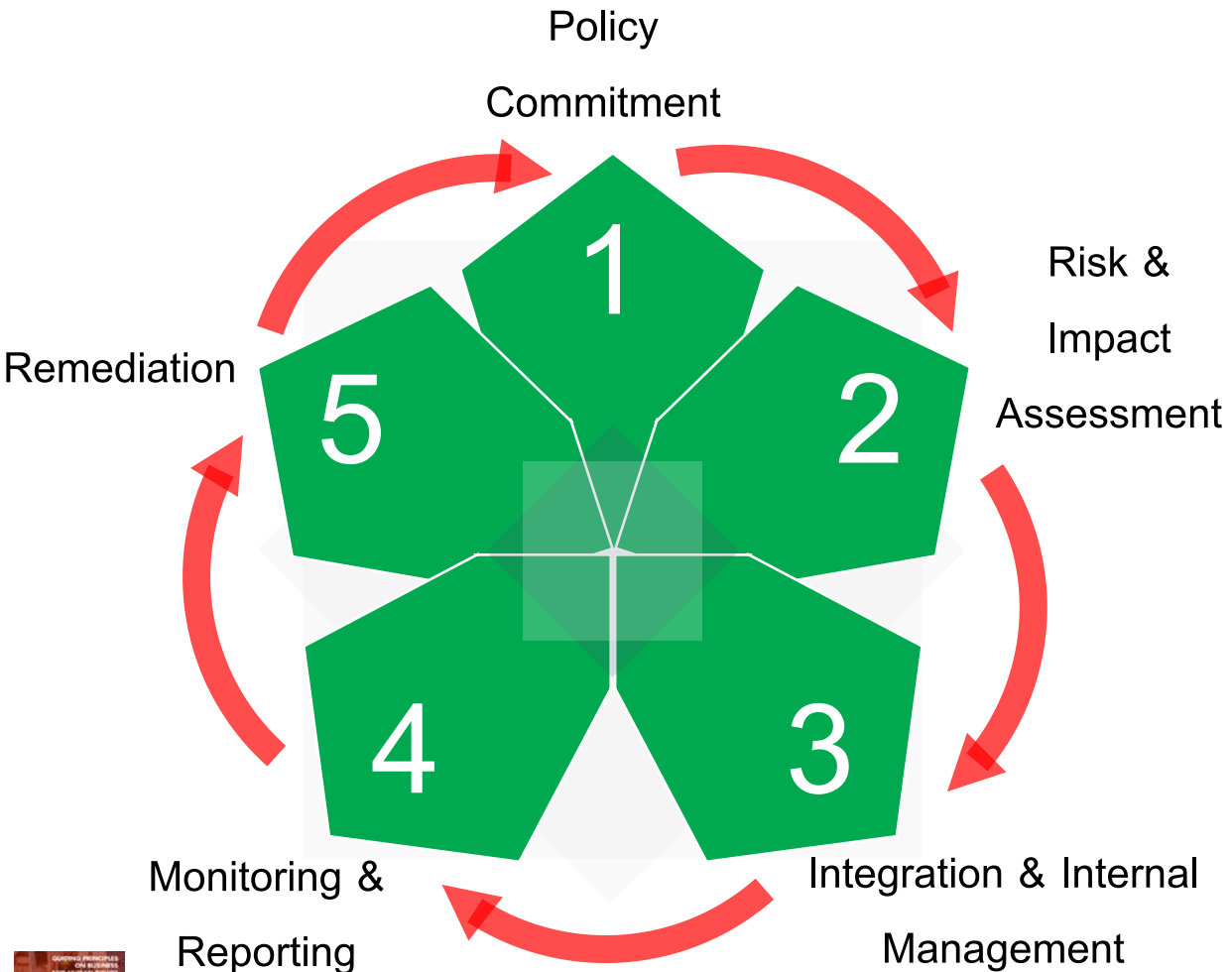


Human Rights Due Diligence

2020 Progress Update

Human Rights Due Diligence Process

KBank's human rights due diligence process has been developed in accordance with the UN Guiding Principles on Business and Human Rights (UNGPs).



