted in consideration to (1) risk-return performance in comparison to external environment, ALM Master Plan and Credit Portfolio Plan, (2) business performance target and (3) stress test results.
- Risk limits are set up for each of the following risk categories: Credit Risk, Market Risk and Liquidity Risk.

The risk limit setting plan is proposed by Risk Management Department and discussed in the Risk Management Committee after prior consultation with parent company. The risk limit setting plan is also discussed and acknowledged by the Credit Business Committee, the ALM Committee and pre-approved by the Executive Committee as a part of the business plan, and resolved by the Board of Directors.

4.2 Qualitative and quantitative disclosure for each type of risk

4.2.1 Disclosure of credit risk information

Credit risk is the risk of financial loss of the Bank when a customer or counterparty fail to meet its contractual obligations, and such risk is generated from claims.

Item 1: General disclosures of credit risk exposures:

1) Credit Risk Management Structure

The Risk Management Department manages credit risk at bank-wide level, and cover not only loans but also assets which expose to credit risk and off-balance sheet items.

The Bank's Board of Directors decides on important matters related to credit risk management when developing management plans. The Board of Directors also decides on credit strategy and capital plan, and approve asset classification policy, to ensure the soundness of the assets.

The roles and responsibilities of credit risk management are described as follows:

Senior Management

- Provide necessary tools, system, information, and resources to ensure that the credit risk management activities are carried out in accordance with the Risk Management Policy and Risk Appetite Framework
- Ensure that effective credit risk management system is implemented and properly maintained.
- Implement the control system/process to ensure compliance to the policies, rules and procedures.
- Establish and maintain clear line of authority and responsibility for managing credit risk.
- Provide the Board of Directors, the Executive Committee and other relevant committees the periodic reports on the Bank's credit risk status.
- Review the above points regularly or whenever deemed necessary based on the reports received.

Executive Vice President (EVP)

- EVP should carry on operation making much account of risk management, fully recognising that a lack of such an approach could seriously hinder attainment of strategic objectives.
- The EVP in charge of Risk Management Department reviews the policy and specific measures for developing and establishing an adequate risk management system with a full understanding of the risk incidents. Such EVPs are required to identify, assess, monitor and control such event, in addition to understand the importance of risk management.

Risk Management Department

- Prepare and propose credit risk management policy, risk appetite for credit risk and credit risk management framework to the Risk Management Committee.
- Design and develop tools and processes for credit risk management, and implement such tools and processes in bank-wide business responsible departments while balancing between risk and reward.
- Analyse, monitor, control and report overall credit risk level as well as provide guidelines for managing credit risk.
- Promote credit risk management practices in the Bank by communicating, coordinating and training personnel within the Bank. This is to ensure that the importance of policies, rules, procedures in credit risk management is recognised and abided by.
- Review the above mentioned activities regularly or whenever deemed necessary based on the reports received.

Corporate Business Department

- A risk owner, and follow policies, rules, procedures in credit risk management.
- Manage credit risk inherent in the products in their business responsible departments by utilising credit risk tools and processes.
- Participate in trainings and activities that promote understanding in risk management.
- Regularly update the operational manual to ensure the compliance with credit risk management policies, rules, procedures.

Product (Business) Responsible Departments

- Monitor and coordinate with units relevant to credit risk management to analyse and assess credit risk inherent in the responsible products established.
- Establish and maintain product manual to ensure that it is accurate and up-to-date. This also includes establishment and maintenance of a manual for new products.

2) Credit Risk Management

2.1) Credit Risk Management Policy

The Bank manages credit exposures of each customer based on limited credit amount, and periodically reviews impact of identified risks to large and particular customers and concentration in industry sectors, including the measurement of the credit risk. The Board of Directors has delegated responsibility for credit risk to Risk Management Committee, which is responsible for the development and implementation of control to address credit risk.

2.2) Credit Risk Management Process

- **Risk Identification**

Credit risk is identified with details of risk types and risk factors at both obligor and portfolio level. Identification process of credit risk at obligor level can be varied by each product. The identification process considers any factor associated with the default risk of an obligor, as well as any other sources of funds, e.g., guarantees and collateral in the case of default occurs. Identification process of credit risk at portfolio level covers both internal and external factors, such as changes in economic and market conditions, changes in rules and regulations, credit concentration, business strategic outlook from sustainability/Climate Change/Environmental, Social and Governance Risk Management point of view.

- **Risk Measurement and Approval**

Credit risk of an obligor is assessed at the credit origination and at the credit limit review according to the policy standards stated in the Credit Policy. In addition, the credit risk is also measured through the internal credit rating system, which is developed based on main credit risk indicators, such as quality of the obligor, financial performance.

The Bank manages individual credits through processes such as internal credit ratings. Credit ratings indicate the credit status of creditor and the responsibility of default on scale, and provide the basis for credit screening of individual transactions and credit portfolio management. The Bank evaluates solvency and collectability of credits based on the analysis, for instance the customer's financial condition, cash flow, and earning capacity.

As for screening and credit management of each case, the Global Credit Supervision Department of parent company provides prior consultation to Credit Department. Furthermore, the Research Department of parent company also provide consultation to evaluate credit ratings based on industry research and credit analysis of individual companies along with performing quantitative analysis.

- **Risk Monitoring and Control**

The process of credit risk control is established and assigned the business responsible departments as a Risk Owner. Risk Owner is responsible for controlling and monitoring its own risk and developing progress of risk mitigation by taking into account risks and rewards.

Credit risk is monitored and reported to the Risk Management Committee and the senior managements on a regular basis. Credit monitoring processes are conducted on a regular basis by the business responsible departments, Credit Department and Risk Management Department, such as customer contact, and credit review. The reports include the risk characteristics, incurred credit losses, and credit risk mitigation plan.

2.3) Definition of Past Due and Impairment

Loans are classified as past due when debtors is unable to pay at maturity date specified in agreements. Classification is the process of categorising facilities based on credit quality and/or the willingness of the obligor to honor its commitments.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The impairment loss is recognised in profit or loss unless it reverses a previous revaluation credited to equity, in which case it is charged to equity.

The Bank conforms to the Bank of Thailand's classification requirements and provision requirements which align with TFRS 9 standards. Moreover, the Bank continuously reviews and sets management overlay which is the additional model calculation as model provisions for the transactions may not contemporaneously capture risk factors within the economy and broader markets/industries and also reflect the asset quality deterioration because of economic uncertainty.

