



# Sustainable Banking





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GENERAL INFORMATION

# FINANCIAL HIGHLIGHTS

**2024    2023    2022    2021**

## Consolidated

### Financial position (Million Baht)

Loans to customers and accrued interest receivables, net	<b>136,547</b>	152,389	157,325	158,744
Investments, net	<b>82,343</b>	79,204	83,811	75,571
Interbank and money market items, net	<b>36,745</b>	36,386	42,384	64,219
Total assets	<b>260,408</b>	272,731	289,221	302,799
Deposits	<b>149,499</b>	153,589	162,982	158,928
Total liabilities	<b>214,688</b>	229,652	248,784	265,959
Total equity	<b>45,720</b>	43,079	40,437	36,840

### Performance results (Million Baht)

Net interest income	<b>6,138</b>	6,174	6,349	5,747
Net fees and service income	<b>353</b>	523	586	672
Gains on disposals of equipment, properties foreclosed and other assets	<b>13</b>	217	82	340
Bad debts recovered	<b>908</b>	308	276	522
Losses on properties foreclosed (NPA) and other assets	<b>(2,111)</b>	(638)	(325)	(304)
Net gains/(losses) on financial instruments measured at FVTPL	<b>479</b>	366	(18)	(207)
Total other operating expenses (excluded losses on NPA)	<b>(2,583)</b>	(2,590)	(2,530)	(2,416)
Expected credit loss	<b>(157)</b>	(724)	(804)	(1,075)
Net profit after tax	<b>2,485</b>	2,949	2,908	2,652

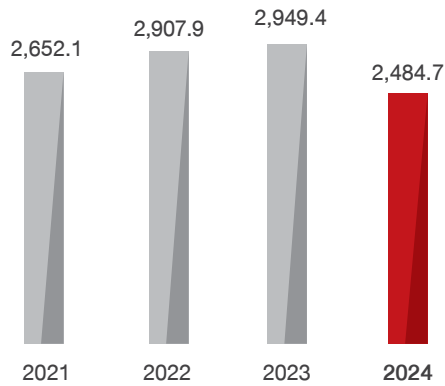
### Financial ratio

Return on average assets (ROA)	<b>0.93</b>	1.05	0.98	0.93
Return on average equity (ROE)	<b>5.60</b>	7.06	7.53	7.48
Capital adequacy ratio (Percentage)	<b>24.41</b>	22.03	20.63	18.08
Basic earnings per share (Baht)	<b>1.10</b>	1.31	1.29	1.18
Book value per share (Baht)	<b>20.28</b>	19.11	17.94	16.34

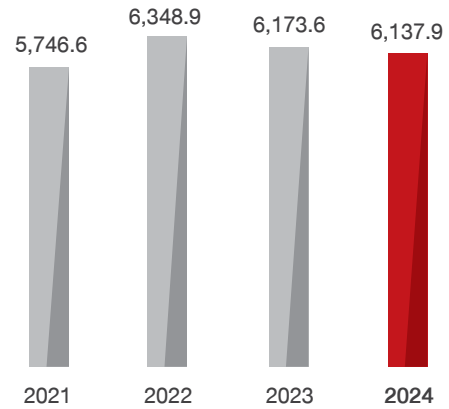
# FINANCIAL HIGHLIGHTS

(Consolidated)

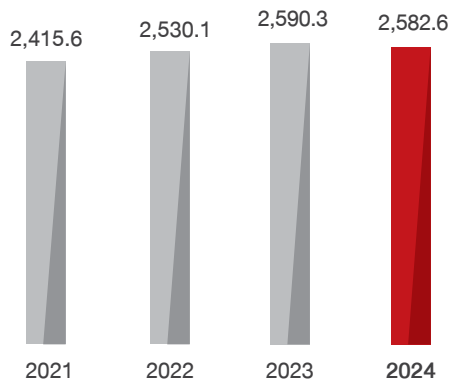
**Net Profit**  
(Million baht)



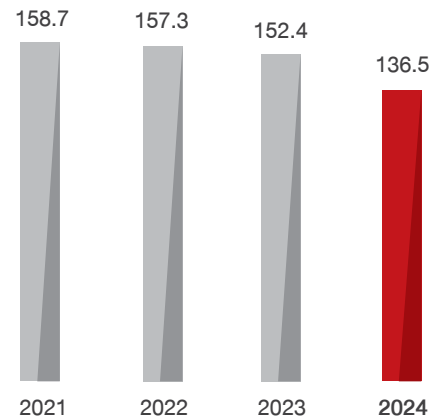
**Net Interest Income**  
(Million baht)



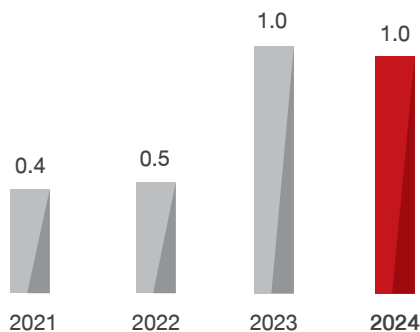
**Total Other Operating Expenses  
(Excluded Losses on NPA)**  
(Million baht)



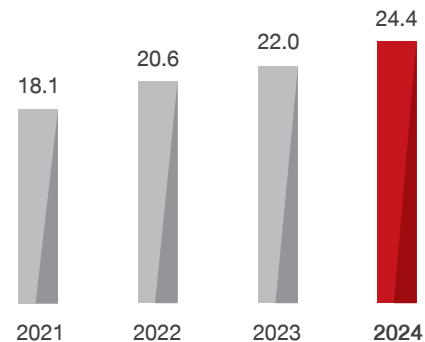
**Loans to customers and accrued  
Interest receivables, net**  
(Billion baht)



**NPL Ratio**  
(Percent)



**Capital Adequacy Ratio**  
(Percent)





# SUSTAINABILITY MESSAGE FROM THE CHAIRMAN OF THE BOARD OF DIRECTORS



Dear All Shareholders and  
Valued Customers,

The year 2025 is the 15<sup>th</sup> year of the ICBC (Thai)'s operations in Thailand. Throughout these years, the Bank has been committed to its mission to be “a valuable local bank and a bridge connecting the economies of Thailand and China in order to strengthen the economic and societal ties between the two countries” by balancing between the targets for short-term business growth and long-term sustainable growth. The Bank places importance on effective risk management and strict compliance with rules and regulations both at local and international levels. This is to ensure that the Bank has appropriate guidelines and prompt measures for preventing and mitigating various risks. Moreover, the Bank places importance on responsible business operations and realization of impacts to all stakeholders in order to create stability that would lead to sustainable growth.

The Bank aims to create material positive impacts and reduce negative impacts on the society. It also aims to be a financial intermediary for allocating funds to different business sectors and industries which the Bank uses the impacts on environment and climate change as the factors for the consideration of loans and investment. As a result, in 2024, the Bank increased its investment in Green Bonds and Blue Bonds as well as offering loans to environmentally friendly businesses.

Furthermore, the Bank recognizes the urgency of preservation of the environment and reducing impacts from climate change so that Thailand would reach its target of being a Net Zero country within the year 2065. Therefore, in order for this initiation to come to fruition, the Bank conducted the greenhouse gas emission assessment for the first time in the year 2023 and thus received a certification from the Carbon Footprint for Organization (CFO) from the Greenhouse Gas Management Organization (Public Organization) on 26 November 2024. In addition, the Bank recognizes the importance of management of resources within the organization to be more environmentally friendly, use less energy and emit less carbon. The Bank also set the plan for encouraging staff to join in activities to help reduce impacts to the environment such as installing rooftop solar panels at the Lat Phrao Branch, initiating a program to reduce gas emission within the organization, improving the work procedures to be more electronic and recycling waste papers in order to reduce community waste while preventing the leak of confidential information.

On the subject of governance, the Bank adheres to the principles of good governance by operating its business with transparency and treats all customers with fairness and equity. Moreover, the Bank gives priority to the handling of information including data management, personal data protection and data safety in accordance with the regulatory requirements and ICBC Group's requirements.

In addition to environmental and governance aspects, the Bank also places importance on the wellbeing and quality of life people in its communities by holding various activities. In 2024, the Bank promoted education by granting scholarships to undergraduate students, who had good academic records but lacked funds, for the 6<sup>th</sup> consecutive year, with more than 140 scholarship recipients given. Moreover, the Bank also held the "ICBC (Thai) Promotes Financial Discipline" in order to provide financial literacy to students undergraduate level.

On behalf of the Board of Directors, I would like to thank all customers and stakeholders for your continued trust and patronage in ICBC (Thai). The ICBC (Thai) Group will continue to operate its business to help drive the economy of Thailand while caring for the environment and society for the betterment of the Thailand and the Thai people.

**Mr. Yimin Hu**

Chairman of the Boards of Directors

# MESSAGE FROM CHIEF EXECUTIVE OFFICER



## Dear All Shareholders and Valued Customers,

In 2024, the world economy continued to recover, with overall rising trade demand. At the same time, geopolitical tensions intensified, the reconstruction of the global industrial and supply chains, and multiple crises such as food and energy were superimposed. The continuous increase in U.S. Dollar interest rates peaked at 5.25-5.50% before being reduced to 4.25-4.50% in the last quarter of the year. For Thailand, in addition to these external factors, the Thai economy also faced domestic challenges, particularly high household debt levels, which continued to limit private consumption growth. Where, the private investment also contracted compared to the previous year, resulting in an overall economic growth of only 2.5%.

For the Thai financial sector, the Thai Baht interest rate remained stable at 2.50%, the highest level in nine years, before being reduced to 2.25% in October 2024 to align with the level of economic risks and financial stability. However, commercial banks were more cautious in lending, especially to SMEs and consumer lending, due to the increase in household debt risks and financial measures by the Bank of Thailand to promote responsible lending. These cautious approaches, coupled with structural transitions in the automotive industry, led to a slight decline in overall bank lending.

For 2024, the ICBC (Thai) Group reported a net profit of Baht 2,484 million, lower than the previous year due to the structural change in Thailand's automotive industry which has



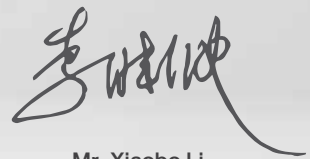
affected to the performance of hire purchase businesses. Total assets at the end of 2024 amounted to Baht 260,408 million, down 5% due to the decrease in foreign currency lending as well as stricter lending underwriting criteria aimed at effectively maintaining the strength of asset quality with a non-performing loan ratio of 0.96% at the end of 2024, slightly lower than the previous year and well below the average for the Thai banking sector. As the only RMB Clearing Bank in Thailand, our RMB clearing volume and transactions showed a significant improvement as a result of an increase in demand for RMB in global market. In addition to the financial performance, in 2024, ICBC (Thai) Group carried out the organizational restructuring and process optimization for agility and efficiency by establishing Transaction Banking Department to be responsible for medium and large corporate transaction as well as opened the Ayutthaya Branch as one of strategic locations for target customers in the industrial estates and vicinity areas.

Looking ahead to 2025, the Thai economy is expected to grow modestly and face many challenges, both domestic and international, including weakening global economic conditions and uncertainties in the U.S. economic policies. Consequently, the ICBC (Thai) Group's financial targets for 2025 will emphasize flexibility and resilience to manage potential uncertainties and risks. In 2025, ICBC (Thai) Group's strategy will continue focusing customer's oriented strategy thriving to consistently improve products and services based on customers' needs by optimizing its strategic location to enhance service capabilities and competitiveness, aligning with the evolving dynamic of its target customers. Emphasis will be placed on expanding loans to medium and large enterprises, adhering to comprehensive enterprise-wide risk management principles to growth-potential industries, aligned with Thailand's economic recovery and foreign direct investment, particularly from China, which has been growing in recent years and spans several target industries crucial to Thailand's economic development, such as electronic and electrical appliance, digital data center, renewable energy, electric vehicles, and related supply chains.

On the occasion of the 15<sup>th</sup> Anniversary of ICBC (Thai) Group's and the 10<sup>th</sup> Anniversary of RMB Clearing Bank in Thailand in 2025, ICBC (Thai) Group sees significant opportunities to provide comprehensive financial products and services to Chinese investors, leveraging its extensive network in China and beyond. ICBC (Thai) Group is confident in supporting various financial needs to ensure the success of Chinese investments and business expansions in Thailand. And the RMB Clearing Bank will continue its crucial role in enhancing and facilitating the trade, business and financial ties between Thailand and China.

While interest rates are expected to decline in 2025, which will inevitably affect interest income, in addition to the cautious expansion of lending business in the above-mentioned targets, ICBC (Thai) Group will also focus on generating non-interest income from foreign exchange, insurance, banking cards, and various financial services to sustain the profitability.

On behalf of management and all staff, I would like to take this opportunity to offer my sincere appreciation to our shareholders, customers and all stakeholders who have placed your trust in the ICBC (Thai) Group and have given your continued support. We will continue to operate our business with professionalism, transparency and good governance to ensure sustainable growth.



**Mr. Xiaobo Li**  
Chief Executive Officer

# THE BOARD OF DIRECTORS

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**01****Mr. Yimin Hu**

Age 58 years

**Position**

Chairman of the Board of Directors

**Education**

MBA, Tsinghua University

**Experience**

2021-Present Chairman of the Board of Directors, Industrial and Commercial Bank of China (Thai) Public Company Limited • 2020-Present Director, ICBC (Asia) • 2019-Present Director, ICBC (Wealth Management) • 2018-Present Senior Expert and Accredited Non-executive Director of Corporate Strategy and Investor Relations Dept., Industrial and Commercial Bank of China Limited, H.O. • 2018-Present Director, Chinese Mercantile Bank • 2018-Present Director, ICBC Asset Management (Global) • 2005-2018 Deputy General Manager of Institutional Banking Dept., Industrial and Commercial Bank of China Limited, H.O.

**Shareholding (%)**

None

**02****Mr. Xiaobo Li**

Age 50 years

**Position**

Authorized Director • Chief Executive Officer • Chairman of the Executive Committee • Member of the Group Risk Supervision and Internal Control Committee, Industrial and Commercial Bank of China (Thai) Public Company Limited • Chairman of the Board of Directors of ICBC (Thai) Leasing Company Limited

**Education**

MBA, Huazhong Technology University • Bachelor Degree of Economics, Fudan University

**Experience**

February 2021-Present Authorized Director/Chief Executive Officer/Chairman of the Executive Committee/Member of the Group Risk Supervision and Internal Control Committee, Industrial and Commercial Bank of China (Thai) Public Company Limited • February 2021-Present Chairman of the Board of Directors of ICBC (Thai) Leasing Company Limited • 2016-2020 General Manager, Executive Director, Chairman of Risk Management Committee, Internal Control & Compliance & AML Committee, Asset & Liability Management Committee, IT Committee, New Product Committee, ICBC Brazil S.A. • January 2016-November 2017 Non-Executive Director, ICBC Peru S.A. • 2011-2016 President ICBC Poland Branch.

**Shareholding (%)**

None

**03****Mrs. Unakorn Phruithithada**

Age 67 years

**Position**

Independent Director • Chairperson of the Audit Committee • Vice Chairperson of the Group Risk Supervision and Internal Control Committee

**Education**

Master Degree (with Distinction), MBA (Computer Application and Information Systems), New York University, New York, USA • Master of Accounting (1<sup>st</sup> Score Level), Thammasat University • U.S. C.P.A., New York City, USA • Thai C.P.A., Federation of Accounting Professions under the Royal Patronage of His Majesty the King • ASEAN C.P.A., Federation of Accounting Professions under the Royal Patronage of His Majesty the King

**Experience**

2022-Present Independent Director/Chairperson of the Audit Committee/Vice Chairperson of the Group Risk Supervision and Internal Control Committee, Industrial and Commercial Bank of China (Thai) Public Company Limited • 2024-Present Quality Assurance Review Panel, Office of the Securities and Exchange Commission (SEC) • 2020-Present Studying and Monitoring of the International Financial Reporting Standard Sub-committee, Federation of Accounting Professions under the Royal Patronage of His Majesty the King • 2019-Present Independent Director/Member of the Audit Committee, Sri Trang Gloves (Thailand) Plc. • 2020-2024 Independent Director/Chairperson of the Audit Committee, Principal Capital Plc. • 1994-2018 Auditor (Partner), Pricewaterhouse Coopers ABAS Limited

**Shareholding (%)**

None

**04****Mr. Natdanai Indrasukhsri**

Age 70 years

**Position**

Independent Director • Chairman of the Group Risk Supervision and Internal Control Committee • Member of the Audit Committee

**Education**

MBA, Southern New Hampshire University, USA

**Experience**

2023-Present Independent Director/Member of the Audit Committee, Industrial and Commercial Bank of China (Thai) Public Company Limited • 2022-Present Independent Director/Chairman of the Group Risk Supervision and Internal Control Committee, Industrial and Commercial Bank of China (Thai) Public Company Limited • November 2023-Present Independent Director/Chairman of the Audit Committee, Dusit Foods Co.,Ltd. • 2022-Present Independent Director/Chairman of the Audit Committee, Nextech Asia Co.,Ltd. • 2022-Present Independent Director/Chairman of the Audit Committee, Globlex Holding Management Plc. • 2017-Present Independent Director/Chairman of the Audit Committee, Triton Holding Plc.