- 1** Policy Commitment: Announcement of Human Rights Policy. (slide page 3)
- 2** Risk and Impact Assessment: Assessment and analysis of actual and potential human rights impacts. (slide page 4 - 12)
- 3** Integration and Internal Management: Integrate findings to activities , act upon findings (i.e. mitigation measures), and ensure effective implementation of actions. (slide page 13 - 20)
- 4** Monitoring and Reporting: Regularly monitor, track and reports on the company's actions related to human rights (i.e. risks, effectiveness of mitigation measures). (slide page 21)
- 5** Remediation: Remediate the stakeholders and vulnerable groups, who are affected by the company's adverse human rights impacts. (slide page 22-23)



Reference: UN Guiding Principles on Business and Human Rights (UNGPs)

1 Policy Commitment (Revision)

- KBank is committed to sustainable business operations. We recognize that respect for human rights is an important responsibility associated with employees, customers, suppliers, and business partners including agents, joint venture (Incorporated), government, and local communities related to our business activities. Therefore, KBank has established a human rights policy that conforms to key legal principles and international standards such as UNGPS, ILO, International Bill of Human Rights (comprising of UDHR, ICCPR and ICESCR), UNGC.
- The Policy applies to all operations of KBank and other companies in KASIKORNBANK FINANCIAL CONGLOMERATE, as well as employee, customers, suppliers and business partners. All have the responsibility to respect human rights and to comply with the laws and regulations governing the protection of human rights at the national and international levels. Additionally, KBank commits to prevent and respect the following human rights issues: child labor, forced labor, human trafficking, freedom of association, the right to collective bargaining, equal remuneration, and discrimination.
- To promote compliance with the Human Rights Policy, KBank has published a Human Rights Due Diligence Guideline and has arranged regular human rights training to enhance the knowledge, understanding, and awareness of human rights principles for employees.

Human Rights Policy

KBank is committed to sustainable business operations. We recognize that respect for human rights is an important responsibility associated with employees, customers, suppliers, and business partners including agents, joint venture, government, and local communities related to our business activities. Therefore, KBank has established a human rights policy that conforms to key legal principles and international standards, such as the United Nations Guiding Principles on Business and Human Rights (UNGPs), principles of humanity and rights in accordance with the International Labor Organization (ILO), International Bill of Human Rights (comprising of Universal Declaration of Human Rights - UDHR, International Covenant on Civil and Political Rights - ICCPR and International Covenant on Economic, Social and Cultural Rights - ICESCR, and Principles of the United Nations Global Compact (UNGC). Bank's human rights policy is designed as the guideline for corporate-wide implementation.

Scope

This policy applies to all operations of KBank and other companies in KASIKORNBANK FINANCIAL CONGLOMERATE as well as employees, customers, suppliers, and business partners. All have the responsibility to respect human rights and to comply with the laws and regulations governing the protection of human rights at the national and international levels. KBank expected that all relevant stakeholders, as per mentioned, adhere to these human rights principles that are consistent with their own. Additionally, KBank commits to prevent and respect the following human rights issues: child labor, forced labor, human trafficking, freedom of association, the right to collective bargaining, equal remuneration, and discrimination.

Human Rights Due Diligence

KBank has established guidelines for human rights management and due diligence practices by carrying out assessments of risks and human rights-related impacts, preventive, and remedial measures in the event of human rights violations, monitoring and reporting of implementation results, and providing channels for receiving and handling human rights-related complaints. An annual revision of the human rights policy is included as well. Human rights due diligence process has been developed to identify and assess potential impacts and risks relating to respecting human rights in our own operations, value chain or activities related to our business and new business relations such as mergers, acquisitions, and joint ventures. Groups at risk of human rights issues covered women, children, indigenous people, migrant people, and disabled people that are more vulnerable to human rights violations. Additionally, KBank has arranged a series of trainings and communications to enhance knowledge, understanding, and awareness of human rights principles for employees on a regular basis to prevent human rights violations. The management guidelines cover all of stakeholders.

Details of Human Rights Policy can be found at KBank website:

https://www.kasikornbank.com/en/IR/CorporateGovernance/transparency/Pages/Human_Rights_Policy.aspx



2

Risk and Impact Assessment (1)

KBank has reviewed and identified human rights risks, associated with KBank business activities, value chain and new business relations (mergers, acquisitions, joint ventures), on an annual basis. KBank has done these systematically via the following steps:

1

RISK IDENTIFICATION

- Identify all actual or potential human rights issues associated with KBank business activities, value chain and new business relations (mergers, acquisitions, joint ventures). The actual or potential human rights issues that are covered in the process include, for example, human trafficking, forced labour, child labour, freedom of associate, right to collective bargaining, discrimination, resettlement and land acquisition, displacement, equal remuneration, and privacy.
- Consider stakeholders and vulnerable groups, including employees, women, children, customers, migrant worker, third-party contracted labour, indigenous people, LGBTQI+, elderly, people with disabilities and pregnant women, in the process.