Table 7: Outstanding amounts of significant on-balance sheet assets and off-balance sheet items before the recognition of credit risk mitigation

Unit: Million Baht

Items	31 March 2025
1. On-balance sheet assets (1.1 + 1.2 + 1.3 + 1.4)	110,810.26
1.1 Loan and accrued interest receivable (net) ^{1/}	92,389.91
1.2 Net Investment in debt securities ^{2/}	16,588.82
1.3 Deposits and accrued interest receivable (net) ^{3/}	1,677.51
1.4 Derivatives	154.02
2. Off-balance sheet items ^{4/} (2.1 + 2.2 + 2.3)	53,123.51
2.1 Aval of bills, guarantees, and letters of credit	198.19
2.2 OTC derivatives ^{5/}	43,091.42
2.3 Undrawn committed lines	9,833.90

1/ Including accrued interest income, net of deferred interest income, gains or losses due to changes in the conditions, and reserves for expected credit losses; including loans and accrued interest receivable of interbank and money market items

2/ Including investments in receivables but excluding accrued interest receivable and net of reserves for adjustments of security values and reserves for expected credit losses. The amount is different from net investment in balance sheet due to net of reserves for expected credit losses.

3/ Including accrued interest income, net of reserves for expected credit losses

4/ Before multiplying by credit conversion factors

5/ Including equity-related derivatives

Unit: Million Baht

Items	31 March 2024
1. On-balance sheet assets (1.1 + 1.2 + 1.3 + 1.4)	116,074.24
1.1 Loan and accrued interest receivable (net) ^{1/}	96,035.08
1.2 Net Investment in debt securities ^{2/}	15,707.53
1.3 Deposits and accrued interest receivable (net) ^{3/}	3,052.21
1.4 Derivatives	1,279.42
2. Off-balance sheet items ^{4/} (2.1 + 2.2 + 2.3)	68,729.92
2.1 Aval of bills, guarantees, and letters of credit	186.37
2.2 OTC derivatives ^{5/}	53,528.47
2.3 Undrawn committed lines	15,015.08

1/ Including accrued interest income, net of deferred interest income, gains or losses due to changes in the conditions, and reserves for expected credit losses; including loans and accrued interest receivable of interbank and money market items

2/ Including investments in receivables but excluding accrued interest receivable and net of reserves for adjustments of security values and reserves for expected credit losses. The amount is different from net investment in balance sheet due to net of reserves for expected credit losses.

3/ Including accrued interest income, net of reserves for expected credit losses

4/ Before multiplying by credit conversion factors

5/ Including equity-related derivatives

Table 8: Outstanding amounts of on-balance sheet assets and off-balance sheet items before the recognition of credit risk mitigation classified by country or geographic area of debtors

Unit: Million Baht

31 March 2025									
Country or geographic area of debtor	On-balance sheet assets					Off-balance sheet items ^{4/}			
	Total	Loans and accrued interest receivable (net) ^{1/}	Net Investment in debt securities ^{2/}	Deposits and accrued interest receivable (net) ^{3/}	Derivatives	Total	Aval of bills, guarantees, and letter of credits	OTC derivatives ^{5/}	Undrawn committed line
1. Thailand	109,413.62	92,129.88	16,588.82	540.90	154.02	53,123.51	198.19	43,091.42	9,833.90
2. Asia Pacific (exclude Thailand)	887.69	-	-	887.69	-	-	-	-	-
3. North America and Latin America	502.21	260.03	-	242.18	-	-	-	-	-
4. Africa and Middle East	-	-	-	-	-	-	-	-	-
5. Europe	6.74	-	-	6.74	-	-	-	-	-
Total	110,810.26	92,389.91	16,588.82	1,677.51	154.02	53,123.51	198.19	43,091.42	9,833.90

1/ Including accrued interest income, net of deferred interest income, gains or losses due to changes in the conditions, and reserves for expected credit losses; including loans and accrued interest receivable of interbank and money market items

2/ Including investments in receivables but excluding accrued interest receivable and net of reserves for adjustments of security values and reserves for expected credit losses. The amount is different from net investment in balance sheet due to net of reserves for expected credit losses.

3/ Including accrued interest income, net of reserves for expected credit losses

4/ Before multiplying by credit conversion factors

5/ Including equity-related derivatives

Unit: Million Baht

31 March 2024									
Country or geographic area of debtor	On-balance sheet assets					Off-balance sheet items ^{4/}			
	Total	Loans and accrued interest receivable (net) ^{1/}	Net Investment in debt securities ^{2/}	Deposits and accrued interest receivable (net) ^{3/}	Derivatives	Total	Aval of bills, guarantees, and letter of credits	OTC derivatives ^{5/}	Undrawn committed line
1. Thailand	112,885.92	95,109.67	15,707.53	789.30	1,279.42	68,686.54	186.37	53,485.09	15,015.08
2. Asia Pacific (exclude Thailand)	2,128.32	-	-	2,128.32	-	43.38	-	43.38	-
3. North America and Latin America	1,054.13	925.41	-	128.72	-	-	-	-	-
4. Africa and Middle East	-	-	-	-	-	-	-	-	-
5. Europe	5.87	-	-	5.87	-	-	-	-	-
Total	116,074.24	96,035.08	15,707.53	3,052.21	1,279.42	68,729.92	186.37	53,528.47	15,015.08

1/ Including accrued interest income, net of deferred interest income, gains or losses due to changes in the conditions, and reserves for expected credit losses; including loans and accrued interest receivable of interbank and money market items

2/ Including investments in receivables but excluding accrued interest receivable and net of reserves for adjustments of security values and reserves for expected credit losses. The amount is different from net investment in balance sheet due to net of reserves for expected credit losses.

3/ Including accrued interest income, net of reserves for expected credit losses

4/ Before multiplying by credit conversion factors

5/ Including equity-related derivatives

Table 9: Outstanding amounts of on-balance sheet assets and off-balance sheet items before the recognition of credit risk mitigation classified by residual maturity

Unit: Million Baht

Items	31 March 2025		
	Maturity not exceeding 1 Yr	Maturity exceeding 1 Yr	Total
1. On-balance sheet assets (1.1 + 1.2 + 1.3 + 1.4)	52,660.44	58,149.82	110,810.26
1.1 Loans and accrued interest receivable (net) ^{1/}	42,197.02	50,192.89	92,389.91
1.2 Net Investment in debt securities ^{2/}	8,643.25	7,945.57	16,588.82
1.3 Deposits and accrued interest receivable (net) ^{3/}	1,677.51	-	1,677.51
1.4 Derivatives	142.66	11.36	154.02
2. Off-balance sheet items ^{4/} (2.1 + 2.2 + 2.3)	50,280.60	2,842.91	53,123.51
2.1 Aval of bills, guarantees, and letters of credit	55.28	142.91	198.19
2.2 OTC derivatives ^{5/}	40,391.42	2,700.00	43,091.42
2.3 Undrawn committed lines	9,833.90	-	9,833.90

1/ Including accrued interest income, net of deferred interest income, gains or losses due to changes in the conditions, and reserves for expected credit losses; including loans and accrued interest receivable of interbank and money market items

2/ Including investments in receivables but excluding accrued interest receivable and net of reserves for adjustments of security values and reserves for expected credit losses. The amount is different from net investment in balance sheet due to net of reserves for expected credit losses.