**Shareholding (%)**

None

**05****Mr. Jukr Boon-Long**

Age 67 years

**Position**

Independent Director • Chairman of the Nomination, Compensation and Corporate Governance Committee

**Education**

Master of Arts (International Politics and Economics), University of Detroit, USA • The National Defence College of Thailand Class 52 • The Programme of Senior Executives on Justic Administration, Class 16 • Executive Program, Capital Market Academy (CMA) Class 29 • Certificate in Top Executives in the Energy Education Program, Thailand Energy Academy (TEA) Class 17

**Experience**

2024-Present Independent Director/Chairman of the Nomination, Compensation and Corporate Governance Committee, Industrial and Commercial Bank of China (Thai) Public Company Limited • 2023-Present, Chairman of the Board of Directors, Wastech Exponential Company Limited • 2019-Present, Qualified Director/Chairman of the Risk Management Committee, Neighboring Countries Economic Development Cooperation Agency, NEDA (Public Organization) • 2019-Present, Independent Director, Chairman of the Remuneration and Nomination Committee, Member of the Audit Committee, Corporate Governance and Sustainable Development Committee, P.C.S. Machine Group Holding Public Company Limited • 2019-Present, Independent Director, Member of the Audit Committee, Remuneration and Nomination Committee, Corporate Governance and Sustainable Development Committee, CP Aextra Public Company Limited • 2018-Present, Independent Director/Chairman of the Corporate Governance and Sustainable Development Committee, Member of the Audit Committee, S Hotels & Resorts Public Company Limited • 2018-Present, Independent Director, Chairman of the Audit Committee, Glow Energy Public Company Limited • 2017-2018, Ambassador Extraordinary Plenipotentiary of Thailand to the Republic of the Union of Myanmar

**Shareholding (%)**

None

**06****Mr. Yong Hu**

Age 50 years

**Position**

Director • Member of the Nomination, Compensation and Corporate Governance Committee

**Education**

Master of Quantitative Economics, Shanghai University of Finance Economics

**Experience**

September 2018-Present Director/Member of the Nomination, Compensation and Corporate Governance Committee, Industrial and Commercial Bank of China (Thai) Public Company Limited

- May 2020-Present Director, ICBC Investment
- May 2019-Present Non-Executive Supervisor, ICBC Technology
- June 2018-Present Director, ICBC Moscow
- January 2018- Present Expert and Accredited Non-executive Director of Corporate Strategy and Investor Relations Dept., Industrial and Commercial Bank of China Limited, H.O.
- June 2015-January 2018 Head of Internal Audit of Department, Audit Responsible Person of ICBC-AXA LIFE, ICBC-AXA LIFE
- June 2012-June 2015 Head of Board of Supervisors Office, Industrial and Commercial Bank of China Limited, H.O.
- February 2006-June 2012 Deputy Head of Board of Supervisors Office, Industrial and Commercial Bank of China Limited, H.O.

**Shareholding (%)**

None

**07****Ms. Jing Jin**

Age 51 years

**Position**

Director • Member of the Nomination, Compensation and Corporate Governance Committee

**Education**

Master of Statistics, Renmin University of China

**Experience**

2021-Present Director/Member of the Nomination, Compensation and Corporate Governance Committee, Industrial and Commercial Bank of China (Thai) Public Company Limited

- 2023-Present Non-executive Director of ICBC-AXA Assurance Co.,Ltd.
- 2023-Present Non-executive Director of ICBC Financial Leasing Co.,Ltd.
- 2021-Present Expert and Accredited Non-executive Director of Corporate Strategy and Investor Relations Dept., Industrial and Commercial Bank of China Limited, H.O.
- 2009-2021 Head of Public Release Div., Management Information Dept., Industrial and Commercial Bank of China Limited, H.O.

**Shareholding (%)**

None

**08****Mr. Yijiang Zhang**

Age 54 years

**Position**

Authorized Director • Member of the Executive Committee

**Education**

Master of Economics, Peking University

**Experience**

July 2024-Present Authorized Director, Industrial and Commercial Bank of China (Thai) Public Company Limited

- May 2024-Present Member of the Executive Committee/Senior Executive Vice President, in charge of Financial Market Division, Information Technology Division and Corporate Secretary and Legal Division, Industrial and Commercial Bank of China (Thai) Public Company Limited
- February 2024-Present Executive Director, Industrial and Commercial Bank of China (Thai) Public Company Limited
- September 2014-April 2024 Deputy General Manager, ICBC Sydney Branch
- September 2009-September 2014 Deputy Head of Department/Information Management Department, Industrial and Commercial Bank of China Limited, H.O.

**Shareholding (%)**

None

**09****Dr. Shuxian Cui**

Age 57 years

**Position**

Authorized Director • Member of the Executive Committee • Member of the Group Risk Supervision and Internal Control Committee

**Education**

PhD, Statistics, Renmin University of China

**Experience**

July 2024-Present Senior Executive Vice President, in charge of Finance and Strategy Division, Risk Management Division and Credit Approval Department, Industrial and Commercial Bank of China (Thai) Public Company Limited

- January 2022-Present Member of the Executive Committee/Member of the Group Risk Supervision and Internal Control Committee, Industrial and Commercial Bank of China (Thai) Public Company Limited
- October 2021-Present Authorized Director, Industrial and Commercial Bank of China (Thai) Public Company Limited
- January 2022-June 2024 Senior Executive Vice President, in charge of Finance and Strategy Division, Risk Management Division, Banking Operations Division and Credit Approval Department, Industrial and Commercial Bank of China (Thai) Public Company Limited
- January 2013-2021 Deputy Country Head, ICBC Seoul Branch
- January 2009-January 2013 Section Chief, Industrial and Commercial Bank of China Limited, H.O.

**Shareholding (%)**

None

**10****Mr. Apinetr Unakul**

Age 57 years

**Position**

Independent Director • Member of the Audit Committee • Member of the Group Risk Supervision and Internal Control Committee

**Education**

Master of Software and System Engineering, Boston University, MA, USA

**Experience**

2022-Present, Independent Director/Member of the Group Risk Supervision and Internal Control Committee, Industrial and Commercial Bank of China (Thai) Public Company Limited

- 2020-Present, Independent Director/Member of the Audit Committee, Industrial and Commercial Bank of China (Thai) Public Company Limited
- 2023-Present Director, BDH Corporation Co., Ltd.
- 2017-Present, Director, Silicon Craft Technology Plc.
- 2019-2020 Independent Director, Zanegrowth Company Limited
- 1992-2018, Associate Professor, King Mongkut's University of Technology Ladkrabang

**Shareholding (%)**

None



# SENIOR EXECUTIVES



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**01****Mr. Xiaobo Li**

Age 50 years

**Position**

Chief Executive Officer • Chairman of the Executive Committee • Member of the Group Risk Supervision and Internal Control Committee, Industrial and Commercial Bank of China (Thai) Public Company Limited • Chairman of the Board of Directors of ICBC (Thai) Leasing Company Limited

**Education**

MBA, Huazhong Technology University • Bachelor Degree of Economics, Fudan University

**Experience**

February 2021–Present Chief Executive Officer/Chairman of the Executive Committee/Member of the Group Risk Supervision and Internal Control Committee, Industrial and Commercial Bank of China (Thai) Public Company Limited • February 2021–Present Chairman of the Board of Directors of ICBC (Thai) Leasing Company Limited • 2016–2020, General Manager, Executive Director, Chairman of Risk Management Committee, Internal Control & Compliance & AML Committee, Asset & Liability Management Committee, IT Committee, New Product Committee, ICBC Brazil S.A. • January 2016–November 2017, Non-Executive Director, ICBC Peru S.A. • 2011–2016, President, ICBC Poland Branch

**Shareholding (%)**

None

**02****Mr. Yijiang Zhang**

Age 54 years

**Position**

Senior Executive Vice President • Member of the Executive Committee

**Education**

Master of Economics, Peking University

**Experience**

July 2024–Present Authorized Director, Industrial and Commercial Bank of China (Thai) Public Company Limited • May 2024–Present Member of the Executive Committee/Senior Executive Vice President, in charge of Financial Market Division, Information Technology Division and Corporate Secretary and Legal Division, Industrial and Commercial Bank of China (Thai) Public Company Limited • February 2024–Present Executive Director, Industrial and Commercial Bank of China (Thai) Public Company Limited • September 2014–April 2024 Deputy General Manager, ICBC Sydney Branch • September 2009–September 2014 Deputy Head of Department/Information Management Department, Industrial and Commercial Bank of China Limited, H.O.

**Shareholding (%)**

None

**03****Mr. Xiangfeng Li**

Age 48 years

**Position**

Senior Executive Vice President, Industrial and Commercial Bank of China (Thai) Public Company Limited • Director and President of ICBC (Thai) Leasing Company Limited

**Education**

Bachelor of Economics (International Banking) Heilongjiang University

**Experience**

2023–Present Senior Executive Vice President, Industrial and Commercial Bank of China (Thai) Public Company Limited, Director and President of ICBC (Thai) Leasing Company Limited • 2020–2023 Head of Branch, General Management Office of ICBC, Jixi Branch • 2019–2020 Investment Banking Department (Following the Talent Exchange Program) of ICBC, Head Office • 2017–2020 General Manager, International Business Department of ICBC, Heilongjiang Provincial Branch • 2016–2017 Acting of General Manager, International Business Department of ICBC, Heilongjiang Provincial Branch • 2011–2016 Deputy General Manager, International Business Department of ICBC, Heilongjiang Provincial Branch • 2010–2011 Assistant General Manager, International Business Department of ICBC, Heilongjiang Provincial Branch • 2009–2010 Assistant President of ICBC, Harbin Ronghui Sub-Branch • 2007–2010 Manager, International Business Department of ICBC, Heilongjiang Provincial Branch

**Shareholding (%)**

None

**04****Mr. Xinchun Liu**

Age 51 years

**Position**

Senior Executive Vice President • Member of the Executive Committee

**Education**

Master of Business Administration, University of Texas at Arlington, USA

**Experience**

July 2024–Present Member of the Executive Committee/Senior Executive Vice President, in charge of Banking Operations Division and Compliance Department, Industrial and Commercial Bank of China (Thai) Public Company Limited • July 2015–June 2024 Deputy General Manager, ICBC Yangon Branch • January 2015–June 2015 Deputy Head, ICBC Yangon Branch Preparatory Group • September 2013–December 2014 Head of Product 5<sup>th</sup> Section, Product Innovation Management Department, Industrial and Commercial Bank of China Limited, H.O.

**Shareholding (%)**

None

**05****Mr. Jian Gong**

Age 52 years

**Position**

Senior Executive Vice President • Member of the Executive Committee

**Education**

Bachelor Degree of Economics, Finance & Banking Institute of China

**Experience**

May 2024–Present Senior Executive Vice President, in charge of Branch Banking Division and Chinese Business Center Division, Industrial and Commercial Bank of China (Thai) Public Company Limited • January 2023–Present Member of the Executive Committee, Industrial and Commercial Bank of China (Thai) Public Company Limited • July 2023–April 2024 Senior Executive Vice President, in charge of Branch Banking Division and Information Technology Division, Industrial and Commercial Bank of China (Thai) Public Company Limited • December 2022–April 2024 Senior Executive Vice President, in charge of Chinese Business Center Division and Financial Markets Division, Industrial and Commercial Bank of China (Thai) Public Company Limited • March 2020–2022 Marketing Expert of Hainan Branch, and Head of Haikou Guomao Sub-branch, ICBC Hainan/Haikou Guomao Sub Branch • November 2018–March 2020 Marketing expert of Hainan Branch, ICBC Hainan • August 2016–November 2018 Chief Customer Manager of Corporate Banking Department, Industrial and Commercial Bank of China Limited, H.O. • April 2009–August 2016 Division Head of Corporate Banking Department, Industrial and Commercial Bank of China Limited, H.O.

**Shareholding (%)**

None

**06****Dr. Shuxian Cui**

Age 57 years

**Position**

Senior Executive Vice President • Member of the Executive Committee • Member of the Group Risk Supervision and Internal Control Committee

**Education**

PhD, Statistics, Renmin University of China

**Experience**

July 2024–Present Senior Executive Vice President, in charge of Finance and Strategy Division, Risk Management Division and Credit Approval Department, Industrial and Commercial Bank of China (Thai) Public Company Limited • January 2022–Present Member of the Executive Committee/ Member of the Group Risk Supervision and Internal Control Committee, Industrial and Commercial Bank of China (Thai) Public Company Limited • October 2021–Present Authorized Director, Industrial and Commercial Bank of China (Thai) Public Company Limited • January 2022–June 2024 Senior Executive Vice President, in charge of Finance and Strategy Division, Risk Management Division, Banking Operations Division and Credit Approval Department, Industrial and Commercial Bank of China (Thai) Public Company Limited • January 2013–2021 Deputy Country Head, ICBC Seoul Branch • January 2009–January 2013 Section Chief, Industrial and Commercial Bank of China Limited, H.O.

**Shareholding (%)**

None

**07****Ms. Suree Wipatakanok**

Age 61 years

**Position**

Senior Advisor, Acting Head of Corporate Banking Division • Member of the Executive Committee

**Education**

BA, Business Administration, Ramkhamhaeng University

**Experience**

2024–Present Senior Advisor and Acting Head of Corporate Banking Division, Industrial and Commercial Bank of China (Thai) Public Company Limited • 2012–Present Member of the Executive Committee, Industrial and Commercial Bank of China (Thai) Public Company Limited • March 2021–2023 Senior Executive Vice President, in charge of Corporate Banking Division; Head of Corporate Banking Division, Industrial and Commercial Bank of China (Thai) Public Company Limited • 2019–2021 Senior Executive Vice President, Head of Corporate Banking Division, Industrial and Commercial Bank of China (Thai) Public Company Limited • 2007–2019 Executive Vice President, Corporate Banking Division, Industrial and Commercial Bank of China (Thai) Public Company Limited • 2006–2007 Executive Vice President, Corporate Banking Department, Industrial and Commercial Bank of China (Thai) Public Company Limited • 2004–2006 Senior Vice President, Credit & Marketing–Medium Enterprise Department, Industrial and Commercial Bank of China (Thai) Public Company Limited • 2000–2004 Vice President/ Head of Commercial Sales Department, Bank of Asia Public Company Limited • 2006–2012 Director, ICBC (Thai) Leasing Company Limited

**Shareholding (%)**

None

**08****Ms. Chittavadee Sangthong**

Age 52 years

**Position**

Executive Vice President, Head of Branch Banking Division

**Education**

MBA, Financial Management, National Institute of Development Administration

**Experience**

December 2021–Present Executive Vice President, Head of Branch Banking Division, Industrial and Commercial Bank of China (Thai) Public Company Limited • February 2020–November 2021 Executive Vice President; Head of Consumer Sales and Distribution Department, CIMB Thai Bank Plc. • October 2019–August 2021 Executive Vice President, Head of SME and Head of Credit Center, Commercial Banking Department, CIMB Thai Bank Plc. • June 2018–September 2019 Executive Vice President, Head of Credit Center, Commercial Banking Group, CIMB Thai Bank Plc. • March 2017–May 2018 Executive Vice President, Head of Medium Business, Commercial Banking Group, CIMB Thai Bank Plc. • December 2013–February 2017 Executive Vice President, Head of Credit and Risk Analytics, Wholesale Banking Group, CIMB Thai Bank Plc.

**Shareholding (%)**

None

**09****Ms. Suwimol Itthiputh**

Age 61 years

**Position**

Senior Advisor, Acting Head of Financial Markets Division

**Education**

MBA, International Business, University of New Haven, Connecticut, USA

**Experience**

2024–Present Senior Advisor and Acting Head of Financial Markets Division, Industrial and Commercial Bank of China (Thai) Public Company Limited • December 2022–December 2023 Executive Vice President, Financial Markets Division, Industrial and Commercial Bank of China (Thai) Public Company Limited • March 2019–December 2022 Executive Vice President, Institution Business Division, Industrial and Commercial Bank of China (Thai) Public Company Limited • March 2017–March 2019 Senior Vice President, Institution Business Division, Industrial and Commercial Bank of China (Thai) Public Company Limited • January 2016–March 2017 Senior Vice President, Acting Head of Institution Business Division, Industrial and Commercial Bank of China (Thai) Public Company Limited • September 2007–January 2016 Senior Vice President, Foreign Exchange and Financial Institution Dept., Industrial and Commercial Bank of China (Thai) Public Company Limited

**Shareholding (%)**

None

**10****Ms. Orapin Sreesangkom**

Age 61 years

**Position**

Senior Advisor, Acting Head of Corporate Secretary &amp; Legal Division • Corporate Secretary

**Education**

LL.M., Harvard Law School, USA • LL.M. (International Banking Law), Boston University School of Law, USA

**Experience**

2024-Present Senior Advisor and Acting Head of Corporate Secretary &amp; Legal Division, Industrial and Commercial Bank of China (Thai) Public Company Limited • 2007-2023 Executive Vice President, Corporate Secretary &amp; Legal Division, Industrial and Commercial Bank of China (Thai) Public Company Limited • 2005-2007 Senior Vice President, General Secretariat Division, Industrial and Commercial Bank of China (Thai) Public Company Limited • 2004-2005 Vice President, Legal and Compliance Department, ACL Securities Company Limited • 2000-2004 Vice President, Capital Markets Legal, SG Asia Credit Securities., Ltd. • 1997-2000 Consultant, Linklaters (Thailand) Limited • 1988-1997 Associate, International Legal Counsellors Thailand Limited

**Shareholding (%)**

None

**11****Ms. Sasiwadee Somboonthum**

Age 65 years

**Position**

Senior Advisor, Acting Head of Banking Operations Division

**Education**

MBA, Thammasart University • MS, Information Systems, PACE University, USA

**Experience**

2024-Present Senior Advisor and Acting Head of Banking Operations Division, Industrial and Commercial Bank of China (Thai) Public Company Limited • 2022-2023 Senior Advisor, Banking Operations Division, Industrial and Commercial Bank of China (Thai) Public Company Limited • 2012-2021 Executive Vice President, Banking Operations Division, Industrial and Commercial Bank of China (Thai) Public Company Limited • 2008-2012 Executive Vice President, Branch Operations &amp; Organization Development Division, Industrial and Commercial Bank of China (Thai) Public Company Limited • 2007-2008 Senior Vice President, Branch Operations &amp; Organization Development Division, Industrial and Commercial Bank of China (Thai) Public Company Limited • 2006-2007 Senior Vice President, Information Systems &amp; Organization Department, Industrial and Commercial Bank of China (Thai) Public Company Limited • 2003-2006 First Vice President, Information Systems &amp; Organization Department, Industrial and Commercial Bank of China (Thai) Public Company Limited

**Shareholding (%)**

None

**12****Mr. Wisit Ausawalaithong**

Age 57 years

**Position**

Executive Vice President, Head of Information Technology Division

**Education**

MS, Computer Science, Asian Institute of Technology

**Experience**

2007-Present Executive Vice President, Information Technology Division, Industrial and Commercial Bank of China (Thai) Public Company Limited • 2007 Senior Vice President, Information Technology Department, Industrial and Commercial Bank of China (Thai) Public Company Limited • 1994-2007 Principal Consultant, Temenos (Thailand) Company Limited

**Shareholding (%)**

None

**13****Mr. Seksan Chunserreechai**

Age 58 years

**Position**

Executive Vice President, Head of Risk Management Division, Chief Risk Officer (CRO)

**Education**

MBA, Chulalongkorn University

**Experience**

March 2019-Present Executive Vice President, Risk Management Division, Industrial and Commercial Bank of China (Thai) Public Company Limited • 2020-Present Chief Risk Officer (CRO) Industrial and Commerce Bank of China (Thai) Public Company Limited • June 2018-March 2019 Senior Vice President, Head of Risk Management Division, Industrial and Commercial Bank of China (Thai) Public Company Limited • January 2017-June 2018 Senior Vice President, Acting Head of Risk Management Division, Industrial and Commercial Bank of China (Thai) Public Company Limited • January 2015-January 2017 Senior Vice President, Head of Portfolio Risk Management Dept./Acting Head of Credit Risk Dept., Industrial and Commercial Bank of China (Thai) Public Company Limited • January 2008-December 2014 First Vice President, Head of Portfolio Risk Management Dept., Industrial and Commercial Bank of China (Thai) Public Company Limited • 2022-Present, Director, ICBC (Thai) Leasing Company Limited • 2022-Present, Director, Finansia Syrus Securities Plc. • 2022-Present, Director, Finansia X Plc.