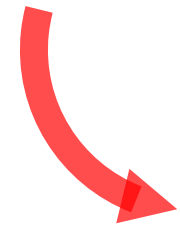


2

RANK INHERENT RISKS

(Risk level before considering its exiting mitigation measures and/or controls)

Conduct human rights inherent risk assessment.
Remark: In 2020, KBank revisited human rights risks identified in 2019 and updating their risk levels if necessary.



3

IDENTIFY MITIGATION MEASURES

Identify how each inherent risk is being managed through existing mitigation measures and/or controls.

4

RANK RESIDUAL RISKS

(Risk level after considering its exiting mitigation measures and/or controls)

Rank residual risks and prioritise human rights salient issues. For each human rights salient issue, KBank develops additional mitigation measures to reduce risk likelihood and/or severity to low level.





2 Risk and Impact Assessment (2 - KBank)

1 IDENTIFICATION

- KBank identified all actual or potential human rights issues associated with KBank functions through peer benchmarking, media analysis, review of existing human rights risks and impacts, and concerns communicated by civil society actors
- In 2020, the scope of risk assessment covered KASIKORN FINANCIAL CONGOMERATE and KASIKORN LINE Company Limited as a joint venture.

	Customers				Employees	Suppliers
KBank and KASIKORN FINANCIAL CONGOMERATE	Investment Service: 1.Data Privacy 2.Data Security 3.Market Conduct and Mis-selling 4.Customer Discrimination	Retail including Online Retail Banking, SME Customer: 1.Data Privacy 2.Data Security Retail including Offline Retail Banking, SME Customer and Wealth Management: 1.Customer Health and Safety during COVID-19 2.Customer Standard of Living during COVID-19 3.Market Conduct and Mis-selling	Corporate including Project Finance and Corporate Finance: 1.Labour Practices (i.e. human trafficking, forced labour, child labour, discrimination) 2.Land Rights (i.e. resettlement and land acquisition, displacement) 3.Community Rights 4.Environmental Impact	Asset Management: 1.Data Security 2.Customer Discrimination	1.Working Conditions 2.Working Conditions during COVID-19 3.Health and Safety 4.Health and Safety during COVID-19 5.Discrimination 6.Data Privacy 7.Data Security 8.Freedom of Association, Assembly, and Collective Bargaining	Procurement Practices (KBank's own operation): 1.Labour Practices (i.e. human trafficking, forced labour, child labour, discrimination) 2.Health and Safety 3.Community Rights 4.Data Privacy 5.Data Security



2 Risk and Impact Assessment (2 - KASIKORN LINE)

1 IDENTIFICATION

- KBank identified all actual or potential human rights issues associated with KBank functions through peer benchmarking, media analysis, review of existing human rights risks and impacts, and concerns communicated by civil society actors
- In 2020, the scope of risk assessment covered KASIKORN FINANCIAL CONGOMERATE and KASIKORN LINE Company Limited as a joint venture.

Customers

- 1.Data Privacy
- 2.Discrimination
- 3.Misconduct and Mis-selling
- 4.Standard of Living during COVID-19

Employees

- 1.Working Conditions
- 2.Working Conditions (unfair dismissal) during COVID-19
- 3.Working Conditions during COVID-19
- 4.Health and Safety during COVID-19

Suppliers

- 1.Labour Practices (i.e. human trafficking, forced labour, child labour, discrimination)
- 2.Data Security and Privacy
- 3.Health and Safety during COVID-19