3/ Including accrued interest income, net of reserves for expected credit losses

4/ Before multiplying by credit conversion factors

5/ Including equity-related derivatives

Unit: Million Baht

Items	31 March 2024		
	Maturity not exceeding 1 Yr	Maturity exceeding 1 Yr	Total
1. On-balance sheet assets (1.1 + 1.2 + 1.3 + 1.4)	59,476.04	56,598.20	116,074.24
1.1 Loans and accrued interest receivable (net) ^{1/}	52,029.05	44,006.03	96,035.08
1.2 Net Investment in debt securities ^{2/}	3,115.36	12,592.17	15,707.53
1.3 Deposits and accrued interest receivable (net) ^{3/}	3,052.21	-	3,052.21
1.4 Derivatives	1,279.42	-	1,279.42
2. Off-balance sheet items ^{4/} (2.1 + 2.2 + 2.3)	68,558.05	171.87	68,729.92
2.1 Aval of bills, guarantees, and letters of credit	14.50	171.87	186.37
2.2 OTC derivatives ^{5/}	53,528.47	-	53,528.47
2.3 Undrawn committed lines	15,015.08	-	15,015.08

1/ Including accrued interest income, net of deferred interest income, gains or losses due to changes in the conditions, and reserves for expected credit losses; including loans and accrued interest receivable of interbank and money market items

2/ Including investments in receivables but excluding accrued interest receivable and net of reserves for adjustments of security values and reserves for expected credit losses. The amount is different from net investment in balance sheet due to net of reserves for expected credit losses.

3/ Including accrued interest income, net of reserves for expected credit losses

4/ Before multiplying by credit conversion factors

5/ Including equity-related derivatives

Table 10: Outstanding amounts of financial instruments before the recognition of credit risk mitigation and provisions (General provision and specific provisions)

Unit: Million Baht

31 March 2025						
Item	Outstanding amount		Amount of provisions ^{2/}	Provisions ^{2/} for exposures under the SA		Net amount ^{3/}
	Defaulted exposures ^{1/}	Non-defaulted exposures ^{1/}		General provisions	Specific provisions	
1. Loans and accrued interest receivable ^{4/}	-	93,033.65	643.74	-	643.74	92,389.91
2. Investments in debt securities ^{5/}	-	16,602.86	14.04	-	14.04	16,588.82
3. Deposits and accrued interest receivable ^{6/}	-	1,677.51	-	-	-	1,677.51
4. Committed lines and financial guarantees ^{7/}	-	10,032.09	13.40	-	13.40	10,018.69
Total	-	121,346.11	671.18	-	671.18	120,674.93

1/ Depending on the approach used by the reporting bank, namely (1) SA: Non-performing claims and performing claims; and (2) IRB: Defaulted exposures and non-defaulted exposures. In determining if any exposure is a "defaulted" exposure, commercial banks shall refer to the definition of credit-impaired assets (non-performing) as specified in the Bank of Thailand Notification Re: Asset Classification and Provisioning of Financial Institutions.

2/ means reserves for expected credit losses according to TFRS 9. For financial instruments designated at fair value through other comprehensive income, the amount of provisions may not be disclosed according to the Thai Financial Reporting Standard No.7 - Disclosure Requirements for Financial Instruments (TFRS 7). And, the outstanding amounts of those instruments will be the amounts net of provisions.

3/ Net amount = Outstanding amount - Provisions

4/ Including accrued interest income, net of deferred income and gains or losses due to changes in the conditions, and including loans and accrued interest receivable of interbank and money market items

5/ Excluding accrued interest receivable, net of reserves for adjustments of security values, and excluding investments in receivables

6/ Including accrued interest income

7/ Before multiplying by credit conversion factors

Unit: Million Baht

31 March 2024						
Item	Outstanding amount		Amount of provisions ^{2/}	Provisions ^{2/} for exposures under the SA		Net amount ^{3/}
	Defaulted exposures ^{1/}	Non-defaulted exposures ^{1/}		General provisions	Specific provisions	
1. Loans and accrued interest receivable ^{4/}	-	96,406.44	371.35	67.43	303.92	96,035.09
2. Investments in debt securities ^{5/}	-	15,724.20	16.67	-	16.67	15,707.53
3. Deposits and accrued interest receivable ^{6/}	-	3,052.21	-	-	-	3,052.21
4. Committed lines and financial guarantees ^{7/}	-	15,201.44	70.73	-	70.73	15,130.71
Total	-	130,384.29	458.75	67.43	391.32	129,925.54

1/ Depending on the approach used by the reporting bank, namely (1) SA: Non-performing claims and performing claims; and (2) IRB: Defaulted exposures and non-defaulted exposures. In determining if any exposure is a "defaulted" exposure, commercial banks shall refer to the definition of credit-impaired assets (non-performing) as specified in the Bank of Thailand Notification Re: Asset Classification and Provisioning of Financial Institutions.

2/ means reserves for expected credit losses according to TFRS 9. For financial instruments designated at fair value through other comprehensive income, the amount of provisions may not be disclosed according to the Thai Financial Reporting Standard No.7 - Disclosure Requirements for Financial Instruments (TFRS 7). And, the outstanding amounts of those instruments will be the amounts net of provisions.

3/ Net amount = Outstanding amount - Provisions

4/ Including accrued interest income, net of deferred income and gains or losses due to changes in the conditions, and including loans and accrued interest receivable of interbank and money market items

5/ Excluding accrued interest receivable, net of reserves for adjustments of security values, and excluding investments in receivables

6/ Including accrued interest income

7/ Before multiplying by credit conversion factors

Table 11: Outstanding amounts of loans including accrued interest receivable and investments in debt securities before the recognition of credit risk mitigation classified by country or geographic area of debtors and asset classifications as specified by the Bank of Thailand