**Shareholding (%)**

None

**14****Ms. Kejia Xing**

Age 43 years

**Position**

Senior Vice President, Acting Head of Finance &amp; Strategy Division and Head of Financial Control Department

**Education**

Master of Accounting, Central University of Finance and Economics

**Experience**

July 2023-Present Senior Vice President, Acting Head of Finance &amp; Strategy Division and Head of Financial Control Department, Industrial and Commercial Bank of China (Thai) Public Company Limited • March 2019-June 2023 Deputy Head of Overseas Business Management Division, International Banking Department, Industrial and Commercial Bank of China Limited, H.O. • November 2012-March 2019 Head of Accounting, Industrial and Commercial Bank of China (New Zealand) Limited.

**Shareholding (%)**

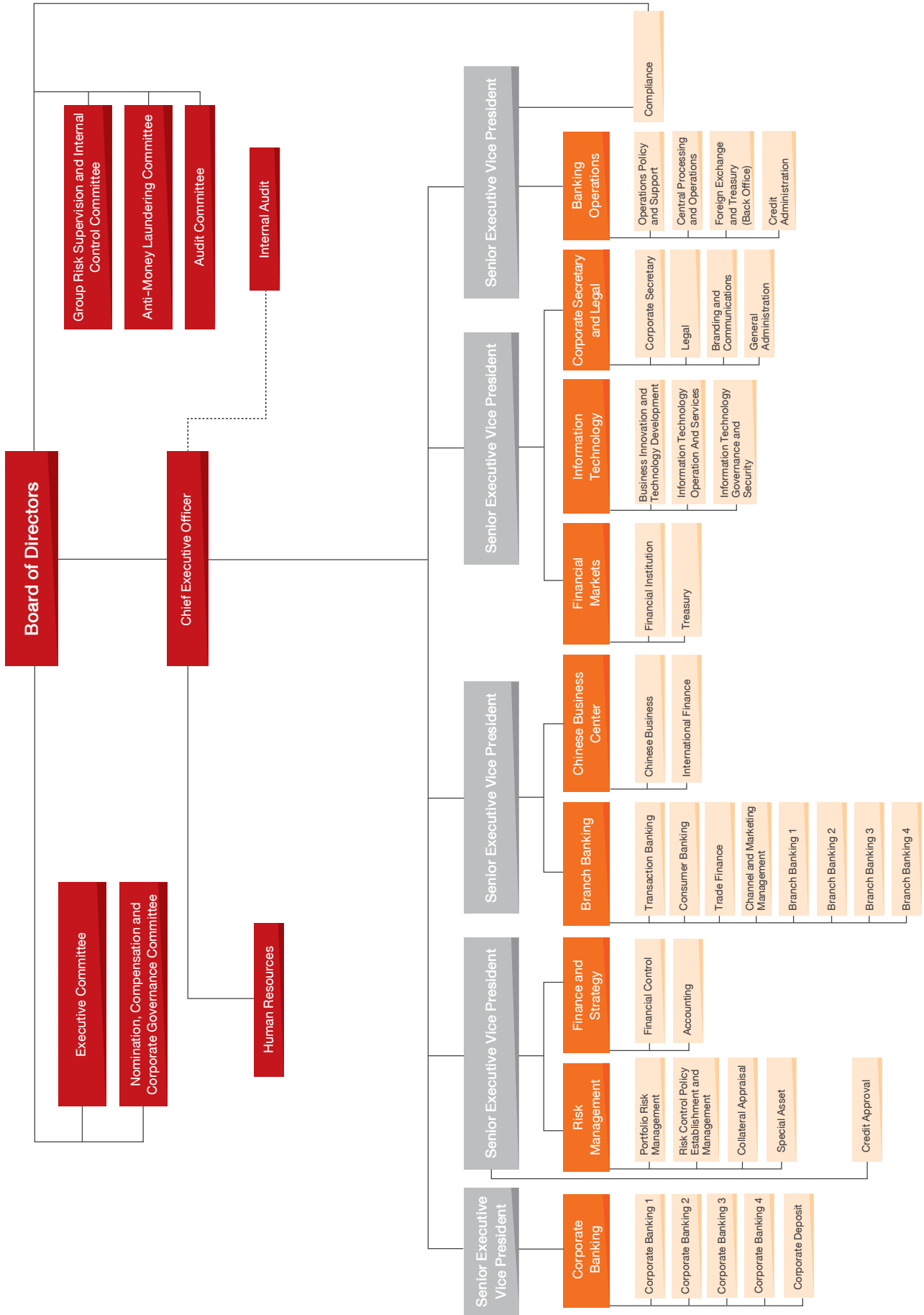
None



## EXECUTIVE OFFICERS

No.	Name	Position	Division/Department
1	Mr. Bo Han	Senior Vice President	Branch Banking Division
2	Mr. Ning Ge	Senior Vice President	Financial Markets Division
3	Ms. Pathanit Mungkorpanich	Senior Vice President	Corporate Secretary & Legal Division
4	Mr. Xianwei Wang	Senior Vice President	Information Technology Division
5	Ms. Chitraporn Saowapa	Senior Vice President	Finance & Strategy Division
6	Ms. Samerjai Charoensri	Senior Vice President	Compliance Department
7	Ms. Urai Chatvattananon	Senior Vice President	Internal Audit Department
8	Mr. Ponganan Settacharnwit	Senior Vice President	Corporate Banking 1 Department
9	Mr. Sayarm Lohsawat	Senior Vice President	Corporate Banking 2 Department
10	Mr. Vatcharasit Verayangkura	Senior Vice President	Corporate Banking 3 Department
11	Mrs. Rachanoke Vichitlekarn	Senior Vice President	Corporate Banking 4 Department
12	Ms. Prapa Sakyanan	Senior Vice President	Corporate Deposit Department
13	Ms. Wanpen Yongchayanuntakul	Senior Vice President	Branch Banking 1 Department
14	Mr. Methin Leosirichai	Senior Vice President	Branch Banking 2 Department
15	Mrs. Narissara Chaowarit	Senior Vice President	Branch Banking 4 Department
16	Mr. Yang Yang	Senior Vice President	Credit Approval Department
17	Mr. Ekkawit Suksamarnwong	Senior Vice President	Portfolio Risk Management Department
18	Mr. Chairat Kongkreingkrai	Senior Vice President	Special Asset Department
19	Mr. Theerathorn Bhothirungsi	Senior Vice President	Risk Control Policy Establishment & Management Department
20	Mr. Jiantao Yang	Senior Vice President	Human Resources Department
21	Mrs. Suntaree Thummaratchapimon	Senior Vice President	Accounting Department
22	Ms. Kanokporn Pinsakool	Senior Vice President	Treasury Department
23	Mr. Kornthana Tonnamning	Senior Vice President	General Administration Department
24	Ms. Sanyuan Zeng	First Vice President	Banking Operations Division
25	Mr. Boya Yu	First Vice President	Chinese Business Center Division
26	Mr. Xiaopeng Zhang	First Vice President	Risk Management Division
27	Mr. Yawei Zhang	First Vice President	Chinese Business Department
28	Mr. Atikan Chaiyanupong	First Vice President	Channel and Marketing Management Department
29	Ms. Ting Pu	First Vice President	Transaction Banking Department
30	Mr. Eakkarat Thankitjanont	First Vice President	Branch Banking 3 Department
31	Ms. Panpimon Wattana-Ungkoon	First Vice President	Central Processing and Operations Department
32	Mr. Supanya Wattanachai	First Vice President	Information Technology Operation & Services Department
33	Mrs. Arunrat Lunjakornkul	First Vice President	Business Innovation and Technology Development Department
34	Mrs. Jia Jin	First Vice President	Compliance Department
35	Mr. Peiyun Zhang	Vice President	Trade Finance Department
36	Ms. Wanngam Supunnagul	Vice President	Branding & Communications Department
37	Mr. Saravut Somboonsap	Vice President	Collateral Appraisal Department

# ORGANIZATION CHART



## DESCRIPTION OF BUSINESS



Established on 26 August 1969 as a commercial company, the company later obtained a license to undertake finance and securities business from the Ministry of Finance on 26 October 1973 and was listed on the Stock Exchange of Thailand (SET) in 1978. On 23 December 2005, the Bank was granted a commercial bank license from the Ministry of Commerce.

On 21 April 2010, the Industrial and Commercial Bank of China Limited (ICBC), the largest commercial bank in the world in terms of market capitalization, acquired 97.24% of the total issued shares of the Bank from a voluntary tender offer of all shares traded on the SET and changed the name of the Bank to “Industrial and Commercial Bank of China (Thai) Public Company Limited” becoming a part of the ICBC Group. On 19 March 2011, the Bank delisted from the SET. At present, the ICBC holds 97.98% of the total shares sold of the Bank.

As a fully licensed commercial bank, the Bank aims to be on the forefront of commercial banks in Thailand on international banking service. Being a part of the ICBC Group means customers of the Bank are able to fully utilize the services provided by the Group's network which is growing at a rapid pace in China as well as around the world. As of the end of June 2024, ICBC Group had 15,453 branches and 20,517 self-service banks in China and 410 overseas branches in 49 countries. In addition, ICBC had 1,458 correspondent banks in 143 countries worldwide.

At present, the Bank has 3 subsidiaries, ICBC (Thai) Leasing Company Limited, a direct subsidiary which the Bank owns 99.99%, the company offers leasing and hire purchase services; Sky High Li Leasing Designated Activity Company Limited; and ICBC (Thai) Insurance Broker Company Limited which are indirect subsidiaries.

Throughout its operations in Thailand, the Bank continues to strive at providing the best financial services to its customers by developing various new and innovative products and services in order to answer the needs of its customers. In particular, the Bank has expanded its products and services to both juristic person customers, to facilitate their business needs, and individual customers, to reflect their lifestyles such as new types of credit cards, debit cards, internet banking, mobile banking POS machines and CNY 1 day remittance. At present, the Bank has a total of 21 branches across Thailand.

ICBC (Thai) has been appointed as the RMB Clearing Bank in Thailand since 2015 and continues to hold its credit rating by Fitch Ratings at the highest attainable rating of AAA(tha) for National Long-Term Rating for the thirteenth consecutive year affirming its sound financial position.

## Shareholders' structure of ICBC (Thai) Group

(as of 31 December 2024)



## Major Shareholders

(As of 31 December 2024)

No.	Name	Common Shares	Class A Preferred Shares	Class B Preferred Shares	Number of Shares Held	Percentage of Shareholding
1	Industrial and Commercial Bank of China Limited	2,208,258,569	-	355,581	2,208,614,150	97.98
2	Ms. Siriwan Phanichewa	15,407,521	-	-	15,407,521	0.68
3	Mr. Banthorn Lewprasert	8,883,242	-	-	8,883,242	0.39
4	Ms. Sirima Phanichewa	6,137,254	-	-	6,137,254	0.27
5	SAHA PATHANA INTER-HOLDING PLC.	5,398,107	-	-	5,398,107	0.24
6	Mr. Adisak Putikochakorn	2,567,700	-	-	2,567,700	0.11
7	Mr. Lau Ting Fai	2,105,000	-	-	2,105,000	0.09
8	Mrs. ALICE LAI FONG LEE	1,000,000	-	-	1,000,000	0.04
9	MERRILL LYNCH INTERNATIONAL -LONDON	292,093	-	-	292,093	0.01
10	Mr. Sanga Chaijarunchot	170,558	-	-	170,558	0.01
	Others	3,496,611	-	86,850	3,583,461	0.16
		2,253,716,655	-	442,431	2,254,159,086	100.00

Remark:

- In 2006, all Class A preferred shares were converted into ordinary shares.
- Local shareholding = 1.86%
- Foreign shareholding = 98.14%

## Dividend Policy

The Bank may pay dividends only when the Bank has profits, has no accumulated loss and has Tier 1 Capital of at least Baht 40,000 million. When considering whether or not to pay dividends, the Bank shall take into account the liquidity and economic condition as well as the business plan of the Bank. By virtue of a resolution of the shareholders' meeting, dividends shall be divided by number of shares, equally for each share and may be made in full or in part in the form of stock dividends through the issuance of new shares to the shareholders in various types of shares already issued at that time.



# SUSTAINABLE BANKING REPORT



## Overview

### Sustainable Banking Information

ICBC (Thai) Bank prepares and publishes Sustainable Banking Report as a channel to communicate and present the result of sustainability management of ICBC (Thai) Bank to all stakeholders. The report addresses the Bank's performance on Environmental, Social, and Governance dimensions in 2024. With the information of ICBC (Thai) Bank and partial information of the subsidiaries of the Bank for the period of 1 January 2024 to 31 December 2024 as a part of the Annual Report 2024, which has been approved for publication by the Board of Directors of the Bank on 25 March 2025.

### ICBC (Thai) Bank and Subsidiaries

Industrial and Commercial Bank of China (Thai) Public Company Limited ("the Bank" or "ICBC (Thai) Bank") is a subsidiary that the Industrial and Commercial Bank of China Limited (ICBC) holds 97.98% of the total issued and paid-up shares of the Bank. The Bank has 3 subsidiaries consisting of ICBC (Thai) Leasing Company Limited ("ICBC (Thai) Leasing"), a direct subsidiary, ICBC (Thai) Insurance Broker Company Limited and Sky High Li Leasing Designated Activity Company Limited, indirect subsidiaries of the Bank.

At present, ICBC (Thai) Bank has a registered and paid-up share capital at THB 20,107.10 million with a total of 21 branches across main service areas of each region as well as service provision through banking agents, telephone banking ATM, internet banking and mobile banking. In 2024, the Bank has closed Vibhavadi Rungsit-Donmuang Branch in September and opened Ayutthaya Branch in October as geographic strategy to expand service facilities for potential target customers.

### ICBC (Thai) Bank

- Established as a limited company in 1969
- Authorized to establish and operate a commercial bank since 2005
- Renamed to ICBC (Thai) Bank in 2010 after the acquisition of ACL Bank Public Company Limited by the Industrial and Commercial Bank of China Limited.
- Provide financial services to meet customers' needs and support the economy, trade, and investment between Thailand and China.

### ICBC (Thai) Leasing

- Established as a company limited in 2005
- Provide financial services in the forms of hire purchase and leasing

### ICBC (Thai) Insurance Broker

- Established as a company limited in 2020
- Provides life insurance and non-life insurance brokerage businesses

### Sky High Li Leasing Designated Activity

- Established and registered in 2014 in Ireland
- Special Propose Vehicle (SPV) for aircraft leasing business

### Business and service

ICBC (Thai) Bank and subsidiaries' business operations are as prescribed in the Financial Institutions Business Act as well as other financial related businesses permitted by the Ministry of Finance, the Bank of Thailand, and other relevant regulators.

### Scale of the organization

As of 31 December 2024, ICBC (Thai) Bank and subsidiaries had total assets in amount of THB 260,408 million, total liabilities in amount of THB 214,688 million and total shareholders' equity in amount of THB 45,720 million.

(Unit: THB Million)

Scale of the organization	2022	2023	2024
Total assets	288,704	272,731	260,408
Total liabilities	248,784	229,652	214,688
Total shareholders' equity	39,920	43,079	45,720

### Employment Information

At the end of 2024, ICBC (Thai) Bank and its subsidiaries employed in total 1,141 employees, both full-time and contract employees, comprising of 663 ICBC (Thai) Bank's employees, and 478 ICBC (Thai) Leasing and subsidiaries' employees.

(Unit: Person)

Numbers of employees	2022	2023	2024
Full-time and contract employees	1,107	1,138	1,141

### Membership of organizations, associations and clubs

ICBC (Thai) Bank and subsidiaries are members of various organizations and associations established to support economy and society and to be a platform for sharing information, knowledge and promoting good cooperation and relationships among members as well as providing business operation guidelines in accordance with international principles for sustainable growth.