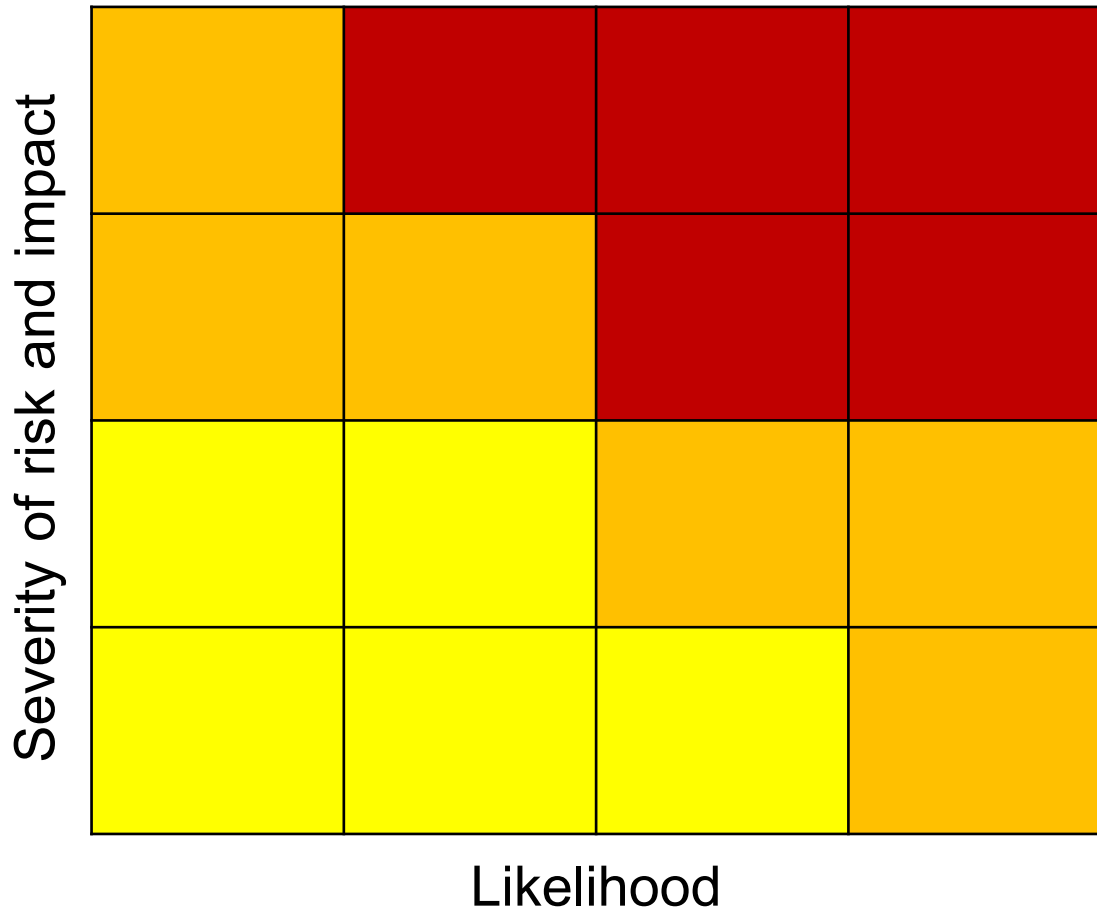
KASIKORN LINE
 Company Limited,
 a joint venture of
 KBank



2 Risk and Impact Assessment (3)

2-4

RANK INHERENT RISKS, EVALUATE MITIGATION MEASURES, AND RANK RESIDUAL RISKS.



Human Rights Matrix

Human rights risk assessment is done based on the impacts created on rights holders, especially considering vulnerable groups. Risks are placed on a 4x4 matrix, whereby the y-axis is severity of risk and impact and the x-axis is likelihood of the risk occurring. Risks are assessed and categorized as one of three levels:

High	High risks are human rights salient issues that need to be addressed with additional mitigation measures.
Medium	Medium risks are human rights salient issues that are mitigated to some extent, but need additional mitigation measures.
Low	Low risks are human rights risks that are presently adequately mitigated and should be monitored regularly for changes.

In 2020, human right issues that were ranked at high and medium levels will be considered as salient issues for KBank



2

Risk and Impact Assessment (4): Salient Issues in KBank's Own Operations & Joint Venture

Severity of risk and impact

1 2 3 4	6 7		
		5	

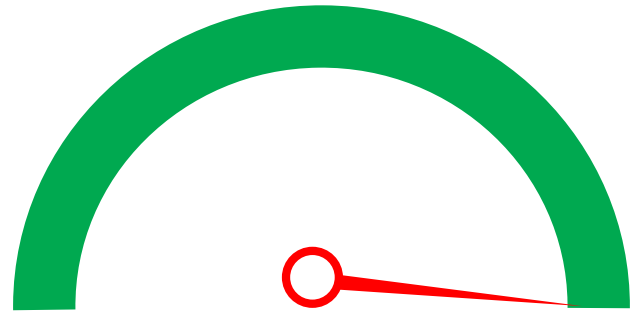
Likelihood

2020 KBank's Human Rights Salient Issues	Considered Stakeholders and Vulnerable Groups
1 Data privacy – KBank Online Customer	Women, local communities, customers, elderly, LGBTQI+, people with disability, pregnant women
2 Data security – KBank Online Customer	Women, local communities, customers, elderly, LGBTQI+, people with disability, pregnant women
3 Community rights – KBank Project Finance	Indigenous people, local communities, women, children, elderly, LGBTQI+, people with disability, pregnant women
4 Environmental impact – KBank Project Finance	Indigenous people, local communities, women, children, elderly, LGBTQI+, people with disability, pregnant women
Customer practices	
5 Working conditions – KASIKORN LINE employees practice	Employees, women, third-party contracted labour, LGBTQI+, people with disability, elderly, pregnant women
6 Working conditions during COVID-19 – KASIKORN LINE employees practice	Employees, women, third-party contracted labour, LGBTQI+, people with disability, elderly, pregnant women
7 Health and safety during COVID-19 – KASIKORN LINE employees practice	Employees, women, third-party contracted labour, LGBTQI+, people with disability, elderly, pregnant women