Unit: Million Baht

31 March 2025										
Country or geographic area of debtors	Loans including accrued interest receivable ^{1/}					Investments in debt securities ^{2/}				
	With an insignificant increase in credit risk	With a significant change in credit risk	Credit-impaired	Purchased and originated credit-impaired	Total	With an insignificant increase in credit risk	With a significant change in credit risk	Credit-impaired	Purchased and originated credit-impaired	Total
1. Thailand	87,289.65	5,482.60	-	-	92,772.25	16,602.86	-	-	-	16,602.86
2. Asia Pacific (excluding Thailand)	-	-	-	-	-	-	-	-	-	-
3. North America and Latin America	261.40	-	-	-	261.40	-	-	-	-	-
4. Africa and Middle East	-	-	-	-	-	-	-	-	-	-
5. Europe	-	-	-	-	-	-	-	-	-	-
Total	87,551.05	5,482.60	-	-	93,033.65	16,602.86	-	-	-	16,602.86

1/ Including accrued interest income, net of deferred income and gains or losses due to changes in the conditions, and including loans and accrued interest receivable of interbank and money market items

2/ Excluding accrued interest receivable, net of reserves for adjustments of security values, and excluding investments in receivables

Unit: Million Baht

31 March 2024										
Country or geographic area of debtors	Loans including accrued interest receivable ^{1/}					Investments in debt securities ^{2/}				
	With an insignificant increase in credit risk	With a significant change in credit risk	Credit-impaired	Purchased and originated credit-impaired	Total	With an insignificant increase in credit risk	With a significant change in credit risk	Credit-impaired	Purchased and originated credit-impaired	Total
1. Thailand	94,979.84	495.12	-	-	95,474.96	15,724.20	-	-	-	15,724.20
2. Asia Pacific (excluding Thailand)	-	-	-	-	-	-	-	-	-	-
3. North America and Latin America	931.48	-	-	-	931.48	-	-	-	-	-
4. Africa and Middle East	-	-	-	-	-	-	-	-	-	-
5. Europe	-	-	-	-	-	-	-	-	-	-
Total	95,911.32	495.12	-	-	96,406.44	15,724.20	-	-	-	15,724.20

1/ Including accrued interest income, net of deferred income and gains or losses due to changes in the conditions, and including loans and accrued interest receivable of interbank and money market items

2/ Excluding accrued interest receivable, net of reserves for adjustments of security values, and excluding investments in receivables

Table 12: Provisions (General provision and Specific provision) and write-offs during the period for loans including accrued interest receivable and investments in debt securities classified by country or geographic area of debtors

Unit: Million Baht

31 March 2025					
Country or geographic area of debtors	Loans including accrued interest receivable ^{1/}			Investments in debt securities ^{2/}	
	Provisions ^{3/} for exposures under the SA		Write-offs during the period	Provisions ^{3/} for exposures under the SA	
	General provisions ^{4/}	Specific provisions		General provisions ^{4/}	Specific provisions
1. Thailand		642.27	-		14.04
2. Asia Pacific (excluding Thailand)		-	-		-
3. North America and Latin America		1.47	-		-
4. Africa and Middle East		-	-		-
5. Europe		-	-		-
Total	-	643.74	-	-	14.04

1/ Including the amounts of provisions and write-offs during the period for loans including accrued interest receivable of interbank and money market items

2/ Excluding investments in receivables

3/ Reserves for expected credit losses

4/ Total amount will be disclosed

Unit: Million Baht

31 March 2024					
Country or geographic area of debtors	Loans including accrued interest receivable ^{1/}			Investments in debt securities ^{2/}	
	Provisions ^{3/} for exposures under the SA		Write-offs during the period	Provisions ^{3/} for exposures under the SA	
	General provisions ^{4/}	Specific provisions		General provisions ^{4/}	Specific provisions
1. Thailand		297.44	-		16.67
2. Asia Pacific (excluding Thailand)		-	-		-
3. North America and Latin America		6.48	-		-
4. Africa and Middle East		-	-		-
5. Europe		-	-		-
Total	67.43	303.92	-	-	16.67

1/ Including the amounts of provisions and write-offs during the period for loans including accrued interest receivable of interbank and money market items

2/ Excluding investments in receivables

3/ Reserves for expected credit losses

4/ Total amount will be disclosed

Table 13: Outstanding amounts of loans including accrued interest receivable* before the recognition of credit risk mitigation classified by type of business and asset classifications as specified by the Bank of Thailand

Unit: Million Baht

31 March 2025					
Type of business	With an insignificant increase in credit risk	With a significant change in credit risk	Credit-impaired	Purchased and originated credit-impaired	Total
- Agriculture and mining	-	-	-	-	-
- Manufacturing and commerce	16,874.65	1,892.80	-	-	18,767.45
- Real estate business and construction	1,666.18	925.50	-	-	2,591.68
- Public utilities and services	14,220.10	2,664.30	-	-	16,884.40
- Housing loans	-	-	-	-	-
- Others	54,790.12	-	-	-	54,790.12
Total	87,551.05	5,482.60	-	-	93,033.65

* Including accrued interest income, net of deferred income and gains or losses due to changes in the conditions, and including loans and accrued interest receivable of interbank and money market items

Unit: Million Baht

31 March 2024					
Type of business	With an insignificant increase in credit risk	With a significant change in credit risk	Credit-impaired	Purchased and originated credit-impaired	Total
- Agriculture and mining	-	-	-	-	-
- Manufacturing and commerce	21,655.27	395.09	-	-	22,050.36
- Real estate business and construction	3,349.60	-	-	-	3,349.60
- Public utilities and services	17,469.63	100.03	-	-	17,569.66
- Housing loans	-	-	-	-	-
- Others	53,436.82	-	-	-	53,436.82
Total	95,911.32	495.12	-	-	96,406.44

* Including accrued interest income, net of deferred income and gains or losses due to changes in the conditions, and including loans and accrued interest receivable of interbank and money market items

Table 14: General provisions and specific provisions and write-offs during the period for loans and accrued interest receivable* classified by business of debtors

Unit: Million Baht

Item	31 March 2025		
	Provisions ^{1/} for exposures under the SA		Write-offs during the period
	General provisions ^{2/}	Specific provisions	
- Agriculture and mining		-	-
- Manufacturing and commerce		88.20	-
- Real estate business and construction		302.23	-
- Public utilities and services		170.99	-
- Housing loans		-	-
- Others		82.32	-
Total	-	643.74	-

* Including the amount of provisions and write-offs during the period for loans and accrued interest receivable of interbank and money market items

1/ Reserves for expected credit losses

2/ Total amount of the provisions will be disclosed

Unit: Million Baht

Item	31 March 2024		
	Provisions ^{1/} for exposures under the SA		Write-offs during the period
	General provisions ^{2/}	Specific provisions	
- Agriculture and mining		-	-
- Manufacturing and commerce		92.78	-
- Real estate business and construction		36.76	-
- Public utilities and services		79.80	-
- Housing loans		-	-
- Others		94.58	-
Total	67.43	303.92	-

* Including the amount of provisions and write-offs during the period for loans and accrued interest receivable of interbank and money market items