- The Thai Bankers' Association and Clubs
- The Association of International Banks
- Association of Investment Management Companies
- Thailand Leasing Association
- Thai Hire-Purchase Association
- The Institution of Internal Auditors of Thailand
- Personal Management Association of Thailand
- The Thai Institute of Banking and Finance Association
- Thai Private Sector Collective Action against Corruption
- Federation of Accounting Professions under The Royal Patronage of His Majesty The King

### A Significant Change in 2024

In 2024, ICBC (Thai) Bank changed its geographical strategy to enhance service capabilities and competitiveness, aligning with the evolving dynamic of its target customers. The Bank has opened a business center in Ayutthaya province to serve corporate customers in Ayutthaya and nearby area which is an attractive location for manufacturing facilities as it provides convenient infrastructures and transportation network connecting to Bangkok and Eastern industrial cities. In addition, the Bank has closed the business center at Vibhavadi Rungsit-Donmuang and transfer customers to Lat Phrao business center to improve efficiency.

## Sustainability Strategy

ICBC (Thai) Bank, as a financial institution, is determined to balance short-term business growth and sustainable growth in long-term by setting its business directions of its long-term commitment to be “a valuable local bank and a financial bridge between Thailand and China to facilitate trade and investment between countries” in order to promote economic, financial and investment growths of both countries and to open new business opportunities with advanced financial technologies. Moreover,

ICBC (Thai) Bank prioritizes the prudent risk management as a key success factor and adopts the United Nation’s Sustainable Development Goals (“UNSDGs”) as a guideline for business strategies and goals of sustainable development. Furthermore, the Bank strictly complies with all rules and regulations of both local and international regulators as well as market conduct, which is considered as one of fundamentals for the Bank’s performance on sustainable development in parallel with Thai economic and social development.



ICBC (Thai) Bank’s strategy for sustainability is under the 3 dimensions framework that are: Environment, Social, and Governance (“ESG”) as follows:

### Environmental Dimension



The environment and climate change problems have continuously intensified, causing direct and indirect impacts upon households, businesses, financial institutions, and the overall economic stability of each country. These severe consequences have pressured global community to transition towards low carbon economy. Under the Paris Agreement

and commitment at the United Nations Climate Change Conference of the Parties (COP), member countries have organized “the Nationally Determined Contribution” (NDC) to establish targets for Green House Gas (GHG) emission reduction of each country. In the 2nd NDC update, Thailand increased GHG emission reduction target from 30% to 40%

by 2030 (conditioning on international supports) to accelerate its progress towards carbon neutrality by 2050 and net zero emission by 2065.

Banks, as financial intermediaries, play significant roles on driving sustainable development of business sectors as well as the country. By taking environmental and climate change factors into consideration, banks are willing to conduct their financing business to support environmentally - friendly activities and projects via loan and investment, particularly innovation and technological development projects for mitigation and adaptation to climate change. Moreover, banks themselves are taking actions to reduce environmental impacts from their operation such as practicing more efficient operational procedures, encouraging employees to engage in environmental conservation campaigns and working with environmental organizations to combat environment and climate change crisis.

ICBC (Thai) Bank has recognized the urgency of environment and climate change problems and the duty to support the country's mission on net zero emission achievement by 2065. For the Bank to progress GHG emission reduction, ICBC (Thai) Group has assessed its GHG emission from own operation of 2023<sup>1</sup> and received certificate of Carbon Footprint for Organization from the Thailand Greenhouse Gas Management Organization (Public Organization) (TGO) on 26<sup>th</sup> November 2024<sup>2</sup>. In this regard, ICBC (Thai) Bank determines the direction for Green House Gas (GHG) emissions reduction of its organization together with limits its financial supports to projects or industries that use fossil fuel. Whereas, ICBC (Thai) Bank will strive to increase financial supports to environmentally-friendly projects including projects with no GHG emission or projects of the companies committing to reduce GHG emission.

#### Promote green finance

Adhere to the responsibilities towards the economy and environment by taking environmental and climate change factors into loan and investment considerations to support an environmentally-friendly financial ecosystem.

#### Go green operation

Promote innovation and employ advance technology to develop products and services that deliver great value by addressing the customer needs and providing tangible benefits. Establish internal operation guidelines to reduce pollution and negative impacts on the environment and encourage employees to participate in environmental conservation activities.

#### Contribution to UNSDGs



<sup>1</sup> The GHG emission from own operation of ICBC (Thai) group includes the operation of ICBC (Thai) Bank, ICBC (Thai) Leasing, and ICBC (Thai) Insurance Broker

<sup>2</sup> TGO does not certify indirect GHG emission from loan and investment (Scope 3: Category 15)

## Social Dimension



ICBC (Thai) Bank is committed to being a socially responsible financial institution, ensuring that the benefits of its operations are fairly shared among all stakeholders. By fostering a culture of continuous learning and equal opportunity, the Bank strives to drive positive change and contribute to a more equitable society.

### Share benefits with stakeholders

Strive to be a financial institution that prioritizes social responsibility by adhering to the principles of good governance, fairly sharing benefits with stakeholders and contributing to society.

### Ensure well-being and gender equality of employees

Foster employee growth and provide equitable opportunities for promotion, based on clearly defined rules and policies. The Bank encourages participation and shared understanding of the organization.

### Promote learning culture

Promote a learning culture by providing annual training and encouraging employees to participate in relevant seminars. Moreover, it is essential for the employees to access timely, suitable and accurate fruitful information for their profession and personal lives.

### Contribution to UNSDGs



## Governance Dimension



The Bank adheres to the principles of good governance, operates business with transparency and treats customers fairly, and prioritizes prudent enterprise risk management.

### Good governance and transparency

Adhere to the principles of good corporate governance, transparency, fairness, market conduct, auditability and business ethics. The Bank strictly abides by laws, rules and regulations of respective authorities.

### Fair treatment to customers

Fair treatment to customers is fundamental to ICBC (Thai) Bank's business operations, ensuring customers are provided with fair services in pricing and conditions, easy access to services and issue resolution in a timely manner, thereby fostering trust and satisfaction.

### Promotion of risk management foundation

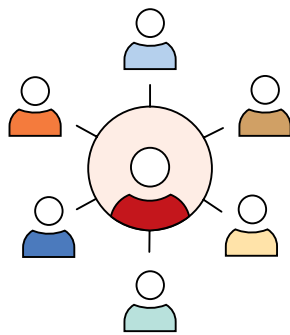
Employ a systematic and effective risk control and management framework, in accordance with regulatory requirements by the Bank of Thailand and the ICBC Group's risk management guidelines, to ensure timely and appropriate risk mitigation.

### Contribution to UNSDGs



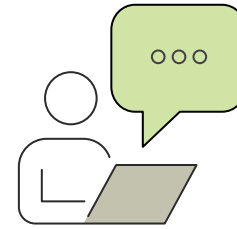
## Management Structure

ICBC (Thai) Bank has adopted the United Nation’s Sustainable Development Goals (UNSDGs) as a guideline for strategic direction toward sustainable development goals. This commitment is executed based on the three-dimensional approach focusing on Environment, Social, and Governance (ESG) principles. To progress the implementation of these sustainability initiatives, Finance & Strategy Division, Risk Management Division and Corporate Secretary & Legal Division are assigned as the sustainability team leaders. In accordance with regulatory requirements, the Bank is committed to transparently disclosing its performance in sustainable development to the public. The successful implementation of these initiatives requires the oversight of the Board of Directors, as well as the active cooperation and collaboration of all departments within the organization.



## Stakeholder Group

ICBC (Thai) Bank prioritizes fair treatment to all groups of stakeholders, including customers, shareholders, employees, regulators, business partners, competitors, societies and communities. Since the Bank’s activities and operations may directly or indirectly impact stakeholders, their opinions and feedbacks to the Bank’s activities are crucial to understand their expectations. Therefore building relationships with all stakeholders through the timely and regularly communication, is essential. This approach enables the Bank to continuously improve its operations, products and services with understanding the needs and circumstances of the stakeholders. With well understanding stakeholders’ circumstances, the Bank will mitigate and properly manage potential risks to the stakeholders.



## Customers

The customer group includes customers and debtors of ICBC (Thai) Bank, serving Thai and foreign individuals, small and medium enterprises (SMEs), large corporations, government entities, state enterprises, financial institutions, and other juristic persons. The Bank is committed to providing products and services with fairness and responsiveness, aiming to maximize customer satisfaction while adhering to all relevant rules and regulations. Moreover, the Bank provides accurate and sufficient information of products and services in a timely manner for the customers’ decisions.

### Customers’ expectations

- Quality of products and services at fair price
- Access to the Bank’s service easily and conveniently
- Fair treatments to the customers
- Strict compliance with the terms and conditions committed to the customers
- Data privacy and business confidential of the customers

### Engagement channels and frequency

Engagement channel	Frequency
Interaction at branches	Regularly
Comment, suggestion and complaint through Call Center, website and Facebook	Regularly
Communication via online channels e.g. Line Official Account, Facebook and WeChat	Regularly
Communication with customers and visits	Regularly
Marketing and advertising campaigns	Regularly
Product and service brochures	Regularly
Seminars to provide knowledge about finance	As and when appropriate





## Shareholders

Driven by the good governance principles and sustainable growth, ICBC (Thai) Bank delivers fair and stable returns for shareholders, ensuring their rights to access to timely information to monitor the Bank's performance and the opportunity to influence significant decisions affecting the Bank's future.

### Shareholders' expectations

- Fair and steady return on investments
- Sustainable growth and increase in the value of the Bank

### Engagement channels and frequency

Engagement channel	Frequency
Annual general meeting of shareholders	Annually
Annual Report	Annually
ICBC (Thai)'s performance on the Bank's website	Regularly



## Employees

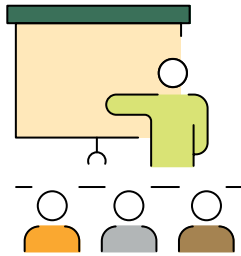
ICBC (Thai) Bank recognizes that capability and contribution of employees is one of the key success factors to achieve its business performance and targets for long-term sustainable growth. ICBC (Thai) Bank creates learning cultures by providing upskilled and reskilled training courses to all levels of employees to align with the dynamic financial environment and digitalization. Furthermore, ICBC (Thai) Bank provides fair remuneration, and equal opportunities for career path promotion by taking into consideration of the employee's knowledge, capability, and performance based on the ICBC (Thai) Bank's prescribed policies.

### Employees' expectations

- Fair remuneration and stability of employment
- Work-life balance
- Opportunities for career path promotion

### Engagement channels and frequency

Engagement channel	Frequency
Employees orientation	Regularly
Communication from management to employees	Regularly
Internal communication within organization through online channels	Regularly
Employees training at all level	Regularly
Management meeting for policy announcement	Annually
Relationship building activities	Regularly
Town Hall meeting	Annually
Performance Review	Annually



## Regulators

As a financial intermediary, ICBC (Thai) Bank has supported financial development and economic growth by conducting business in compliance with relevant laws, rules and regulations. The strict compliance enhances the Bank’s creditworthiness and supports the Bank to achieve financial growth milestones. Moreover, the Bank upholds local and international regulatory requirements through comprehensive policies and internal directive for operational procedures.

### Regulators’ expectations

- Sustainability and stability of the Bank and financial system
- Good governance and transparent of business operations
- Fair and transparent treatments to the customers

### Engagement channels and frequency

Engagement channel	Frequency
Regulator meetings and engagement	Regularly
Audits required by the regulators	Regularly
Submission of reports as requires by the law	Regularly
Financial Report/Auditor Report	Semi-Annually
Annual Report	Annually

## Business Partners

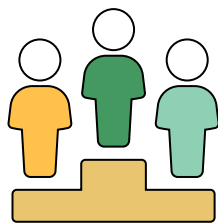
ICBC (Thai) Bank partners with a diverse range of businesses, including banking agents, outsourcing partners, vendors, and consultants. The Bank treats all partners fairly and equitably, ensuring mutual benefit and compliance with all applicable laws and regulations. These strong relationships enhance its operational effectiveness and efficiency.

### Business partners’ expectations

- Mutual benefit and partnerships continuity
- Strict compliance with contractual obligations

### Engagement channels and frequency

Engagement channel	Frequency
Business partner’s briefing/meeting	Regularly
Business partner’s contacts and visits to strengthen the relationship	Regularly
Listening to the problems and difficulties in order to improve and solve the problems	Regularly



## Competitors

ICBC (Thai) Bank operates its business with ethics, transparency, and fair competition, adhering to relevant regulations. The Bank does not pursue competitors' confidential information or employ dishonest tactics to gain an unfair competitive advantage. Our commitment is to uphold market integrity and refrain from actions that harm competitors' reputations or involve misleading practices.

### Competitors' expectations

- Fair competition
- Business cooperation to promote the strength of the financial institution business

### Engagement channels and frequency

Engagement channel	Frequency
Participate in industry associations	Regularly
Industry-wide meetings in various occasions	As and when appropriate
Forums and conferences	As and when appropriate
Communicating with specific group through social media	As and when appropriate



## Societies and Communities

As a financial bridge between Thailand and China, ICBC (Thai) Bank is committed to facilitate bilateral investments and trades as well as support the economic growth of both countries. In addition to financial and economic growth, the Bank also contributes to societies and communities by cooperating with local communities and government organizations to carry out the Corporate and Social Responsibility activities regularly.

### Societies' expectations

- Contributing to societies and communities
- Social and environmental responsibilities

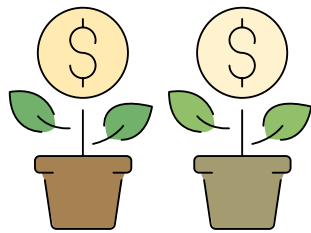
### Engagement channels and frequency

Engagement channel	Frequency
Corporate social responsible activities	Regularly
Knowledge sharing on finance, investment, savings and cyber threat through online channels such as Line Official Account and Facebook.	Regularly
Knowledge sharing on finance, investment, savings and cyber threat to university students	As and when appropriate
Donations in cash or in kind to support causes related to disaster or pandemic.	As and when appropriate
Staff volunteer activities	As and when appropriate

## Environmental Dimension



To support Thailand sustainable development, the ICBC (Thai) Bank has included environment factor into consideration of lending and investment decisions, and promoted innovation and technology adoption to develop financial products and services for the customers' needs on modern financial services. Moreover, the Bank established guidelines for internal operations, encouraging employees to participate in various activities to reduce the environmental impacts.



### Promote Green Finance

The Bank recognizes its responsibilities to both the economy and environment by integrating environmental factors into its loan and investment decisions, thereby supporting the development of the environmentally friendly financial ecosystem.

The Bank is determined to consistently increase the amount of financial supports to environmentally friendly business activities through loans and investment. Since 2022, the Bank has developed the internal policies including Guideline for Green Classification to improve efficiency of responsible financing and enhance environment and climate change risk identification and control. In addition, since 2023, the Bank has incorporated environment and climate change risk in ICBC (Thai) Group's

Enterprise-Wide Risk Management (ERM) which let the Bank manage and mitigate environment and climate change risk effectively.

To further advance green finance, capacity building through training and knowledge sharing is crucial for relevant employees. Although environmental and climate change risks are issues that have been considered for some time, such issues have only recently come to light in the banking business, so it is necessary for the employees to understand the environmental and climate change risks that potentially affect the future operations of the Bank, which will help the Bank to prepare and manage such risks appropriately.



### Green Finance Development Process

ICBC (Thai) Bank has always cooperated with regulators, issued policies related to the development of green finance, and supported environmental-friendly finance and investment for sustainability development of financial sector and economy in the country.



## 2019

- The Bank and Thai Bankers Association member banks signed the Memorandum of Understanding (MOU) on “the Sustainable Banking Guidelines—Responsible Lending”. The primary objective is for the member banks to adhere to the principles of “Sustainable Banking” which taking Environmental, Social, and Governance (ESG) factors into consideration of the responsible lending policy and strategy as well as developing a process to manage risks and impacts resulting from the Bank’s lending.
- The Bank issued and implemented the “Sustainable Banking Policy” as a guideline for the Bank’s sustainable banking practices.
- In accordance with the intention of Sustainable Banking Policy, the Bank has implemented the “Responsible Financing Policy” to uphold culture and understanding of responsible finance by integrating environmental, social and governance aspects into credit approval process, loan-like transaction, investments and obligation. In addition, the Bank requires employees who work with loan customers to address the benefit of integrating Environmental, Social, and Governance factors into their risk management measures. The Bank may request some actions from the customers to mitigate potential environmental or climate change risks.

**2021**

- The Bank is determined to include the environmental, social, and governance risks into the Internal Capital Adequacy Assessment Process (ICAAP) in order to mitigate potential consequences in the future and maintain the long-term stability of the Bank.

**2022**

- Jointed Press Release for The Thai Bankers Association's ESG Declaration for 6 sustainable development pillars:
  - 1. Governance:** Ensure good corporate governance and effective oversight at the board level, with clear accountability and responsibility at the management level regarding Environmental, Social, and Governance issues.
  - 2. Strategy:** Integrate Environmental, Social, and Governance into business strategies and define frameworks for sustainable finance by supporting Thailand's smooth transition towards its Net Zero target.
  - 3. ESG Risk Management:** Incorporate Environmental, Social, and Governance issues for consideration into risk management processes.
  - 4. Financial Products:** Utilize digital technology to increase financial accessibility, plus green and sustainable financial innovations.
  - 5. Communication:** Communicate and collaborate with all stakeholders in raising public awareness on Environmental, Social, and Governance issues.
  - 6. Disclosure:** Develop monitoring and reporting systems in line with Thailand's regulatory frameworks and global sustainability disclosure standards.
- Implemented "the Guideline of Green Classification of Financing Business" to increase the efficiency of lending, credit-like transactions, investments, obligations, and commitments with respect to the Responsible Financial Policy. The Bank classifies customers based on industrial types, customer characteristics, project types or use of fund from the Bank, and the potential impacts on the environment, and the environmental and social risks.

**2023**

- Incorporated environmental and climate risks into ICBC (Thai) Group's Enterprise-Wide Risk Management (ERM) framework to address all potential risks that could impact the Bank's operations and future business activities.

**2024**

- Increased investment in various sustainability bonds, such as Green and Blue bonds, and expanded financing for environmentally-friendly businesses and energy efficiency initiatives.