2 Risk and Impact Assessment (5): Overview of Results for KBank's Own Operations

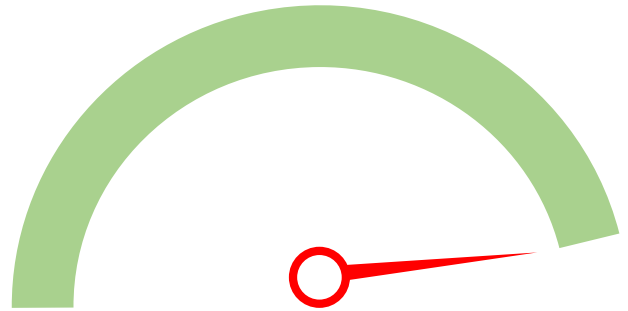
100%



100% of KBank practices with customers were assessed

- Project Finance / Corporate Finance
- Online Banking – Retail / SME
- Offline Banking – Retail / SME / Wealth Management
- Investment Service
- Asset Management

83.0%

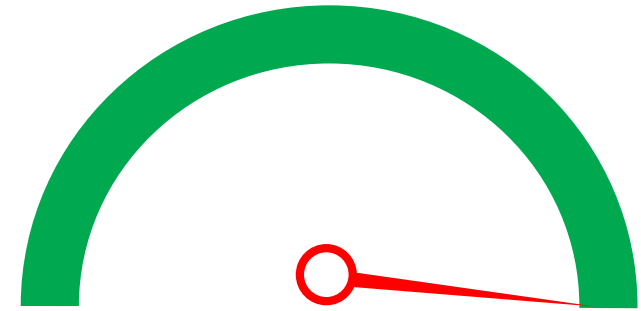


83.0%* of KBank practices with customers with potential human rights risks

- Activities with potential human rights risk identified
- Project Finance
 - Online Banking – Retail
 - Online Banking – SME
- Human rights issue identified
- Community rights (corporate)
 - Environmental impact (corporate)
 - Data privacy (retail)
 - Data security (retail)

* The percent of total assessed where risks have been identified for own operation was calculated by using the revenue for corporate (include SME) and retail (include Wealth) segment where risk has been identified.

100%



100% of KBank practices with potential human rights risk that have mitigation measures and remediation process implemented

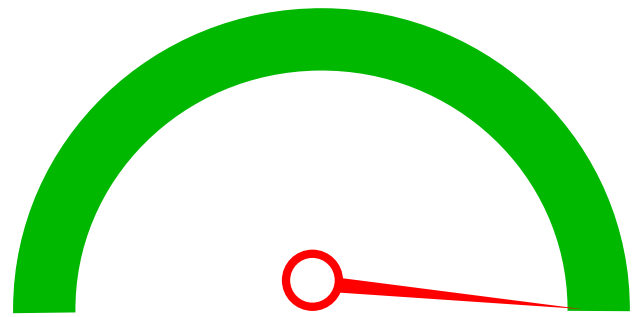
More information is available in KBank Sustainability Report 2020, page 126 – 129.



2

Risk and Impact Assessment (6): Overview of Results for KASIKORN LINE

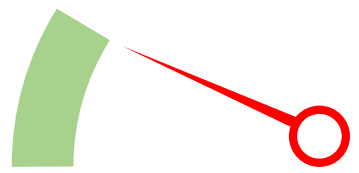
100%



100% of KASIKORN LINE's (KBank's joint venture with management control) operations and business activities were assessed.