1/ Reserves for expected credit losses

2/ Total amount of the provisions will be disclosed

Table 15: Reconciliation of changes in available provisions (General provisions and specific provisions) for loans including accrued interest receivable*

Unit: Million Baht

Item	31 March 2025		
	Provisions ^{1/} for exposures under the SA		Total
	General provisions	Specific provisions	
Provisions at the beginning of the period	67.43	303.92	371.35
Increases or decreases in provisions during the period ^{2/}	(67.43)	339.82	272.39
Other provisions (provisions for FX losses, provisions for mergers and sales of businesses)	-	-	-
Write-offs during the period	-	-	-
Provisions at the end of the period	-	643.74	643.74

* Including the amount of provisions for loans and accrued interest receivable of interbank and money market items

1/ Reserves for expected credit losses

2/ Excluding expected credit losses of financial instruments designated at fair value through other comprehensive income

Unit: Million Baht

Item	31 March 2024		
	Provisions ^{1/} for exposures under the SA		Total
	General provisions	Specific provisions	
Provisions at the beginning of the period	134.86	327.59	462.45
Increases or decreases in provisions during the period ^{2/}	(67.43)	(23.67)	(91.10)
Other provisions (provisions for FX losses, provisions for mergers and sales of businesses)	-	-	-
Write-offs during the period	-	-	-
Provisions at the end of the period	67.43	303.92	371.35

* Including the amount of provisions for loans and accrued interest receivable of interbank and money market items

1/ Reserves for expected credit losses

2/ Excluding expected credit losses of financial instruments designated at fair value through other comprehensive income

Table 16: Outstanding amounts of on-balance sheet assets and credit equivalent amounts of off-balance sheet items (net of specific provisions) classified by type of assets under the SA

Unit: Million Baht

Type of asset	31 March 2025			31 March 2024		
	On-balance sheet assets	Off-balance sheet item *	Total	On-balance sheet assets	Off-balance sheet item *	Total
1. Performing claims						
1.1 Claims on sovereigns and central banks, multilateral development banks (MDBs), and non-central government public sector entities (PSEs) treated as claims on sovereigns	17,107.28	-	17,107.28	16,460.89	-	16,460.89
1.2 Claims on financial institutions, non-central government public sector entities (PSEs) treated as claims on financial institutions, and securities firms	11,454.98	489.60	11,944.58	13,004.71	1,793.89	14,798.60
1.3 Claims on corporates, non-central government public sector entities (PSEs) treated as claims on corporate	82,244.12	2,094.87	84,338.99	85,434.32	3,858.83	89,293.15
1.4 Other assets	335.32	-	335.32	1,479.08	-	1,479.08
Total	111,141.70	2,584.47	113,726.17	116,379.00	5,652.72	122,031.72

* Including all Repo-style transactions (as well as Reverse repo transactions)

Item 2: Credit risk exposures classified by credit risk-weighted assets calculation approach used by commercial banks

The Bank applies the following External credit institution (ECAIs) as reference for assigning risk weights for all claims. The following are the process used in assigning risk weights to the debtors.

- S&P
- Moody's
- Fitch
- Fitch (Thailand)
- TRIS

In assigning the risk weights to the debtors, the Bank's follow the Bank of Thailand notification.

Table 17: Outstanding amount of net on-balance sheet assets and credit equivalent amount of off-balance sheet items net of specific provisions and after credit risk mitigation for each type of asset, classified by risk weight under the SA

Unit: Million Baht

Type of asset	31 March 2025														
	Rated outstanding amount					Unrated outstanding amount									
Risk weight (%)	0	20	50	100	150	0	20	35	50	75	100	250	625	938	100/ 8.5 %
Performing claims															
1 Claims on sovereigns and central banks, multilateral development banks (MDBs), and non-central government public sector entities (PSEs) treated as claims on sovereigns	17,107.28	-	-	-	-				-		-				
2 Claims on financial institutions, non-central government public sector entities (PSEs) treated as claims on financial institutions, and securities firms	-	11,447.99	6.78	489.81	-						-				
3 Claims on corporates, non-central government public sector entities (PSEs) treated as claims on corporate	-	7,463.67	12,714.55	7,691.50	-						56,469.27				
4 Claims on retail portfolios										-	-				
5 Claims on housing loans								-		-	-				
6 Other assets						188.87	-				146.45	-	-	-	-
Risk weight (%)			50	100	150					75					
Non-performing claims^{1/}			-	-	-				-	-	-				
Capital deduction items prescribed by the Bank of Thailand															

1/ For the portion with no credit risk mitigation of which risk weight is determined by the proportion of provision to total amount of claims

Unit: Million Baht

Type of asset	31 March 2024														
	Rated outstanding amount					Unrated outstanding amount									
Risk weight (%)	0	20	50	100	150	0	20	35	50	75	100	250	625	938	100/ 8.5%
Performing claims															
1 Claims on sovereigns and central banks, multilateral development banks (MDBs), and non-central government public sector entities (PSEs) treated as claims on sovereigns	16,460.89	-	-	-	-				-		-				
2 Claims on financial institutions, non-central government public sector entities (PSEs) treated as claims on financial institutions, and securities firms	-	13,059.10	5.91	1,733.59	-						-				
3 Claims on corporates, non-central government public sector entities (PSEs) treated as claims on corporate	-	15,083.31	13,449.21	5,953.97	-						54,806.66				
4 Claims on retail portfolios										-	-				
5 Claims on housing loans								-		-	-				
6 Other assets						1,353.49	-				125.59	-	-	-	-
Risk weight (%)			50	100	150					75					
Non-performing claims^{1/}				-	-	-				-	-	-			
Capital deduction items prescribed by the Bank of Thailand															

1/ For the portion with no credit risk mitigation of which risk weight is determined by the proportion of provision to total amount of claims

Item 3: Credit risk mitigation under the SA

This section describes information related to credit risk mitigation under Standardised Approach.

1) On-Balance Sheet Netting Policy and Process

The Bank doesn't apply the on-balance sheet netting between assets (loans) and debts (deposits) of the same counterparty to reduce credit risks in accordance with the regulations on credit risk mitigation by on-balance sheet netting.

2) Collateral and Credit Risk Mitigation Plan

The Bank doesn't use the value of financial collaterals approved by the Bank of Thailand to reduce outstanding value of assets before using such value to calculate credit risk-weighted assets, in accordance with the regulations on credit risk mitigation by financial collateral.