**Responsible Financing**

ICBC (Thai) Bank is committed to conduct its business as a responsible financing bank with strong capability on environmental and social risk management in alignment with the ICBC Group's practices. To progress this commitment, the Bank is determined to increase its support to environmentally friendly businesses, as well as minimize, mitigate or avoid financial activities with potential negative impacts to the environment and society. Thus, it is essential to motivate and facilitate customers to shift their business operations towards sustainable development.

**The Bank's approach**

The Bank has integrated the Environmental, Social, and Governance (ESG) framework or ESG risks into its Credit Policy and Responsible Financing Policy to ensure that ESG factors are considered throughout the credit decision-making process and the entire credit life cycle. The Credit Policy provides guideline to apply appropriate ESG risk control measures to all new and existing financial activities supporting business operations. Furthermore, the "Responsible Financing Policy", the secondary policy under the Credit Policy, is formulated to strengthen and emphasize the ESG risk management for all financial activities including lending, credit-like transactions, investments, obligations and commitments. In addition, the policy addresses the scope of ESG issues and the roles and responsibilities of related internal parties, namely, the Bank's Board of Directors and Executive Committee to conduct oversight, monitoring, and, support the implementation of ESG risk management.

**Pre-loan investigation/New customer admittance:** Negative news or incidents relating to ESG issues will be investigated on best-effort basis by the Business Units to ensure that each new customer will not cause any negative impact on environment and society. Such information will then be declared in the Credit Application. Nevertheless, during this pre-loan investigation, such new customer may be additionally required more information or actions as follows:



- The initiator of the project shall prepare environmental and social risks assessment to demonstrate compliance with the relevant host country's laws, regulations and permits that pertain to environmental and social issues.
- Customer must abide by laws and regulations, comply with the applicable standards.
- The resource utilization by the customer or project shall meet or better than relevant governmental standards.
- The standards or requirements of safety production and construction, and employees' health protection shall be met.
- The compliance with national employment and labor laws shall be met, a grievance mechanism needed.
- Use of land shall comply with land and urban development; it shall incur no adverse impacts to environment and affected communities.
- Analysis and planning, disclosure and dissemination of information, consultation and participation and grievance mechanism may be involved.

**Credit Approval:** Corresponding Approval Authority proposes reasonable, effective conditions precedent and management requirements according to the character and severity level of the environmental and social risks for the customer or project.

**Post-lending Monitoring:** During credit life cycle, the Business Units have the responsibility to investigate any negative news or incident relating to ESG issues of such customer together with other credit risk issues and being declared in the post-lending monitoring report. The on-site investigation will be conducted periodically. Any adverse news or incident may lead to the interim review or being classified as the early warning account.

**Credit Annual Review:** In the same measures as the post-lending monitoring, any negative news or incident relating to ESG issues of such customer will be investigated together with other credit risk issues by the Business Units and being declared in the Credit Application. Both Credit Policy and Responsible Financing Policy are reviewed periodically. ICBC (Thai) Bank adheres to the Memorandum of the Understanding on "the Sustainable Banking Guidelines-Responsible Lending", and therefore, continues providing the financial services to clean energy industries in order to increase more ESG businesses as well.

From 2023, to strengthen our commitment to the ESG risk management, the Bank has implemented the portfolio management for the purpose of identifying the trend of our credit portfolio relating to the ESG risks. Our credit portfolio shall be assessed and classified into 4 levels as:

**1. Friendly Level** refers to the environmentally friendly industries or businesses that are supported by the government and the customer or project can comply with the environmental protection law or regulation such as Clean Energy Industry, Ecological Environment Industry, and Green Infrastructure and Green Service, etc.

**2. Qualified Level** refers to other industries that are not incorporated into the Friendly Level and are non-sensitive to the environment and can comply with the environmental protection law or regulation

**3. Observation Level** refers to;

- Any customer or project in the environmentally sensitive Industry; or
- Any customer or project that has been instructed or punished by the government agency in relation to the environmental and social risks and the correction process has been completed with the approval from the government agency; or
- Any customer or project that has been reported by the public media as likely to damage the ecological environment and have potential environmental and social risks.

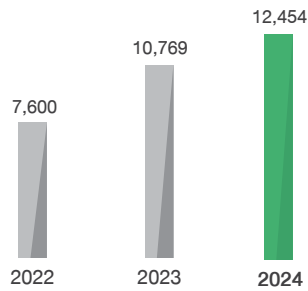
**4. Rectification Level** refers to any customer or project that fails to obtain the consent or approval from the government agency in relation to its environmental and social risk evaluation that indicates whether it has reached the government's standard or requirement that is the precondition for its legal and complied operation or has committed an environmental and social risks and it is being instructed or punished by the government agency but the correction plan has not started or it is in the process of correcting the issue but not completed and approval has not been granted by the government agency.

#### Performance in 2024

- **Loans**

In the past years, the ICBC (Thai) Bank has provided loans to customers for investing in sustainable projects or activities to mitigate environmental impact such as renewable energy. At the end of 2024, ICBC (Thai) Bank had outstanding of green loans classified by Green Classification of ICBC Group in total amount of THB 12,454 million, which increased by THB 1,685 million or 16% from the previous year.

Green Loan\*  
(Unit: THB Million)

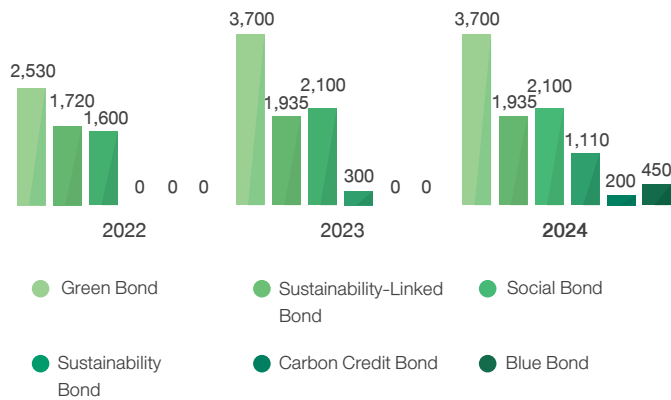


\* Classified by Green Classification of ICBC Group

• **Investments**

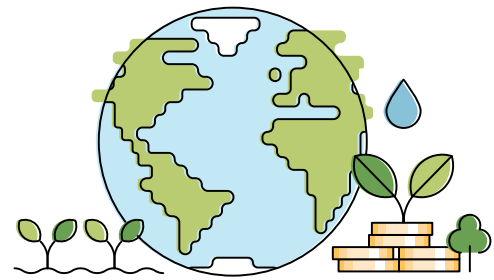
In 2024, the ICBC (Thai) Bank had been increasing financial supports to environmentally friendly activities through investments in various private bonds consisting of Green Bonds, Social Bonds, Sustainable Bonds, Sustainability-Linked Bonds, and Blue Bonds. The outstanding balance of the investments at the end of 2024 stood at THB 9,495 million, increased by THB 1,460 million or 18% compared to the end of 2023.

Investment in ESG Related Bonds  
(Unit: THB Million)



customers' monthly electricity expenses. This not only enhances cost-efficiency and cash flow liquidity but also converts cost savings into a portion of the installment. By the year 2024, ICBC (Thai) Leasing had approved over THB 170 Million in loans for Rooftop Solar Financing.

In addition to Rooftop Solar Financing, ICBC (Thai) Leasing also has offered financial product for new electric vehicles (EVs) segment since 2019, which is aligned with the government policy as ambition to achieve the GHG emission reduction targets and increasing awareness of consumers regarding environmental impact. In 2024, the company has approved lending for new EVs purchase in the amount of THB 677 Million.



 **Environmentally friendly products**

ICBC (Thai) Leasing, a direct subsidiary of the Bank, offers environmentally friendly Rooftop Solar Financing to facilitate the implementation of renewable energy in office buildings and factories. By installing solar panels on rooftops, these structures become environmentally friendly and contribute to the conservation of our planet's resources. The Rooftop Solar Financing initiative accelerates the generation of solar power by installing panels on rooftops, effectively reducing

**Green Operations**

It is widely recognized that environmental problems, particularly global warming and climate change crisis, have reached alarming levels, largely due to the imbalanced use of natural resources for economic growth without adequately considering the environmental impacts across various dimensions. Severe natural disasters resulting from misuse of natural resources, namely, air pollution, floods, and wildfire, have brought about massive damage to the global community in terms of economic values and physical infrastructures. To combat these issues, it requires collaboration of every sector, from government, private companies, communities and households. ICBC (Thai) Bank realizes the critical need to address environmental and sustainability issues and has strategically embedded them into the Bank's business strategy to ensure its sustainable growth.

## Target

The Bank promotes innovation and leverages advanced technology in developing its products and services while establishing operational guidelines that encourage employee participation in activities aimed at reducing environmental impact.



## Digital Banking

Nowadays, digital banking plays a crucial role in various banking services, simplifying and making financial transactions convenient even during crisis periods. The popularity of mobile banking has surged, as account holders can now conduct transactions anytime and anywhere. This growth is partly driven by the Thai Government's policy to efficiently transform Thailand into a cashless society. The "PromptPay" system, a real-time payment and money transfer infrastructure, offers convenient payments and money transfers available at any time without any fees, aligning with the modern lifestyles of people and entrepreneurs who increasingly rely on technology in their daily operations.

Most banks offer user-friendly mobile banking services with features like online shopping, deposits, withdrawals, interbank transfers, and account statement requests, enhancing convenience for mobile users and depositors. As a result, mobile banking has become increasingly popular, reducing the need for in-person branch transactions.

## Performance in 2024

In addition to the abovementioned digital banking transactions that are regularly optimized to satisfy the customers' needs and enhance service security, the Bank also offers other digital products and services as follows:

- **Credit Card Electronic Statement (e-Statement)**

The Bank is committed to environmental sustainability through the introduction of e-Statements for credit cards, reducing paper and ink consumption and supporting environmental protection. To continue promote the environmental resource conservation, the Bank encourages employees and customers to apply for electronic statement (e-Statement) for credit card. In 2024, the number of customers applying for credit card electronic statement (e-Statement) increased by 2.79% from previous year.

- **ICBC Digital Debit Card**

Digital Debit Card is a virtual electronic version of a physical Debit Card, stored in mobile banking application. The Digital Debit Card offers flexible payment options, including online transactions and cardless ATM withdrawals. Aligned with the

Bank's digitalization strategy, the Digital Debit Card promotes a cashless lifestyle, reducing reliance on physical cards and supporting our commitment to environmental sustainability.

Digital Debit Card was officially launched to the market in June 2022 with sound market response. As of 2024, the Bank had total 23,965 of digital debit cards of which issued in 2024, more than 10,300 cards accounted for 21.88% of total issued debit cards in the year and 7.73% more than digital cards issued in previous year.

- **Green Savings**

In response to the trend of mobile banking, ICBC (Thai) Bank has introduced the Green Savings account for individual customer opening an account at the Bank's branches which is additional to the existing online savings product. The Green Savings is a non-passbook savings account with no minimum deposit requirement. The depositor can conduct various financial transactions through the ICBC (Thai) Bank's mobile application without transaction fee and request for account statement fee. In addition to enhancing customer experience through the Bank's products and services, the Green Savings account will help reduce environmental impacts. Furthermore, the cost savings from not issuing and printing the passbook will be reflected in terms of higher interest rate than standard savings accounts. In 2024, there were up to 46,949 Green Savings accounts opened with the Bank, the number increased from 26,420 accounts in 2023. This type of accounts is an effective approach to enhance efficiency and reduce paper usage as well as service time.



## Technology Innovation

In 2024, the Bank continued to implement Robotic Process Automation (RPA) to increase efficiency and agility in operations. RPA technology connects various processes across platforms, enabling continuous automated data processing.

Currently, the Bank uses RPA for report generation and repetitive tasks in several departments, including Trade Operation Department, Central Processing and Operations Department, and Credit Administration Department. This has benefited operations in several ways:

- Reduce operational time and increase work efficiency
- Reduce paper usage by shifting from printing reports to directly sending data via email to customers
- Increase service speed and improved customer experience

Additionally, the use of RPA help improving human resource management by reducing repetitive tasks and employee turnover rates.

### Performance in 2024

- Added 8 new automated processes
- Continued using 35 existing RPA processes
- Reduced working hours by up to 2,500 hours per year
- Improved the efficiency of previous RPA processes

This year, the Bank has further improved and developed RPA to work more accurately and efficiently by ensuring smoother and more reliable automated operations. These advancements demonstrate the Bank's commitment to improving operational efficiency, enhancing customer experience, and sustainably developing technological innovations.



## Carbon Footprint for Organization

To embark on its decarbonization journey, ICBC (Thai) Group conducted the first comprehensive greenhouse gas emission assessment for 2023, encompassing the operations of the Bank and its local subsidiaries, including ICBC (Thai) Leasing Company Limited and ICBC (Thai) Insurance Broker. The Carbon Footprint for Organization of ICBC (Thai) group was certified by the Thailand Greenhouse Gas Management Organization (Public Organization) (TGO) on 26<sup>th</sup> November 2024.

The operational boundaries are determined in alignment with the standards set by TGO<sup>3</sup> and ISO 14064-1, which include direct emission from operation activities and indirect emissions along the supply chain. The report details emissions across Scope 1 (518 Ton CO<sub>2</sub>e), Scope 2 (1,209 Ton CO<sub>2</sub>e), and Scope 3 (4,753 Ton CO<sub>2</sub>e), excluding indirect emissions associated with loans and investments<sup>4</sup>.



<sup>3</sup> Protocol for Greenhouse Gas Emission Calculation and Report for Organization by Thailand Greenhouse Gas Management Organization (Public Organization), 6<sup>th</sup> Edition, July 2023)

<sup>4</sup> Excluded Scope 3 Category 15

ICBC (Thai) Group will develop the decarbonization plan based on the 2023 results to reduce Greenhouse Gas emission of the organization, which also address climate change and support the Group's and the Nation's sustainable development goals.



## Less Paper-More Digital

Commercial banks still require the use of office paper for documentation purposes to meet regulatory requirements, including the preparation of customer account statements, ensuring the accuracy and completeness of customer information, and the submission of required documents to government and other regulatory agencies. To reduce printing for internal meetings and approvals, the Bank has implemented an Office Automation System (OAS) in 2021. The OAS also ensures employees manage data throughout its life cycle-creation, processing, storage, utilization, and destruction-complying with Data Governance and Personal Data Protection Policy under the Personal Data Protection Act B.E. 2019, effective from June 1, 2022.

In addition to OAS, the Bank has undertaken digital transformation initiatives by implementing tools for software development, enabling users to create workflows, define business requirements, track defects, and generate project reports digitally. The Bank has transitioned from traditional paper-based methods to a paperless approach by adopting Jira software, a digital platform that helps teams become more process-focused and reduces paperwork.



## Applying E-filing Lawsuit System

In 2024, Legal Department has implemented its approach to file civil lawsuit through applying an electronic system (E-Filing) for submitting, filing and receiving pleadings, relevant attachments and documents, in order to replace the submitting, filing and receiving pleadings, relevant attachments and documents by paper. This is not only to facilitate the process of filing, sending and receiving the pleadings and documents but also to significantly reduce the use of office paper, saving storage space, and easing the retrieval of documents for use.

For a single civil case, the Bank typically needs to prepare over 100 sheets of reference documents as evidence which is then submitted to the court and the other parties to support the Bank's civil case. Over the past year, the Legal Department had filed 76 civil cases through the E-Filing system, thereby saving more than 7,600 sheets of the paper which was approximately 15 reams.

## Other approaches to reduce the use of paper

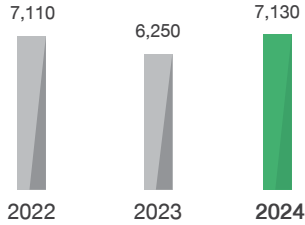
- Organized training for all employees on effective information management practices throughout the Data Life Cycle as well as prioritized data governance and personal data protection of customers, employees, trade partners or business partners, other relevant persons of the Bank.
- Transformed the Bank's operational procedures to electronic approach as well as storage documents in electronic format instead of paper.
- Submitted data to regulators and government agencies by electronic tools instead of paper form when possible, improving the processes, reducing costs, easy to trace back.
- Validated the completeness of data before printing and reduced printing of single-use documents.
- Campaigned for the use of double-sided papers, reused of one page of used papers for unimportant documents within the office. Besides to maintain the security of information, reusing used papers required consideration of the data classification.
- When printing is necessary, sharing printed documents among department members, and circulating them would reduce multiple printing of the same documents.

## Expected results

1. Reduced paper usage and related cost such as the cost of purchasing papers, office equipment, filing cabinets, and ink-file as well as document storage space. It made the office clean and dust-free which positively affected to the health of employees.
2. Increased work efficiency by applying information technology to replace paper base. It also protects the data security of the Bank, the customer.
3. Reduced the risk of loss or destruction of document, including repetitive process and difficult retrieving such documents.
4. Promptly and fully communicated to people both inside and outside the organization through electronic channels.
5. Changed behavior of employees to be familiar with working with information technology and various electronic media for sustainable in banking operations in the future.
6. Raised employees' consciousness and awareness of importance in reducing environmental impacts.



Office Paper Usage (Head office)  
(Unit: Ream)



In 2024, office paper consumption at the head office was 7,130 reams, increased by 14% from 2023. The increase of office paper consumption was mainly resulting from the expansion of business activities, particularly, transactions relevant to remittance and clearing activities. However, the Bank continues to focus on adopting innovative technology to further reduce paper usage.



Office Paper Waste Management



Office paper waste, used printing paper, and confidential documents that have passed their storage duration should be properly disposed, ideally through recycling or secure methods to prevent the leakage of sensitive information. ICBC (Thai) Bank disposes office paper waste by sending it to the recycling

process as an input material for recycled paper products, such as cardboard, corrugated sheets, and document boxes, etc. Besides reducing landfill waste, this method prevents misuse of sensitive information and ensures no leakage of such information to the public. In 2024, the Bank sent 11,205 kilograms of office paper waste to recycling process which reduced GHG emission for 21 kilogram CO<sub>2</sub>e, equivalent to 39 trees.