- Online Transactions
- Employee Practice
- IT Supplier
- Non-IT Supplier

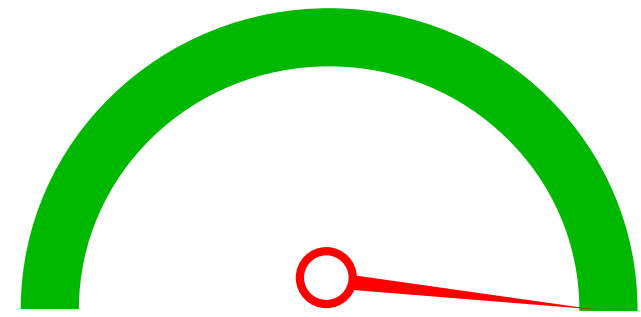
25%



25% of business activities in value chain in KASIKORN LINE operations with potential human rights risks

- Activity with potential human rights risk identified
- Employee Practice
- Human rights issue identified
- Working conditions
 - Working conditions during COVID-19
 - Health and Safety during COVID-19 (Employees)

100%



100% of KASIKORN LINE's business activities with potential human rights risk that have mitigation measures and remediation process implemented

More information is available in KBank Sustainability Report 2020, page 126 – 129.

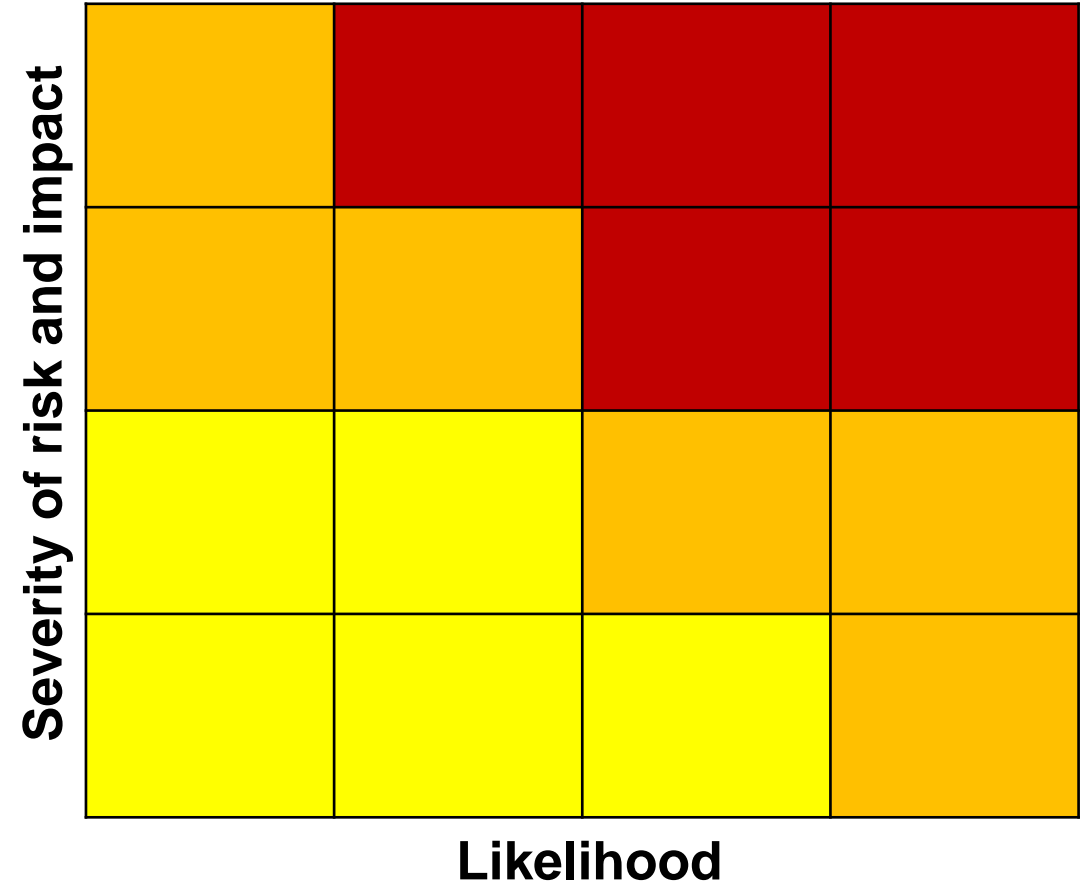


2

Risk and Impact Assessment (7): Salient Issues in KBank's Supply Chain Practices

There was no human rights salient issue identified for KBank's supply chain practices during 2020 human rights due diligence process.

Human rights issues, stakeholders and vulnerable groups, considered in 2020 human rights due diligence process, are illustrated in the below table.