Table 18: Part of outstanding that is secured by collateral under SA classified by type of assets and collateral**

Unit: Million Baht

Type of asset	31 March 2025		31 March 2024	
	Eligible financial collateral ^{1/}	Guarantee and credit derivatives	Eligible financial collateral ^{1/}	Guarantee and credit derivatives
Performing assets				
- Claims on sovereigns and central banks, multilateral development banks (MDBs), and non-central government public sector entities (PSEs) treated as claims on sovereigns	-	-	-	-
- Claims on financial institutions, non-central government public sector entities (PSEs) treated as claims on financial institutions, and securities firms	-	-	-	-
- Claims on corporates, non-central government public sector entities (PSEs) treated as claims on corporate	-	-	-	-
- Other assets	-	-	-	-
Total	-	-	-	-

* Excluding securitisation.

** Values after on-balance sheets and off-balance sheets netting

1/ Eligible financial collateral that the Bank of Thailand allows to use for risk mitigation. Commercial banks applying the comprehensive approach shall disclose the value after haircut.

4.2.2 Disclosure of market risk information

Market risk is the risk of financial loss of the Bank through changes in income and value of assets and liabilities held, including off-balance sheet items, due to fluctuations in various market risk factors, such as interest rates and exchange rates. This section describes information related to market risk management:

1) Market Risk Management Structure

Risk Management Department is responsible for planning and implementing market risk management. The role of Risk Management Department includes measuring risk levels and profits and losses and monitoring the status of market risk managed under ALM plans and status of compliance with risk limits. The Department reports its findings to the members of the ALM Committee members on a daily basis, and to Risk Management Committee as well as the Board of Director periodically. Role and responsibilities of market risk management is described as follows:

Senior Management

- Provide necessary tools, system, information, and resources to ensure that the market risk management activities are carried out in accordance with the business plan, including risk management plan that represents Risk Appetite and Risk Tolerance of the Bank.
- Ensure that effective market risk management system is implemented and properly maintained.
- Implement the control system/process to ensure policies, rules and procedures compliances.
- Establish and maintain clear line of authority and responsibility for managing market risk.
- Provide the Board of Directors, the Executive Committee and other relevant committees the periodic reports on the Bank's market risk status.
- Review all of the above points regularly or whenever it deemed necessary based on the risk reports received.

Risk Management Department

- Prepare and propose market risk management policy, Risk Appetite for market risk and market risk management framework to the Risk Management Committee.
- Design and develop tools and processes for market risk management, and implement such tools and processes in bank-wide business responsible departments while balancing between risk and rewards.
- Analyse, monitor, control and report overall market risk levels as well as provide guidelines for managing market risk.
- Promote market risk management practices in the Bank by communicating, coordinating and training personnel within the Bank. This is to ensure that the importance of policies, rules, procedures in market risk management is recognised.
- Review the above points regularly or whenever it deemed necessary based on the risk reports received.

Treasury Department

- Become a risk owner, and follow policies, rules, procedures in market risk management.
- Manage market risk inherent in the products in their business responsible departments by utilising market risk tools and processes.
- Participate in trainings and activities that promote understanding in risk management.
- Regularly update the operational manuals to ensure the compliance of market risk management policies, rules, and procedures.

Product (Business) Responsible Departments

- Monitor and coordinate with units relevant to market risk management to analyse and assess market risk inherent in the responsible products.
- Establish and maintain product manual to ensure that it is accurate and up-to-date. This also includes establishment and maintenance of the manual for new products.

2) Market Risk Management

2.1) Market Risk Management Policy

In managing market risk, the Bank ensures the soundness of its business by appropriately controlling risks, and strives to secure reasonable profits which correspond to strategic goals, the scale and nature of its operations and risk profiles through risk management framework. The Board of Directors has delegated responsibility for market risk to Risk Management Committee, which is responsible for the development and implementation of control to address market risk.

The Bank's board of directors resolves ALM plans and risk management plans as important matters related to market risk under management plans. The ALM Committee resolves basic matters of ALM plans and the basic matters concerning the management of market risk, liquidity risk, etc. and the progress.

2.2) Market risk Assessment

The Bank uses sensitivity analysis to measure market risk for both foreign exchange rate risk and interest rate risk

1. Interest rate risk

Interest rate risk arises from the potential for a change in interest rates to have an adverse effect on the interest income of the Bank.

2. Foreign exchange rate risk

Foreign exchange rate risk arises from the potential for an unfavorable fluctuation in foreign exchange rates which causes a result to loss value of an asset or liability denominated in a foreign currency.

2.3) Market risk Limit

The appropriate limit to control market risk exposure is determined in a limit review process taking into account of business strategy, capital requirement, liquidity etc. Market risk limit is reviewed and approved by the Board of Directors.

2.4) Market Risk Monitoring and Controlling

The process of market risk control should be established and assigned to the Treasury Department as a Risk Owner. Risk Owner is responsible for controlling and monitoring its own risk and developing progress of risk mitigation by taking into account risks and rewards.

Market risk is required to be appropriately monitored and reported by Risk Management Department, to the Risk Management Committee, the ALM Committee, the Executive Committee and the Board of Directors on the status of interest rate risk, on a regular and as-necessary basis. When the monitoring result is addressed as material or unusual, the Risk Management Department shall discuss and escalate the incidents with the relevant departments, and consider the necessity of responding measures and promptly report to the ALM Committee.

Item 4: Market risk exposure

The Bank applies Standardised Approach (SA) to calculate minimum capital requirements. Below is the summary of minimum capital requirements for market risk.

Table 19: Minimum capital requirements for each type of market risk under the Standardised Approach

Unit: Million Baht

Minimum capital requirements for market risk under the Standardised Approach	31 March 2025	30 September 2024
Interest rate risk	3.03	0.15
Equity position risk	-	-
Foreign exchange rate risk	0.80	73.83
Commodity risk	-	-
Total minimum capital requirement for market risk	3.83	73.98

Item 5: Equity exposures in banking book

As of March 31st, 2025, the Bank has equity exposures in banking book by 10.32 Million Baht.

For monitoring the risks from the above-mentioned investment, the Executive Committee monitors in accordance with the processes prescribed in the Bank's Procedure Manual for Strategic Investment. In addition, such investment shall be considered and approved in accordance with the Bank's Policy.

The Bank performs fair valuation calculation for investment in non-exchange traded equity by using Discount Cash Flow method. The projected cash flow is subjected to risk-adjusted discount rate. Changes in the fair value of investments in equity exposures is recognized in the item of unrealized gains (losses) on investments in equity instruments designated at fair value through other comprehensive income in the statements of profit or loss and other comprehensive income. The details of equity exposures in banking book are as below.