Energy Saving

The Bank prioritizes sustainable banking, which is in line with the core objectives of ICBC to shift towards green operations and reduce environmental impact. To raise employees' awareness on sustainable development, the Bank launched campaigns for climate change mitigation and natural resources conservation in daily operations, which received positive cooperation from all employees. To implement the campaigns, the Bank employs green energy and energy-efficient and water-efficient equipment, contributing to its commitment to sustainable operations.

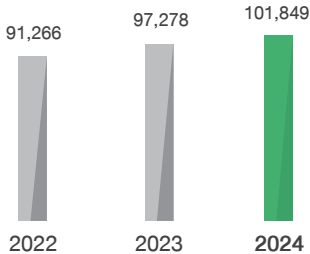
Objective

To launch campaigns for sustainability and encourage the Light Emitting Diode (LED) bulbs use as well as improve efficiency of water consumption

- Fuel consumption

In 2024, the Bank's business travel fuel consumption increased from 97,278 liters in 2023 to 101,849 liters, or increased by approximately 5%. This increase was derived by the rise in customer visitation trips.

Fuel Consumption  
(Unit: Litre)





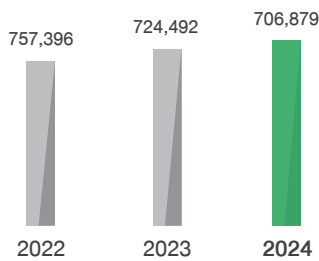
The Bank recognizes the importance of reducing fuel consumption and transitioning away from fossil fuels. To achieve this, the Bank has initiated plans to transition its company cars to electric vehicles. The Bank sets operation plans to gradually replace all company vehicles with electric models as they reach the end of their lifecycle.

• **Electricity consumption**

ICBC (Thai) Bank has been transitioning to energy-efficient lighting solutions by installing Light Emitting Diode (LED) bulbs, beginning at the head office since 2021 and expanding to all branches starting in 2023. The initiative has significantly contributed to energy savings as LED bulbs consume 40% electricity of the Fluorescent electricity consumption and leaves less pollution from production process, saving energy up to 60%. These initiatives subsequently lowered the electricity consumption in 2024 of the head office, from 724,492 Kilowatt-Hour in 2023 to 706,879 Kilowatt-Hour in 2024 or decreased by 2%.

Moreover, LED bulb is considered an environmentally friendly product since it does not need mercury in the production process, and does not have hazardous radiation such as UV radiation or other harmful radiation, making them a safer and more sustainable option.

Electricity Consumption (Head Office)  
(Unit: Kilowatt-Hour)



Besides LED bulbs installation, the Bank has upgraded its electrical appliances to more energy-efficient models. For instance, 28 new air conditioners with inverter technology and R32 refrigerant, which emits fewer Greenhouse Gases, have been installed at the Bank’s branches. Furthermore, the Bank launched the Solar Rooftop initiative in 2024, installing solar rooftop systems at branches’ facilities to enhance energy efficiency.

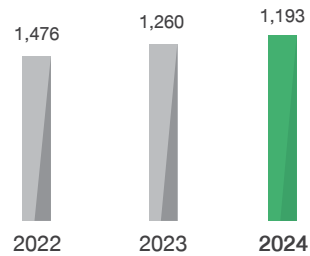
• **Valuing Water**

Water is an essential resource that the Bank has prioritized sustainable resource management and set mutual targets to ensure responsible consumption and conservation. The ‘Use Water Wisely’ concept emphasizes responsible use in every activity and underscores the importance of water conservation.” The guidelines for ‘Use Water Wisely’ are as follows:

• **Inspect Plumbing Fixtures for Leaks**

Broken plumbing fixtures are a major cause water waste. ICBC (Thai) Bank set up guidelines to regularly inspect the plumbing fixtures for preventive maintenances and promptly fixes any leaks. Water consumption of the head office decreased from 1,260 m<sup>3</sup> in 2023 to 1,193 m<sup>3</sup> in 2024 or 5% reduction.

Water Consumption (Head office)  
(Unit: Cubic Meter)



Additionally, the Bank improved water management by installing “Check Valve” in the cooling tower of air conditioning system in the Data Center Room to prevent water leaks. Moreover, the Bank raised awareness and encouraged staff participation in water conservation campaigns as part of sustainable development effort.

• **Environment Conservation and Reservation**

As for activities for the preservation and rehabilitation of nature, the Bank held the ICBC (Thai) Go Green Together 2024 activities. As a part of CSR and Team Building Activities, the Bank’s employees volunteered to plant 500 mangrove trees at Bang Pu Education Center Commemorate 72<sup>th</sup> Anniversary of Her Majesty Queen Sirikit in Samut Prakarn Province to rehabilitate mangrove forest, contributing to coastal wetland restoration efforts.



Another activity was for the preservation of marine species at Sunset Beach, Chon Buri Province, in which the Bank's employees had the opportunity to release marine species back to the ocean to restore the coastal ecosystem. Additionally, they also volunteered to collect trash along the beach.



• **Reduce Waste to Landfill**

In addition to the environment conservation activities, the Bank encouraged employees to engage in waste reduction to community. The Bank's Head Office employees volunteered to build boom litter traps made from recycled PET bottles at Chak Daeng Temple in Samut Prakarn province and handed them over to the communities by the canals. These traps were designed to collect garbage from rivers and canals before reaching the sea. They also built bricks used for walkways in the Temple made from Styrofoam garbage.



Additionally, the Bank supports waste reduction to the community. In 2024, the Bank donated used calendars given by its employees to the Educational Technology for the Blind Center, Foundation for the Blind in Thailand, so that they could be used for Braille teaching tools for the blind.



Besides, the Bank supported reducing plastic use by handing over cloth bags to the hospitals. Since hospitals have been campaigning to reduce use of plastic bags, especially for outpatients, the Bank handed over more than 500 cloth bags from the "Tote Bags Painting" activity along with additional bags from employees to the Police Hospital. These bags will assist outpatients without their own bags and support the hospital's other activities, helping to reduce plastic bag use.

Contribution to UNSDGs



## Social Dimension



ICBC (Thai) Bank is determined to manage its business as a financial institution with social responsibility. Moreover, the Bank adheres to fair and equal benefit sharing among all stakeholders, fostering a learning culture and fair treatment. To contribute to communities, the Bank focuses on cultivating a society where equality of opportunity and practice are realized to communities.



### Share Benefits with Stakeholders

The Bank is committed to social responsibility and adheres to the principles of good governance, participating by sharing fair benefits with stakeholders. Moreover, the Bank encourages learning culture and equal treatment to all employees as well as contributing to the society and communities.



#### Fair Lending

ICBC (Thai) Bank resolves in its commitment to adhering to the stringent Market Conduct to foster confidence in Thailand's financial systems and ensure sustainable, fair business operations for all stakeholders. The Bank has amended default interest rates, fees, and repayment sequences, which are beneficial to both the Bank and debtors. The foundations of these changes are based on the actual cost of providing the services, avoiding

overburdening debtors and considering their financial affordability risks. Additionally, the adjustments also maintain a balance between financial disciplines and the Market Conduct.

#### Default Interest Rate

To lower the overburden on the debtors, the Bank has implemented the new default interest rate principle which addresses risk proportional adjustment. The former principle of the fixed default interest rate has been replaced by two-part interest rates which comprise of any reference rate in associated with the customer's risk level and additional overdue interest rate and the default margin (up to 3 percent per annum). And the default interest rate shall be calculated on the overdue principal amount only.

#### Sequence of Debt Settlement

The Bank has also conducted the debt settlement sequencing to comply with the Market Conduct and the Bank of Thailand's notification. The debt settlement sequencing shall be ordered from the overdue fee amount, default interest amount, overdue normal interest amount, and, overdue principal.



### Fee Collection

The Bank has also conducted the principle on the fee collection in purpose to be complied with the following concept;

1. The collection of interest, service charges, and penalties from the customers must be appropriate, fair, and not redundant.
2. The collection of service charges must be proportionate to the duration that the service has been provided.
3. The service charges induced by usual internal operations and the service provider's risk management, and offered no value added to the customer, must not be collected.

To achieve the above-mentioned concepts, the Bank has implemented the amendment on the fee collection such as the prepayment fee collection from SME customers, collateral fee collection from all types of customers.



### Scholarships for Students

ICBC (Thai) Bank recognizes the importance of youth education. So, the Bank has a project to award scholarships to students who have a good academic performance, ability and good behavior but lack of sufficient financial support to help relieve the burden of families and give students the opportunity to study at the university level. It also creates morale and encouragement for students or students who receive such scholarships which contribute to increasing quality human resources and the potential of Thai society in the future.

In November 2024, ICBC (Thai) Bank supported 21 scholarships at THB 20,000 each for students from Chulalongkorn University, Kasetsart University, Thammasat University and Khon Kaen University.



### Charity Activities

ICBC (Thai) Group regularly organizes variety of charity activities to create valuable relations with the communities. Besides regular charitable activities, ICBC (Thai) Group also provides urgent assistance to the victims of major natural catastrophes in many areas of Thailand. As a good member of the society, ICBC (Thai) Group always expresses its concern for the well-being of the communities nearby its branches.

#### • Donation to Natural Disaster Victims

In 2024, ICBC (Thai) Bank donated 1,200 blankets to villagers who were affected by severe cold weather and other disasters in Chiang Mai, Udon Thani and Ubon Ratchathani provinces through the government sector. In addition, the Bank also expressed its concern for the well-being of people in Chiang Mai, Songkhla, Surat Thani and Chiang Rai provinces who endured devastating flood in 2024 by donating necessity supplies to the flood victims.



• **Financial Literacy**

ICBC (Thai) Bank as a financial institution recognizes the importance of Thai youths having basic knowledge on finance and financial discipline as well as awareness of financial fraud situations as the direction of the Bank of Thailand. This activity has been held so that students would have good financial discipline, knowledge of savings and investment and reduce the chance of bad debt in the future. In addition, the activity will encourage youth to realize the risks of financial fraud and prevents the potential losses.

In 2024, the Bank held the activity under the name the “ICBC (Thai) Promotes Financial Discipline” to more than 300 students from 3 educational institutions in 2 provinces in Udon Thani and Khon Kaen provinces. The Bank expects that this knowledge will be beneficial for them in the future.



• **No One Left Behind**

In addition, ICBC (Thai) Leasing arranged a charity project “No One Left Behind” to donate necessity items to victims of major natural disasters in several provinces, namely, Chiang Mai, Lamphun, Sukhothai, and Pitsanulok provinces.

• **Donation to Yuvabadhana Foundation**

ICBC (Thai) Leasing held an activity “Share Charity Event 2024” to gather unused household items and auction to raise funds for Yuvabadhana Foundation, the foundation raising scholarship funds for disadvantaged children. In this event, 500 pieces of unused household items with 39 auctions items and THB 140,000 auction money were donated to the Foundation.







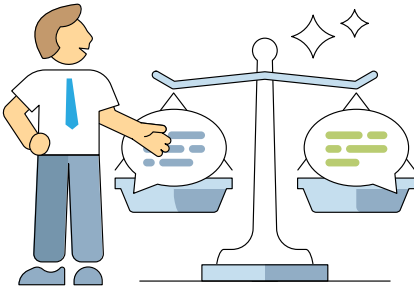
• **Grow Together, Go Together**

ICBC (Thai) Leasing donated necessity supplies to several foundations, such as Pakkred Foster Foundation, Baan Look Rak to Foundation at Khon Kaen province, Kid Cancer Club at Pediatric Medicine Department of Prince of Songkla University. In addition, the Company also donated sport equipment to Baan Lam Cheng Krai School in Nakorn Ratchasima province.



• **Volunteer Work at Pa Sang Arun Temple**

ICBC (Thai) Leasing's employees volunteered their time and efforts at Pa Sang Arun Temple in Khon Kean province. The activities included planting banana trees, maintaining cleanliness in restrooms and service areas, and engaging with local communities. This initiative not only encouraged employees to actively participate in community service, but also supported the temple in maintaining a well-kept service area for their visitors.



**Ensure well-being and gender equality of Employees**

The well-being of all employees is a top priority for the Bank and subsidiaries. Not only does it foster a positive work environment, boost efficiency, and enhance performance, but it also contributes significantly to the broader society and the Nation. By promoting employee health, we help to reduce the strain on the public healthcare budget, allowing the government to allocate resources towards other vital sectors. Furthermore, this approach improves the quality of life for individuals, families, communities, and society as a whole, ultimately contributing to economic, social, and political development.



## Activity clubs for well-being of employees

ICBC (Thai) Bank provided support to the employee activities by setting clubs for various activities such as badminton club, football club, table tennis club and yoga club. The activities aim to prevent the work exhaustion and to help employees relax, recharge and rejuvenate from stress. These activities also help building and strengthening the relationships and unity among employees.

## Flexible Work Hours

Although good in physical and mental health can empower employees to work more productively and strengthen the potential of the Bank in the long run, flexible working hours that suit the needs of each employees can help manage the work time of employees efficiently. Flexible working hours still means that employees have to work full-time, maintain performance as specified by the Bank but it can create better work-life balance, reduce tension from transportation and lessen traffic congestion during rush hours as well as saving energy.

Additionally, flexible working hours also helps reducing the unplanned leave rate and helps the Bank to manage human resources more efficiently. The flexible hours started in 2020, the number of employees applying the flexible hours had gradually increased: 28 persons in 2020, 35 persons in 2021, 51 persons in 2022, 52 persons in 2023 and 41 persons in 2024.

## Sport competition between employees of ICBC (Thai) Bank and subsidiaries

To promote good health of employees, the Bank and subsidiaries regularly organizes sport competitions between the Bank and its subsidiaries on a yearly basis. This is not only benefits employees in term of health but also creates good sentiment employees as well as establishing good relationships among the employees of the Bank and subsidiaries. In 2024, we organized badminton and basketball championships.



## Annual check-up and vaccination

The health and safety of employees are paramount. In addition to comprehensive group insurance coverage in 2024, ICBC (Thai) Bank and subsidiaries provided proper annual check-up programs for different age groups of employees and offered seasonal vaccinations, including annual influenza vaccines and hepatitis B vaccines administered through a partnership with a private hospital.

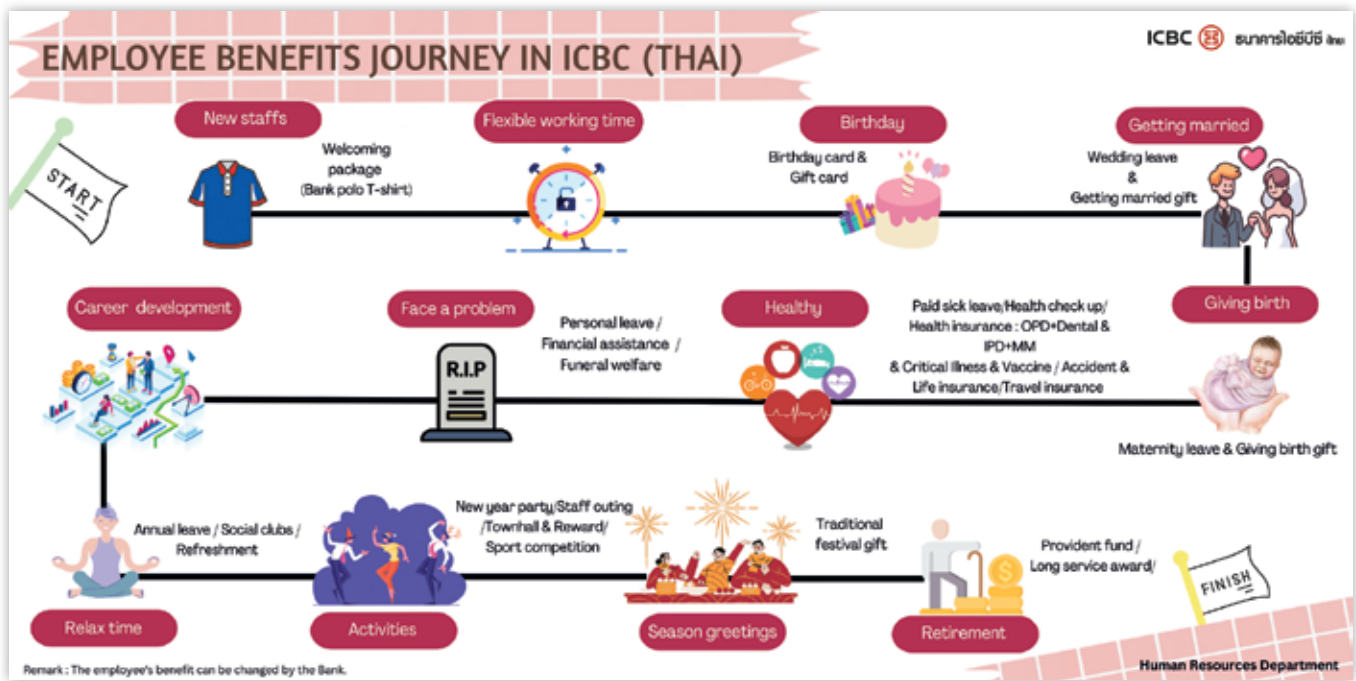




Employees' Benefits

Besides salary and bonus, ICBC (Thai) Bank rewards the work of employees with welfare and benefits that cover employees and their families in order to save some costs for the Bank's employees. It also retains employees to stay with the organization in the long run as well as attracts interested candidates to join the Bank. This results that human resource management of the Bank has continuity and sustainability. The Bank's welfare consists of basic welfare according to law and additional welfare specified by the Bank since the first day of being an employee until retirement called "Employee Benefits Journey in ICBC (Thai)".

The Bank continuously enhances and refines the employee-related policies to ensure the well-being and the quality of life for employees, as well as their family members and loved ones. The revisions of all policies are informed by benchmarking against the Thai banking sector and consideration of prevailing economic conditions, ensuring that the Bank's practice remains competitive and responsive to changing circumstances. This commitment aligns with the core values of supporting the employees' holistic well-being and fostering a positive work environment.