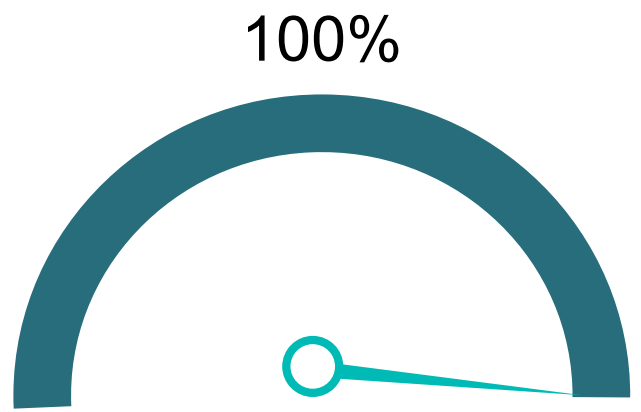


2020 KBank Suppliers' Considered Issues	Considered Stakeholders and Vulnerable Groups
1 labour Practices (i.e. human trafficking, forced labour, child labour, discrimination)	Employees, women, third-party contracted labour, LGBTQI+, people with disability, elderly, pregnant women
2 Health and Safety of Suppliers in their own operation	Employees, women, third-party contracted labour, LGBTQI+, people with disability, elderly, pregnant women
3 Community Rights	Indigenous people, local communities, women, children, elderly, LGBTQI+, people with disability, pregnant women
4 Data Privacy	Customers, women, LGBTQI+, people with disability, elderly, pregnant women
5 Data Security	Customers, women, LGBTQI+, people with disability, elderly, pregnant women



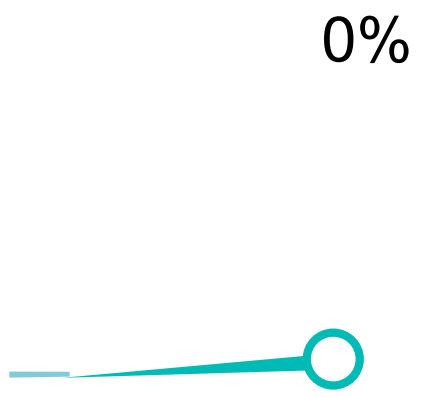
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Risk and Impact Assessment (8): Overview of Results for Supplier Assessment

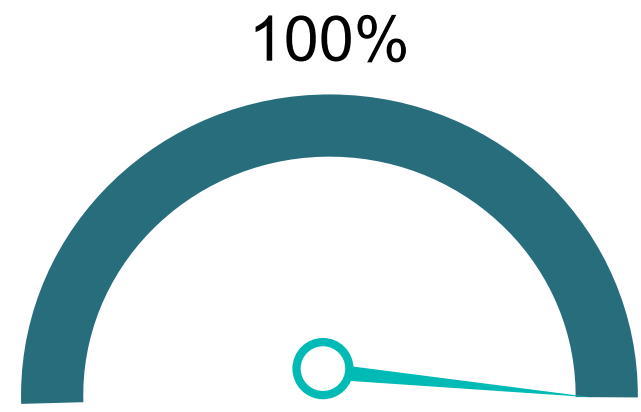


100 % of total KBank' suppliers were assessed.

- 181 suppliers of Tier-1 and Tier-2



0% of Tier-1 & 2 suppliers and contractors with potential human rights risk



100% of assessed suppliers with potential human rights risk that have mitigation measures and remediation process implemented

3 Integration & Internal Management: KBank's 2020 Salient Issues



1. Data privacy

Online customers of KBank



- Uses of customers' data for marketing without consent
- Customer data leakage by internal party

- Develop channels to allow customers to grant/ revoke their consent for data usage via K PLUS
- Implement clear policy and process for data usage in accordance with the Personal Data Protection Act (PDPA), encompassing data governance and IT security
- Develop Data Leak Protection (DLP) system to ensure rapid incident investigation

3 Integration & Internal Management: KBank's 2020 Salient Issues



- Customer data leakage by internal party
- Potential cyberattack by 3rd parties



2. Data security

Online customers of KBank



- Develop channels to allow customers to grant/ revoke their consent for data usage via K PLUS
- Implement clear policy and process for data usage in accordance with the Personal Data Protection Act (PDPA), encompassing data governance and IT security
- Develop Data Leak Protection (DLP) system to ensure rapid incident investigation



3

Integration & Internal Management: KBank's 2020 Salient Issues



RISK



3. Community rights

Project finance of KBank



MITIGATION

- Adverse impact on local communities' quality of life
- Relocation of local communities, caused by the project that bank invests

- Encourage public participation in all projects that receive loans from KBank
- Put in place third-party monitoring and auditing of issues relevant to community rights