Table 20: Equity exposures in banking book

Unit: Million Baht

Equity exposures	31 March 2025	31 March 2024
1. Equity exposures		
1.1 Equity securities listed and publicly traded on a stock exchange (domestic and foreign securities)	-	-
1.2 Other equity securities (domestic and foreign securities)	10.32	8.99
2. Gains (losses) from sales of equity securities during the period	-	-
3. Revaluation surplus (deficit) of investments in equity securities designated at fair value through other comprehensive income	(9.62)	(10.95)
4. Minimum capital requirements for equity exposures classified by the calculation method:		
- SA	0.88	0.76
- IRB	-	-
5. Equity exposures for the IRB reporting bank permitted by the Bank of Thailand to use the SA	-	-

4.2.3 Disclosure of operational risk information

Item 6: Operational risk exposure

Operational risk is the risk that the Bank incurs losses resulting from inadequate or careless operations processes, inadequate activities by EVPs and employees, inadequate systems or losses incurred from external events. This section describes information related to operational risk management.

1) Operational Risk Structure

The roles and responsibilities of operational risk management are described as follows:

Senior Management

- Monitor the effectiveness of operational risk management based on the business activities and the Bank's operational risk management framework, which includes risk identification, risk assessment, risk monitoring and risk control as well as risk mitigation, to ensure that the Bank achieves its business objectives and manages risk level within Risk Appetite that is described as a part of the business plan including risk management plan.
- Implement the operational risk management.
- Provide the Board of Directors, the Executive Committee and other relevant committees the status of operational risk report as well as significant operational risk.
- Participate in risk assessment for new products.

Risk Management Department

- Prepare and propose operational risk management policy, Risk Appetite for operational risk and operational risk management framework to the Risk Management Committee.
- Promote operational risk management within the Bank to ensure the compliance to the operational risk management framework, operational risk management policy and risk management process.
- Analyse and report the status of operational risk to the Risk Management Committee. The reports to the Risk Management Committee is required to include information such as important risk assessment, important operational risk incidents, emerging risks, and recommendations for prevention or mitigation.
- Monitor and maintain information for operational risk management to ensure the completeness, timeliness and reliability.
- Promote the operational risk management within the Bank to ensure the recognition of importance of the operational risk management.
- Review all of the above points regularly or whenever it deemed necessary based on the reports received.

Product (Business) Responsible Departments

- Manage operational risk inherent in processes and activities within the Business responsible departments
- Ensure that the process and activities of the Business responsible departments are consistent with the operational risk management framework, and that risk identification, risk assessment, risk monitoring and risk control are implemented and maintained.
- Implement appropriate measures to mitigate and control risks.

2) Operational Risk Management

2.1) Operational Risk Management Policy

The Bank's objective to manage operational risk so as to balance the avoidance of financial losses and damages to the bank's reputation with overall cost effectiveness and innovation. The Board of Directors has delegated responsibility for operational risk to Risk Management Committee, which is responsible for the development and implementation of controls to address operational risk.

Significant operational risk identified by relevant Business responsible departments, which has a good understanding and has capability to collect and record information, causes and impacts.

2.2) Operational Risk Assessment

The operational risk assessment is conducted by relevant Business responsible departments. The assessment shall cover both qualitative and quantitative assessments. The assessment process must consider the magnitude of impact and probability of operational incidents.

2.3) Operational Risk Limit

Projected operational risk amount, which is consistent with the desired level of returns per business plan, is utilised for ICAAP verification when risk limit setting plan for credit risk and market risk is established.

2.4) Operational Risk Monitoring and Controlling

Business responsible departments identify the measures for controlling operational risk and evaluate the effectiveness of such measures. In addition, the Business responsible departments shall develop appropriate measures to mitigate operational risk, taking into account of risk and rewards of the Bank.

Business responsible departments shall monitor existing operational risk, effectiveness of controls and loss events.

3) Operational Risk Capital

The Bank applies Basic Indicator Approach (BIA) to calculate values equivalent to operational risk-weighted assets.

4.2.4 Disclosure of interest rate risk in the banking book¹

Item 7: Interest rate risk exposure in the banking book

Interest Rate Risk in Banking Book is defined as the risk of potential loss of earnings and capital caused by changes in market and interest rates that can have adverse effects to the on and off-balance sheet of the bank. Risk Management Department manages Interest Rate Risk in Banking Book at bank-wide level.

1) Interest Rate Risk Management Structure

The roles and responsibilities of interest rate risk management are described as follows:

Senior Management

- Provide necessary tools, system, information, and resources to ensure that the risk management activities are carried out in accordance with the business plan, including risk management plan that represents Risk Appetite and Risk Tolerance of the Bank.
- Ensure that effective risk management system is implemented and properly maintained.
- Implement the control system/process to ensure policies, rules and procedures compliances.
- Establish and maintain clear line of authority and responsibility for managing risk.
- Provide the Board of Directors, the Executive Committee and other relevant committees the periodic reports on the Bank's risk status.
- Review all of the above points regularly or whenever it deemed necessary based on the risk reports received.

Risk Management Department

- Prepare and propose risk management policy, Risk Appetite for market risk and market risk management framework to the Risk Management Committee.
- Design and develop tools and processes for risk management, and implement such tools and processes in bank-wide business responsible departments while balancing between risk and rewards.
- Analyse, monitor, control and report overall market risk levels as well as provide guidelines for managing market risk.

¹ Refer to Bank of Thailand Notification Re: Supervisory Guidelines on Interest Rate Risk in the Banking Book for Financial Institutions

- Promote risk management practices in the Bank by communicating, coordinating and training personnel within the Bank. This is to ensure that the importance of policies, rules, procedures in market risk management is recognised.
- Review the above points regularly or whenever it deemed necessary based on the risk reports received.

Treasury Department

- Become a risk owner, and follow policies, rules, procedures in risk management.
- Participate in trainings and activities that promote understanding in risk management.
- Regularly update the operational manuals to ensure the compliance of risk management policies, rules, and procedures.

Product (Business) Responsible Departments

- Monitor and coordinate with units relevant to risk management to analyse and assess risk inherent in the responsible products.
- Establish and maintain product manual to ensure that it is accurate and up-to-date. This also includes establishment and maintenance of the manual for new products.

2) Interest Rate Risk Management

2.1) Interest Rate Risk Management Policy

Interest rate risk identification covers both on and off-balance sheet, and also both internal and external factors such as changes in economic and market conditions, changes in rules and regulation. The Board of Directors has delegated responsibility for market risk management to Risk Management Committee, which is responsible for the development and implementation of control to address interest rate risk.

2.2) Interest Rate Risk Assessment

The Risk Management Department measures interest rate risk properly with appropriate measurement method that corresponds to scale and natures of business activities and risk profile.

The Bank uses re-pricing gap analysis provides an estimated measure of the Banking book sensitivity to interest rates change by distributing interest rate sensitive assets, liabilities and off balance sheet positions into time bands based on re-pricing schedule.