## Human Resources Management

The Bank recognizes that effective human resources management is a critical component for its long-term success and sustainability. As such, the Bank has been actively working to review and improve its organizational structure and workforce to maximize both business performance and employee capability.

The Bank ensures appropriate human resource capacity to support business plans for its sustainable growth in both short term and long term by conducting competency gap analysis, forecasting adequate number of employees, developing skills and knowledge, as well as preparing recruitment and replacement plans. Furthermore, the Bank's human resource management respects human rights principles and maintains good governance policies and practices for its high business performance. To support the Bank's business performance, the Bank conducts human resource management as the following:



### 1. Recruitment and Selection

- The Bank recruits qualified personnel for each department and advertises job vacancies through the Bank's website, social media, and trustable and well-known recruitment agencies. Additionally, with collaboration of leading universities, the Bank promotes its potentials for promising career opportunities to attract high-quality candidates as required by each department.
- Job openings are made available to both internal and external candidates. The recruitment criteria are based on their potential and qualifications. The Bank ensures that new employee hiring is conducted in a fair and neutral manner, taking into account the market rates and internal salary structures. In 2024, 137 out of 153 vacant positions or 89.54% were filled, in which 101 positions are new-hired.

- Internship Program is designed to offer students and recent graduates with an immersive experience in the commercial banking sector, encompassing a variety of functional areas. This program is a cornerstone in cultivating high-caliber human resources for the future of the financial institution system. Interns are remunerated competitively, in accordance with the Bank's specified standards, during their tenure.

The Bank is acutely aware of the significance of the sustainable growth and is committed to nurturing young talent and fostering internal advancement. This strategic focus enables us to cultivate a robust and valuable workforce, and to prepare the next generation of leaders. In 2024, the Bank provides 28 university students for the internship program, offering them opportunity to strengthen their banking expertise and gain practical experience of the dynamic banking industry.



### 2. Retention

- Career path development, performance management, remuneration, welfare and benefits, as well as improvement of living quality and working environment are significant factors for the Bank to boost employees' morale and motivate their performances at full potential as well as create their sense of belonging in workplace.
- Succession plans are jointly established by Human Resources Department and other internal departments to promote employees with high performance and capabilities into higher positions.
- Upskill training programs are provided for employees throughout all departments both in-house and external organizations.
- Encouraging team building with more budgets for refreshment programs to strengthen connections among team members in each department and division.
- Placing importance on employees' birthdays by giving birthday presents and greeting cards. Supervisors and colleagues take this opportunity to celebrate the occasion to build caring culture.
- Organizing communication on a regular basis between Human Resources Department and employees and updating information on personnel management to build awareness and understanding of employees.



- Seasonal greetings for festive occasions i.e., New Year, Chinese New Year, Mid-Autumn Festival.
- Placing importance on caring and supporting a good-living of employees and their families. The Bank offers gifts in celebrating special occasions i.e., getting married and giving birth.



### 3. Reward and Recognition

- Through reward and recognition, the Bank acknowledges and celebrates employees whose performance, dedication, and contributions significantly benefit to the Bank. The reward and recognition recipients are considered as inspiration and role models for their colleagues.

The Bank organized the “2024 Town Hall” on 2 March 2024 to acknowledge the Bank’s strategies and policies as well as rewarding employees who have outstanding performances covering the all positions and job functions in total of 68 awards, consisting of 66 individual awards and 2 team awards.

- Performance management is regularly reviewed and improved to ensure the clear, fair, and non-discriminatory guidelines and procedures for employee performance appraisals and compensation and benefits, with a focus on fairness, transparency, and verifiability. All related parties have worked together to ensure that all practices are complied with the criteria and guidelines.



### 4. Succession Planning and Retirement

- Succession plan, to prepare qualified employees to be performing duties in the middle and senior management levels in the future, and to close the gap of employees who nearly retire, will maintain the Bank’s operations continuity.
- Resilient retirement plan, in case of business necessity, the Bank may considers to extend the employment of retired employees in that year subject to the criteria set by the Bank in order to ensure continuity and efficiency of the Bank’s operations. However, the renewals of retired employees depended on the intentional basis of the employees.
- Long-service award for retiring employees, the Bank recognizes that all the business achievement and progress cannot be accomplished without employee’s contribution. To recognize their loyalty and dedication throughout their years of service, the Bank established long-service awards for retiring employees, which are presented during the retirement and recognition ceremony.



### The Bank's Respect of Human Rights Approach

1. The Bank complies with relevant laws to align with the entitled rights of employees
2. The Bank recognizes the importance on human dignity, equality, fairness without discrimination against employees because of differences in personality.
3. The Bank is committed to treating all employees without discrimination against race, religion, skin color, nationality, gender diversity, marital status, etc. This commitment ensures that the Bank uphold human rights and fundamental freedoms, fostering an inclusive and equitable work environment for everyone.
4. The Bank treats employees fairly and consistently in all aspects of employment, including hiring, compensation, welfare provision, and training and development opportunities. These processes are based on individual ability and work performance, ensuring that every employee is evaluated and supported in a fair and merit-based manner. The Bank achieves this through transparent policies, regular performance reviews, and an open communication channel that allows employees to provide feedback and suggestions.
5. The Bank treats employees of all genders with equality, excepted for the case of the nature or conditions of work.
6. The Bank has communicated the policies related to non-discrimination with all employees in the organization, so that they have proper knowledge, awareness and ability to comply with the Bank's guidelines.

## Human Rights Action



### 1. Respect for human rights

Human rights are the basic rights and freedom to be treated with non-discrimination based on race, religion, gender, skin color, language, ethnicity, or any other status. Regarding human rights, the Bank establishes operational guidelines in alignment with human rights protection principles as stated by national laws and regulations. The Bank ensures that all businesses and operations of ICBC (Thai) Bank are conducted with fully respect of human rights to avoid and prevent misconducts against human rights in all possible ways or involvement in any human right violations. Moreover, the Bank establishes approaches to effectively reduce damage and arrange appropriate remedy for incidents relevant to human rights in order to build trust and confidence in society.

### The Bank's Remedy Approach

The Bank has established channel for employee's complaint as stated in the Bank's Work Rules, for consideration and resolution process in case of unfair treatment of employees.



### 2. Employment of Persons with Disabilities (PWDs)

ICBC (Thai) Bank participated in the "Program for promoting and developing the quality of life of persons with disabilities according to No.35 of Empowerment of Persons with Disabilities Act, B.E.2550 (2007)" by contracting services to work with the Thai Red Cross Society, a non-discriminatory and humanitarian national charitable organization, so that people with disabilities received social and job opportunities based on their skills and allowing them to work with others. This will reduce the burden on family and society, which aligned with the Bank's social responsibility policy. In 2024, the Bank employed 6 persons with disabilities through this project.





## Promote Learning Culture

### Talent and Leadership Development

Recognizing the pivotal role of effective leadership in organizational success, ICBC (Thai) Bank places a strong emphasis on talent and leadership development. In collaboration with all divisions and departments, we conduct rigorous talent review programs to identify and nurture future leaders. Additionally, we offer specialized leadership training programs tailored to various levels of leadership, ensuring a continuous pipeline of capable leaders.

1. Business simulation for professional leadership and strategic thinking: a program for middle management to develop leadership skills in understanding and planning business overview, coping and embracing disruption, and managing manpower and resource of own team.
2. Teamwork and Conflict Management: a program for team manager to develop communication skills, conflict management and team engagement.
3. Leading success: a fundamental program to equip new managers with basic managerial skills and give them opportunities for role-play in coaching, creating inspiration and communication.

### Continuous Learning Opportunities

ICBC (Thai) Bank encourages all employees to pursue continuous personal and professional development. In addition to mandatory training sessions required by the Bank of Thailand, ICBC (Thai) Bank provides a range of in-house and external training opportunities. The Bank administers a diverse range of training programs, encompassing soft skills, functional expertise, and language proficiency, empowering employees to excel in an ever-changing work environment.

In 2024, the Bank organized 54 in-house training courses and continued to boost employees' engagement in public training, 57 employees attending 32 training programs. In addition, there are 33 employees attended Head Office's trainings in China.





In addition, ICBC (Thai) Leasing and ICBC (Thai) Insurance Broker organized training courses in 2024 for 478 employees with total of 1,315 training hours.



### Compliance Training

ICBC (Thai) Bank and subsidiaries recognize the significant of corporate governance and compliance with law and regulations related to business operations. To keep track on the most recent regulatory updates and pertinent news, ICBC (Thai) Bank and subsidiaries organize training sessions on a monthly basis. These sessions are structured to convey updated information to designated representatives from each department, who assume the role of “In Business Compliance Officers” (IBCOs). The primary objective of these training sessions is to ensure that employees remain informed about the current rules and regulations, while also facilitating discussions on various issues, enabling them to adhere to established procedures in their daily tasks.

Moreover, the CEO underscores the necessity of compliance with the regulatory guidelines issued by domestic and international authorities. To emphasize the CEO’s intention on this, he conducted training sessions for employees himself to share relevant information and regulatory updates with other financial institutions worldwide. Additionally, the CEO suggested areas of focus and prudent attention for employees of the Bank and subsidiaries, emphasizing the importance of due diligence in their daily operations.



### Newsletters Related to Risks

The Bank is committed to cultivate risk management and enhance employees’ competencies to handle potential risks and maintain security and foster sustainable growth of the Bank.

In 2024, the Bank intensified its commitment to robust risk management by launching a comprehensive series of Risk Management Newsletters. The newsletter series is designed to enhance awareness and equip all employees with capability to handle uncertainty and unforeseen challenges stemming from emerging threats and dynamic economic factors. The key activities were as follows:

- Published 8 newsletters covering key issues relating to IT risk awareness, financial fraud and interest rate risks, etc.
- Circulated in-depth information such as comprehensive insights, case studies and practical risk preventive approaches to employees for their application.
- Provided recommendations for risk prevention and risk management. These included strategies for mitigating technological risk, monitoring techniques for financial risk linked to macroeconomic factors, and robust prevention tactics for combating complex financial fraud scenarios, among other critical areas.
- Encouraged employees’ participation by arranging Quiz Game with prizes for the winners.
- Cultivated a proactive risk management culture and heightened awareness of employees’ responsibilities in executing risk management practices aligned with their roles. This was achieved through the dissemination of comprehensive standards, practical guidelines, and a robust risk management framework, designed to embed risk consciousness into the organization.



### Activities to Emphasize Personal Data Protection and Data Governance

The Bank continues to emphasize and promote awareness among all employees, especially those dealing with customer data, about the importance of personal data protection and data governance.

In 2024, the activities included:

- Monitoring document management required customer consent within the designated timeframes
- Updating and announcing the Privacy Notice for employees on the Bank’s central portal

- Keeping the Bank’s directives related to personal data protection and data governance up to date
- Regularly updating training materials and conducting tailored training sessions on personal data protection and data governance, specifically designed to equip employees with the knowledge and skills required to perform their tasks in compliance with relevant laws and regulations



### Activities to promote the secure management of data throughout its lifecycle

The Bank is committed to fostering a culture of secure data management of the employees, in compliance with established rules and guidelines for personal data security and data governance. This includes storing important documents in secured locations to prevent data leakage and turning off devices to save energy, with ongoing quarterly assessments from the previous year, as follows:

- Establishing protocols for storing data in paper form according to the data’s confidentiality level and securing laptops appropriately after working hours.
- Mandating the shutdown of computers and monitors after work to save energy and extend the lifespan of the devices. In the year 2024, the Bank maintained its emphasis on secure data management practices throughout the entire data lifecycle to prevent data breaches. The measures implemented are as follows:
  - Mandating the classification of data confidentiality levels on documents, in both physical and digital formats, to ensure users are aware of the significance of the documents.
  - Requiring encryption of highly confidential data files when transmitting data both within and outside the organization.
  - Enforcing the appropriate destruction of documents based on their confidentiality level, with the establishment of designated collection points for important documents pending proper destruction.

### Performance in 2024

In 2024, the Bank continued its initiatives to foster employee participation and awareness of data security, embedding it into the organizational culture. Notably, random, unannounced inspections of employee workstations were conducted and found that all employees adhered to the guidelines and practices to ensure compliance with data protection principles according to confidentiality levels. Additionally, the Bank intensified internet access security by restricting only connections to wired connections and implemented additional data leakage prevention systems to control data extraction from the system by authorized personnel exclusively. This reflected the Bank’s unwavering commitment to continuously improving and elevating the standards for secure data management.

### Contribution to UNSDGs





## Governance Dimension

ICBC (Thai) Bank adheres to good governance, transparency by conducting its business with fair treatment to customers while maintaining prudent enterprise risk management.



## Governance and Transparency

The Bank adheres to the principles of good governance, transparency, fairness, auditability, and business ethics. To comply with regulatory requirements, the Bank also strictly abides by the rules, regulations of all regulatory authorities as well as related laws.



### Corporate Governance

The Board of Directors of the Bank promotes the culture of good corporate governance along with conducting its normal business operations. Good corporate governance is an important tool for creating value added to the business, enhancing sustainable growth of the business and building confidence to all stakeholders.

The Board of Directors has established the Corporate Governance Policy by adapting the management structure

and strategy guidelines set forth by the Bank of Thailand on “Governance of Financial Institutions” placing great emphasis on the benefits of the stakeholders and fairness in conducting business that include as follows:

- **Rights and Equity of Shareholders**  
All shareholders shall have equal rights on all aspects such as the right to attend shareholders’ meetings, the right to receive profit sharing and dividend, the right to information on the financial status and operations of the Bank.
- **Treatment to Stakeholders**  
The Board of Directors of the Bank shall ensure that the Bank equally and fairly treats all groups of stakeholders and related persons namely customers, shareholders, employees, regulators, business partners, competitors, society and communities.
- **Qualifications of Directors and Responsibilities of the Board of Directors and Senior Executives**  
Directors and Senior Executives of the Bank shall possess “Fit and Proper” qualifications and shall not possess any prohibited characteristics as per the Financial Institutions Business Act B.E.2551 and prohibited characteristics as additionally prescribed under the Notification of the Bank of Thailand Re: Guidelines on Approval of the Appointment of Directors, Managers, Persons with Power of Management or Advisors of Financial Institutions, Parent Companies of Financial Institutions and Subsidiaries that Operate Financial Business.



- **Business Ethics**

The Bank has a comprehensive directive on Business Ethics so that all stakeholders including Directors and employees understand their responsibilities relating to the Bank's Business Ethics.

- **Disclosure/Transparency**

The Bank shall disclose its financial and other information to the shareholders and the public with accuracy and transparency as required by the Bank of Thailand and supervisory authorities. The information shall be disclosed through various channels such as the Bank's Annual Report, the Bank's official website and reporting to the shareholders on the benefits and remuneration of the Directors and Senior Executives, included in the Bank's Annual Report, at the Annual General Meeting of Shareholders.

- **Prevention of Conflict of Interest**

The Board of Directors of the Bank shall be responsible for overseeing and preventing conflict of interest to be transparent and for the benefits of the Bank and its shareholders. It shall formulate criteria for conducting transactions with the major shareholders or businesses with common or related interest with the Bank, no special conditions or specifications shall be given to them. Such transactions shall be approved by the Board of Directors of the Bank by unanimous resolution. Directors or Senior Executives with interest in such matters/ transactions shall not be a part of the approval process. For more details on Governance of the Bank, please see the Governance Section.

#### Performance in 2024

- In 2024, ICBC (Thai) Group remained committed to upholding its Corporate Governance Policy. In line with the six recent updates of Notifications of Bank of Thailand on Corporate Governance of Financial Institutions and Financial Business Groups, ICBC (Thai) Group has revised its corporate governance and internal audit procedures to ensure continued compliance with the latest regulatory requirements.
- Furthermore, in 2024, the Board of Directors granted approval for the reappointment of the Chief Executive Officer for another term, following a four-year performance evaluation based on the guidelines established by the Notification of the Bank of Thailand's on the Approval of Appointment of Directors, Managers, Persons with Power of Management, or Advisors of Financial Institutions, Financial Institutions' Parent Companies, and Subsidiaries Undertaking Financial Business.



### Business Ethics

ICBC (Thai) Bank is committed to operating the businesses with good governance principles and responsibilities to all stakeholders. The Bank adheres to ethics and transparency that announce Bank's integrity. ICBC (Thai) Bank respects the rights of all stakeholders which include customers, shareholders, employees, regulators, business partners, competitors, society, and communities. The Board of Directors recognizes the significance of the business ethics policy as the fundamental to the success of the organization. All executives and employees perform their duties in alignment with the Bank's Policy and Procedure. Furthermore, the Bank provides the whistleblowing channel for employees to report any violation to the business ethics, policies and procedures. Besides the business ethics policy, the Board of Directors has approved the Policy on Preventing Conflict of Interest as the guidance to the Bank's executives and employees at all levels to perform their duties while the chance of conflict of interests probably occurs.



### Anti-Corruption

As anti-corruption is a key element of the good governance principles, the Bank adheres to the Anti-Corruption Policy and the Policy on Preventing Conflict of Interest, which provides guidance to the Bank's executives and employees of all levels to perform their duties in a fair and equitable manner, prevent moral hazard and promote the practice of integrity.

In testament to the Bank's unwavering determination to combat corruption, it has been certified by "Thailand's Private Sector Collective Action Coalition against Corruption", an organization that rewards those who adhere to anti-corruption principles. Furthermore, the Bank's Directors, Executives, and all employees serve as exemplars, strictly adhering to Anti-Corruption requirements.

The Bank has adopted a "No Gift Policy" where employees are prohibited to conduct any corruption activity, such as offering, soliciting, or accepting any form of gifts or using any form of corporate hospitality to influence business decisions.