3 Integration & Internal Management: KBank's 2020 Salient Issues



4. Environmental impact

Project finance of KBank



- Adverse impact on local communities' quality of life

- Upgrade credit policy for high-risk projects
- Arrange a more suitable and stringent credit underwriting process, along with development of risk assessment and auditing tools
- Stipulate measures for occupational safety and health (OHS) management



3 Integration & Internal Management: KBank's 2020 Salient Issues



5. Working conditions
 (Employees practice)
 KASIKORN LINE



- Work-related stress
- Overtime work due to insufficient manpower and nature of the work

- Elevate workplace safety standards
- Set a plan to review manpower and personnel recruitment to be presented to Board of Directors

3

Integration & Internal Management: KBank's 2020 Salient Issues



RISK

- Having an office syndrome due to long hours of working



6. Health and safety
 (Employees practice)

KASIKORN LINE



MITIGATION

- Communicate healthcare knowledge and appropriate work and time management



3 Integration & Internal Management: KBank's 2020 Salient Issues



RISK



7. Working conditions during COVID-19

(Employees practice)

KASIKORN LINE



MITIGATION

- Long hours of meeting could occur while working from home

- Communicate healthcare knowledge and appropriate work and time management



3 Integration & Internal Management: Mitigation Measures



928 KBank operational sites
operate with mitigation plans.

886 domestic branches

1 central office

40 subsidiaries

1 joint venture with management control

181 KBank's suppliers sites
operate with mitigation plans.

181 suppliers of Tier-1 and Tier-2



4 Monitoring and Reporting

Open channels for reporting human rights violation



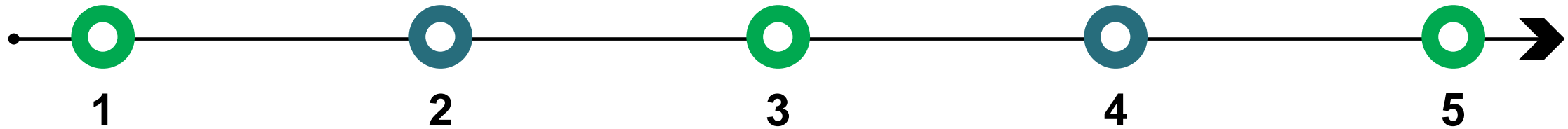
Details of whistle-blowing and communication channels can be found in our Sustainability Report 2020, page 53, please visit https://kasikornbank.com/en/sustainable-development/SDAnnualReports/Y2020_SD_EN.pdf.

KBank is committed to respecting the human rights of all stakeholders and vulnerable groups, as well as take the necessary actions to prevent any possible human rights violation by developing new mitigation measures and enhancing the existing ones. In order to do so, KBank reviews human rights due diligence annually. Results from the human rights due diligence are utilised for more effective prevention, whereas performance are communicated to internal and external stakeholders.

Therefore, KBank provides communication channel for both internal and external stakeholders and vulnerable groups to report human rights violations or make complaints. This gives KBank an opportunity to conduct further investigation, as well as provide adequate remediation to affected stakeholders and vulnerable groups.

5 Remediation

Process implemented to mitigate human rights risks and to take remediation actions



- Register human rights risks (including human rights salient issues) that are identified during human rights due diligence process.

- Develop additional mitigation measures (i.e. using leverage to handle human rights issues of the associated third party, divestment decision) for the identified human rights salient issues; and
- Inform organisational responsible functions to develop actions plans for implementation of additional mitigation measure.

- Execute the developed action plans for additional mitigation measures by the responsible functions; and
- Inform relevant stakeholders and vulnerable groups about mitigation measures implemented for human rights salient issues.

- Monitor the effectiveness of existing and additional mitigation measures through various ways (i.e. grievance mechanism, whistleblowing, community/customer/ employee engagement);
- Report the progress to higher positions; and
- Consult with higher position on the approach for remedying affected persons when human rights adverse impacts occur and affect persons (mitigation measures cannot handle/ alleviate risks).

- Immediately initiate remediation actions (i.e. publicly official apologies, financial or non-financial compensation, persuading the associated third party to remedy affected persons), after receive approval;
- Report remediation taken to affected persons in order to receive feedbacks; and
- Regularly monitor and communicate with affected persons until they return to the previous state before being affected by human rights adverse impact.



5 Remediation

Remediation actions taken in 2020

After implementing mitigation measures as well as monitoring and tracking human rights violation in 2020, KBank had **no case of human rights violation**, nor concerns or grievances related to human rights submitted. Thus, **there were no remediation action** taken in any forms (i.e. publicly official apologies, financial or non-financial compensation, persuading the associated third party to remedy affected persons).