2.3) Interest Rate Risk Limit

The appropriate limit to control interest rate risk is determined in a limit review process taking into account of business strategy, capital requirement, and liquidity. Market risk limit is reviewed and approved by the Board of Directors.

2.4) Interest Rate Risk Monitoring and Controlling

The process of interest rate risk control is established and assigned to the Treasury Department as a Risk Owner. Risk Owner is responsible for controlling and monitoring its own risk and developing progress of risk mitigation by taking into account risks and rewards.

Interest rate risk is monitored and reported by Risk Management Department, to the Risk Management Committee, the ALM Committee, the Executive Committee and the Board of Directors on the status of interest rate risk, on a regular and as-necessary basis. When the monitoring result is addressed as material or unusual, the Risk Management Department shall discuss and escalate the incidents with the relevant departments, and consider the necessity of responding measures and promptly report to the ALM Committee.

Below is the result of changes in interest rate to net earnings by applying the change of 100 bps according to the Bank of Thailand requirements.

Table 21: The effect of changes in interest rates* to net earnings

Unit: Million Baht

Currency	31 March 2025	31 March 2024
	Effect to net earnings	Effect to net earnings
Baht	-90.35	8.81
USD	-25.69	-25.50
EURO	0.00	-0.05
Others	-21.01	-48.46
Total effect from changes in interest rate	-137.05	-65.21
% of anticipated net interest income for the next one year	-14.82%	-6.88%

* Use the percentage changes in interest rates of 100 bps.

5. Additional disclosure of capital information under the BCBS guideline (Composition of capital disclosure requirements)

Key features of financial instruments to be included in the capital

No financial instruments to be included in the capital.

Disclosure of capital in transitional period under the Basel III guideline (Transitional period)

No items related to capital to be phased in or phased out under the Basel III guideline.

6. Liquidity Coverage Ratio

6.1 Liquidity Coverage Ratio and Disclosure Standard

In pursuant of BOT Circular number Sor.Nor.Sor. 2/2561: Liquidity Coverage Ratio Disclosure Standards, the Bank must disclose its Liquidity Coverage Ratio (LCR) under requirements for subsidiary of foreign banks whose financial years end on March 31st, the disclosure date is based on September 30th (quarter 2) and March 31st (quarter 4) for first and second half of the year respectively. The disclosed LCR, HQLA and Net COF are calculated by averaging outstanding at the end of each month within the reported quarter. The LCR is a measure of the Bank's ability to cover its own short-term obligated cash payment with its liquid assets under crisis situation. It is measured as a ratio of outstanding HQLA (High Quality Liquid Asset) over Net COF (Net Cash Outflow within 30 days under liquidity stressed scenario, as defined in BOT Circular number Sor.Nor.Sor. 9/2558: Guideline on Liquidity Ratio 'LCR') and subsequent update per BOT Circular number Sor.Nor.Sor. 4/2563: Re: Guidelines on Liquidity Coverage Ratio (LCR) (No.2). Per BOT's requirement, the Bank is required to sustain LCR at or above 100% during the reporting periods:

$$LCR = \frac{HQLA}{Net\ COF}$$

6.2 LCR Qualitative Disclosure

Average LCR during quarter ending in March 2025 is 221.2% and in December 2024 is 226.7%, which are above the level required by the Bank of Thailand at 100%. LCR is composed of two main components as follows:

High-quality Liquid Assets (HQLA)

HQLA refers to assets that are highly liquid (easily converted to cash without major loss of value), low risk, not volatile (value has low correlation to overall economic condition), and not encumbered. LCR recognizes HQLA in 3 levels; level 1, which is highest in quality and most liquid asset, and can be included without a limit or a haircut (such as Thai Government Bond and cash), level 2A and 2B which are relatively stable but not to the same degree as level 1 and are faced with larger haircut and maybe limited in amount that can be counted toward HQLA. the Bank of Thailand require compliance with Operational Requirement for HQLA which tests for the characteristics above, as well as the haircut to be applied for each type.

The Bank's average HQLA at the end of quarter ending in March 2025 is 16,710.3 MTHB, of which is wholly comprised of level 1 HQLA, which is diversified among assets such as bonds issued by Bank of Thailand and Ministry of Finance, and deposit at the Bank of Thailand or other major financial institutions.

Net Cash Outflow (Net COF)

Net Cash Outflow (Net COF) is the Bank's total obligated outflow within 30 calendar days from both on and off-balance sheet. It is calculated by Cash Outflow subtracted by the smaller between Cash Inflow and 75% of Cash Outflow. Each type of Cash Outflow and Inflow are subjected to runoff rate under stressed scenario per Bank of Thailand's regulation.

Average Net COF at the end of quarter ending in March 2025 is 7,626.9 MTHB. The major sources of Cash Outflow include deposit outflow, interbank borrowing, and net cash flow within the financial group. The major sources of Cash Inflow include loan repayment from interbank and customer. One of the Bank's major funding source is foreign currency loan from parent bank, which is then swapped to local currency to minimize market risk. The arising derivative, and net cash flow within the financial group are major contributor to Net COF.

Other Disclosure

Along with LCR, the Bank also employ industry standard tools to monitor and manage its liquidity risks, such as Liquidity Gap, Funding Concentration, monitoring of various liquidity indicators for internal and external factors, and will continuously improve its risk management tools and techniques to align with global best practice and the Bank's business plan to achieve safe and profitable business.

6.3 LCR Quantitative Disclosure

Table 22: Average LCR and components

Unit: Million Baht

	31 March 2025 (2024 Q4)	31 March 2024 (2023 Q4)
1. Total HQLA	16,710.3	13,434.0
2. Net COF	7,626.9	6,339.6
3. LCR (%)	221.2%	211.2%
4. Minimum required LCR per BOT (%)	100%	100%

*Per Bank of Thailand's circular (Sor.Nor.Sor. 9/2558: Guideline on Liquidity Ratio 'LCR' and subsequent updates, the Bank is required to sustain LCR at or above 100% during reported periods).

**Per Bank of Thailand's circular (Sor.Nor.Sor. 2/2561: Liquidity Coverage Ratio Disclosure Standards, subsidiaries of foreign banks whose financial years ends on March 31st, the disclosure date is based on September 30th (quarter 2) for first half of the year, and March 31st (quarter 4) for second half of the year.

Table 23: Average LCR for comparison

Period	Average LCR	Minimum required LCR per BOT	Remarks
2024 Q4	221.2%	100%	
2024 Q3	226.7%	100%	
2023 Q4	211.2%	100%	For Comparison
2023 Q3	232.2%	100%	For Comparison