Furthermore, the Bank expects all Directors, Executives and the employees strictly adhere to Anti-Corruption principles, conduct measures covering wide range of activities including credit approval, credit restructure, Non-performing assets disposal, asset appraisal, large amount of procurement: IT equipment, office leasing and decoration, marketing materials, office supplies.



In addition, the Bank ensures that business counterparties fully recognize the anti-corruption policy by communicating the procurement policy of the Bank which addresses in the contracts or agreements of the Bank with the clause of prohibiting corruption activities.

In 2024, the Bank arranged annual Anti-Corruption online training, which has 100% attendance of all executives and employees.

To facilitate reporting corruption incidents, the Bank provides the reporting channels for information or complaint via website under topics of Anti-Corruption. Moreover, the Bank welcomes complaints through whistleblowing, emails and letters which can directly attention Chief Executive Officer or Audit Committee or Head of Division or Head of Internal Audit Department.



### Whistleblowing

The Bank is determined to operate its business with transparency, fairness and a strong sense of business ethics and protects whistleblowers who refuse to be part of fraud or corruption. The channels for employees and the public to report complaint include:

- Website: [www.icbcthai.com](http://www.icbcthai.com) (Anti-Corruption and Whistleblowing)
- Email to [corruptionreport@th.icbc.com.cn](mailto:corruptionreport@th.icbc.com.cn)
- Letter to the Chief Executive Officer or the Chairman of Audit Committee: the Industrial and Commercial Bank of China (Thai) Public Company Limited 622 Emporium Tower, L, 11<sup>th</sup>-13<sup>th</sup> Fl. Sukhumvit Road, Khlong Ton, Khlong Toei, Bangkok 10110
- Drop in box-Internal Audit Department

In 2024, there was no whistleblowing case received through the various reporting channels.



### Anti-Money Laundering

ICBC Group has formulated comprehensive Money Laundering (ML) Risk Management Measures to prevent the misuse of its financial system for illegal and criminal activities, such as money laundering. Effective ML risk management is essential for ensuring the safety and stability of the Group's operations. ML risk refers to the potential for the products and services offered by the Group during business development and operational management to be utilized for money laundering, terrorist financing, proliferation financing, and other predicate offenses related to money laundering.

Under an umbrella of ICBC Group, ICBC (Thai) Bank has incorporated the Group's measures to ensure effective identification, customer due diligence, Sanction List name screening, the assessment of customer risk based on relevant risk factors to assign risk levels, monitoring, control, and reporting of ML risks. To ensure all employees are able to incorporate ML principles to their function effectively, ICBC (Thai) Bank organizes the annual training for all executives and employees to build ML risk awareness with professional ethics and standards, emphasizing ML risk prevention and control.

The three lines of defense organizational structure is established to effective manage and control ML risk. Moreover, the capability of the staff to handle ML risk is crucial, the Bank arranges the annual Anti-Money Laundering, Counter-Terrorism, Proliferation of Weapon of Mass Destruction Financing, and Sanction training program which has achieved 100% completion.



### Value Chain Management

ICBC (Thai) Bank is one of the financial institutions that play an important role in the country's economic system. Banks as financial intermediary raise fund through diverse array of deposits, loans, and partly from the shareholders' share. The funds will be provided through various financial products of loans and investments for entrepreneurs and individual depending on their objectives, namely, business loans, loans for international trade, housing loans, loans for apartment business, commercial loans, and asset management business. Moreover, the Bank is an active participant in the financial market, dealing in debt and securities business, engaging in interbank lending, and acting as a distributor for variety of mutual funds. In addition, the Bank's subsidiaries also provide other types of financial services, such as brokerage service for buying and selling life insurance and pension planning. These services generate incomes through various channels, namely, interest, dividend, profits from investment, and fee incomes relevant to financial products of the Bank, subsidiaries, and other business partners.

ICBC (Thai) Bank operates with a holistic approach, engaging all stakeholders—including customers, shareholders, employees, regulators, business partners, competitors, and societies and communities—as integral components of its business ecosystem. The Bank is committed to conducting its operations with unwavering adherence to a stringent code of conduct and the highest standards of governance. This commitment not only ensures steady and sustainable long-term growth but also positions ICBC (Thai) Bank as a key driver of economic and social advancement within Thailand. By fostering a culture of ethical business practices and corporate responsibility, the bank actively contributes to the Nation's sustainable economic and social development.



**ICBC (Thai) Bank and Subsidiaries' Performance**



**Business Partner Management**

ICBC (Thai) Bank's business partners comprise of a diverse range of organizations, including financial agents, external service providers, and other strategic partners. Effective value chain management of ICBC (Thai) Bank's business partners enhances operational efficiency, optimizes service capabilities at competitive costs, facilitates risk management, and supports maintaining a strong corporate image by delivering high-quality services to the customers.

The Board of Directors of the Bank establishes a policy regarding business partners' engagement to ensure transparency in selection and appointment of business partners as well as fairness to all business partners. The policy is in alignment with the guidelines of the ICBC Group, regulations of the Bank of Thailand and other applicable laws, which requires the responsible department to conduct a comprehensive risk assessment of any person or juristic person who is a business partner when considering and decision-making on activities related to business partner. When engaging with foreign business partners, the responsible department must conduct an extensive assessment of the partner's country, evaluating economic, societal, legal, and environmental factors. This assessment ensures that both the Bank's service provision and the services provided by the business partner can continue uninterrupted, and maintain service standards consistent with the Bank's and those of financial sector.

Selection and appointment of business partners are considered based on necessity and appropriateness of services from business partners in accordance with the criteria set by the Bank. The process must include 3 important principles for consideration: 1) continuity of operations and services in both normal and special situations; 2) responsibility to customers with appropriate customer protection procedures in both customer data and problem resolve etc.; and 3) comprehensive risk management prior to establishing a relationship with individuals or entities as the Bank's business partners. Moreover, the responsible department must conduct a Name Screening of the person or representative of the business partner to examine if they are in the list of persons designated. This process will prevent the risk of fraud, corruption, money laundering, or terrorism support in accordance with Anti-Money Laundering and Counter-Terrorism and Proliferation of Weapon of Mass Destruction Financing Act, and avoid involving with individuals or entities with high risks.

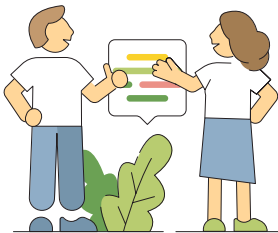
In appointing or terminating business partners, the department in charge of considering and decision-making on activities related to business partner shall present the assessment of qualifications to appoint or terminate the service of business partners to the Executive Committee for consideration.

In addition, the Bank periodically monitors and evaluates the performance of its business partners to ensure the continuity of the Bank's services and operations and prevent potential damage from using the services of the Bank's business partners in a timely manner. Furthermore, for transparency and verification, the Bank also provides information or reports related to the services from its business partners that may be requested by the Bank of Thailand, external auditor or other regulators.



### Procurement

Besides the management of business partners mentioned above, the Bank also recognizes the importance of procurement and established a clear, transparent and verifiable procurement policy. Moreover, the Bank provides equal opportunities to external service providers leading to sustainable business cooperation. The department conducting procurement process shall send a written notice to all qualified external service providers to inform them about the Bank's policy on anti-corruption and against all forms of bribery. In this regard, the Bank prohibits hiring outsourcing service providers with suspicious corrupted behavior. Therefore, prior to establishing a relationship with an external service provider, the responsible department must verify the information of persons and/or representatives of agencies that will provide outsourced services by conducting a Name Screening to examine if they are in the list of persons designated to prevent the risk of fraud, corruption, money laundering or terrorism support. This requirement is included in the process before the Bank making relationship with any business partner, aligning with Anti-Money Laundering and Counter-Terrorism as well as Proliferation of Weapon of Mass Destruction Financing Act.



### Fair Treatment to Customers

Fair treatment to customers is fundamental to ICBC (Thai) Bank's business operations aiming to provide customers with fair services in terms of price and condition as well as convenient access to the services including taking care and solving problems within timely manner.



### Fair Market Conduct Management

The Bank is determined to provide fair financial services to customers. The Board of Directors and senior management firmly endorse and promote fair market conduct as a core component of The Bank's corporate culture. Chief Executive Officer holds responsibility for fostering a culture of fair Market Conduct through effective and tangible measures, while ensuring all employees are consistently committed to offering financial products in full compliance with the regulations of the Bank of Thailand.

To ensure the achievement on the fair treatment outcomes to customers, the Bank established and communicated the policies and operating procedures, and provided training as well as remuneration to the staffs. For instance, top management regularly conducts training program to all executives and staff to emphasize the importance of market conduct principles.

Moreover, the members of sales force are consistently trained to uphold service quality and ensure that they appropriately offer products and services to the customers with clear and complete information. Aside from training programs, the Bank also adopt effective data security measures to prevent the loss and unauthorized disclosure of customer personal information.

Meanwhile, customer complaint management is independently operating to handle the complaints in the effective and timely manner.



### Promotion of Risk Management Foundation

Places importance on systematic and effective risk control management covering various aspects of risk management as prescribed by the Bank of Thailand as well as the ICBC Group's risk management guidelines to ensure that the Bank has guidelines to prevent and reduce any kind of risk appropriately in a timely manner.



## Risk Management Culture and Strategy

The Bank has included the Risk Management Culture and Strategy as part of the “Enterprise-Wide Risk Management Policy of ICBC (Thai) Group”. The risk management culture is the value concept integrated with the elements such as the Bank’s management thought, risk management idea, risk management behavior, risk moral standards and risk management environment. The risk management culture is important to support the comprehensive risk management system, work processes, policies, and the collaboration for Front office, Middle office, and Back office. Moreover, the risk management culture is a crucial element to facilitate cooperation across teams for the overall achievement. Risk management culture is a decisive factor that leads to the Bank’s core-competitiveness.

The Bank has adopted the ICBC Group’s enterprise culture framework featured by uniform, transparency, rigorous, and steady. A risk management culture has been instilled through training, and reinforced through supervisory mechanisms, to ensure that employees understand and adhere to its implementation.

The Bank’s core values in corporate culture are “in compliance with the laws and regulations, prudent operation, honesty and integrity, professional collaboration, and perform individual duties”, construct the risk management culture in accordance with the Bank’s development orientation.

Risk management shall align with the principles of independent balancing, which require separation of front office, middle office, and back office, and strengthen the “Three Lines of Defense” by taking into account the key fundamentals such as risk governance, risk management framework, risk appetite framework, risk tolerance, and risk limit.



## Strengthening the Building the Three Lines of Defense Responsibilities

The Three Lines of Defense is an important element of risk governance. All departments shall perform their own functions earnestly, share responsibilities, coordinate with each other to jointly prevent and control risks.

1. The First Line of Defense; the first business unit of risk management and shall strengthen direct responsibility, they shall perform both business development and risk management, including risk identification, prevention and control.
2. The Second Line of Defense; the risk management and compliance units, they shall develop applicable risk management framework with fairness, comprehensiveness and systematic manner. They shall strengthen independent risk monitoring and complement the first line of defense, as well as sharing information and responsibilities.
3. The Third Line of Defense; the internal audit unit, they shall emphasize supervision responsibilities, and audit the risk management performance of the First and Second Line of Defense to ensure the effectiveness of risk management and internal control.

Top Senior Executives  
(SEVPs and above)

- **Improving the risk governance framework for effective checks and balances:** Clarifying risk management responsibility, improving the three lines of defense in risk management.
- **Transmitting unified risk management culture, appetites and strategies of the Group\*:** Following ERM concept, conveying the risk culture, compliance culture and credit culture. Conveying and implementing risk appetites of the Group, refining risk management plans, promoting subsidiaries to improve the ERM system.
- **Strengthening risk control in important business:** Developing the business development plans. Strengthening the whole procedure management of credit and investment. Incorporating material risk management issues into the highest-level decision making.

Main Responsible Person - CEO (Primary responsibilities)	SEVPs, CRO (Implementation responsibilities)	Group Risk Supervision and Internal Control Committee (Decision-making)
<ul style="list-style-type: none"> <li>• Fulfilling the requirement for development strategies of the Group.</li> <li>• Consolidating the risk management responsibility of management and supporting CRO to perform their duties.</li> <li>• Taking asset quality control as priority project. Exercise "veto power" over credit approval.</li> </ul>	<ul style="list-style-type: none"> <li>• SEVP: Improving policies, procedures, data, and systems for risk management. Carrying out risk identification, assessment, monitoring and early warning. Toughening risk mitigation and treatment, reporting risk profile in fields in their charge.</li> <li>• CRO: Undertaking the responsibility of implementing 9+X risk. Improving ERM system and three lines of defense, risk management plans and conveying risk culture, appetites and strategy. Studying and reviewing risk reports, submitted by the First and Second line of defense on quarterly basis. Submitting risk management report to HO.</li> </ul>	<ul style="list-style-type: none"> <li>• Improving the setting and working mechanisms of the RMC and raising its efficiency. Conveying regular meetings to review important policies and study material risk issues.</li> </ul>
First Line of Defense (Direct responsibilities)	Second Line of Defense (Management responsibilities)	Third Line of Defense (Supervision responsibilities)
<ul style="list-style-type: none"> <li>• <b>Active Prevention:</b> Conducting early prevention of risk, risk monitoring. Improving policies. Fulfilling the requirement of risk management, and managing risk of new products.</li> <li>• <b>Smart Control:</b> Reinforcing data quality, integrating all businesses into the system to ensure comprehensive, timely and accurate of business and customer information.</li> <li>• <b>Comprehensive Management:</b> Performing risk identification, risk assessment, risk monitoring, risk control and mitigation, reporting in a timely manner, Conducting appropriate person training and supervision.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Active Prevention:</b> Perfecting risk policies, risk appetites and limits; establish mechanisms of risk analysis, early risk warning and rigid control. Conducting special study on possible material risk, Promptly response and feedback on early warning. Providing risk management methods, tools, procedures and training for the First Line of Defense.</li> <li>• <b>Smart Control:</b> Performing risk data integration and improving risk monitoring and early warning system.</li> <li>• <b>Comprehensive Management:</b> Managing all types of risks, all types of businesses, subsidiaries and personnel across ICBC (Thai) Group, Conducting comprehensive assessment of risk indicators, and report all risks.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Active Prevention:</b> Ensuring the monitoring and analysis of business development and conducting early warning and risk alert to the First and the Second line of defense.</li> <li>• <b>Smart Control:</b> Intensifying the application of scientific and technological means in audit activities.</li> <li>• <b>Comprehensive Management:</b> Auditing the effectiveness of risk management and business development. Developing audit plan, releasing audit reports, and supervising the remediation of problems.</li> </ul>

\* the Group means ICBC (Thai) Bank and subsidiaries



### Performance and Management Approach in 2024

To integrate risk culture with the ICBC (Thai) Bank's culture, ICBC (Thai) Bank is committed to upholding the Responsible Corporate practice to cultivate the sustainable growth of the Bank.

In 2024, the Bank issued a number of risk policies to raise awareness of stakeholders on risk appetite, risk management, consequence of risks, and loss limits. For example, the Bank organized training courses on risk management for new staff, developed credit model and report incidents.

Key factors to strengthen the Bank's risk culture include:

- Initiated and driven by the Bank's leaders (Tone from the Top), the Board of Directors and Senior Management have the important roles on driving the Bank's risk culture by setting the expectations of risk culture, balancing the risk and return, promoting and overseeing the implementation, monitoring and assessing the effectiveness, and addressing gaps or identifying deficiencies of significant risks.
- In an effort to enhance accountability for risk management, the Bank has established a comprehensive system that enables all levels of management and staff to effectively manage risks within the specified risk tolerance and limits. Furthermore, the Bank promotes awareness on risk ownership, establishes KPIs to maintain a balance between risk and returns, and implements robust risk monitoring and control processes. Additionally, the Bank provides clear whistleblowing channels and procedures for reporting non-compliance, with precise schedule of penalties for any violations.
- Established effective communication and employee engagement, the Bank provides a transparency and open communication channel for all employees to propose their ideas with the constructive sessions to consider the comprehensive and effective risk management.
- Provided incentives and motives to enhance effective risk management performance such as giving rewards and recognitions for the employees with excellent risk management performance so that the Bank's goals on risk management are achieved.



### Fraud Risk Management

ICBC (Thai) Bank prioritizes fraud risk management to assure safety and security of financial service. In addition to its Fraud Risk Management Policy and operational guidelines, the Bank

collaborates with Thai Bankers Association to combat fraudulent activities by establishing a 24-hour support unit for customers facing technology crime issues, allowing for temporary transaction or account seizure, and working together with other banks to mitigate potential adverse impacts on customers. Furthermore, the Bank has implemented a face-recognition system for high-value transactions, a system to detect technology crimes or suspicious transactions, and continuously educates both customers and employees about financial crimes to safeguard the Bank's financial and reputational health. Additionally, the Bank is a proud member of the Private Sector Collective Action against Corruption (CAC), aiming to contribute to the social effort to eliminate fraud and corruption and promote sustainable governance development in the future.



### Business Continuity Management

ICBC (Thai) Bank recognizes the significance of Business Continuity Management to ensure the uninterrupted operations of its Critical Business Functions, whose disruption could have significant impacts on the Bank's operations, reputation, status, and performance. The Bank is committed to promptly restoring normal operations in disruptive events, such as pandemics or floods, to minimize potential damages of physical body, assets, reputation of the employees and the Bank.

For the Business Continuity Management, the Bank has developed the comprehensive Business Continuity Plan or BCP and regularly updated to accommodate the upcoming circumstances and align with the guidelines set by the Bank of Thailand. The BCP consists of procedures and work processes designed to promptly restore normal operations and facilitate business continuity in the event of incidents that disrupt business operations.

### BCP Purposes

1. To ensure the continuity of critical business functions, the Bank is prepared to maintain operations or quickly recover from any disruptions within an appropriate timeframe.
2. To ensure that the continuity of timely customer services
3. To limit or prevent physical damage of equipment and other assets
4. To mitigate business impacts on the Bank's financial system and legal standing

**Disruptive Events taken into Account in the BCP Guideline**

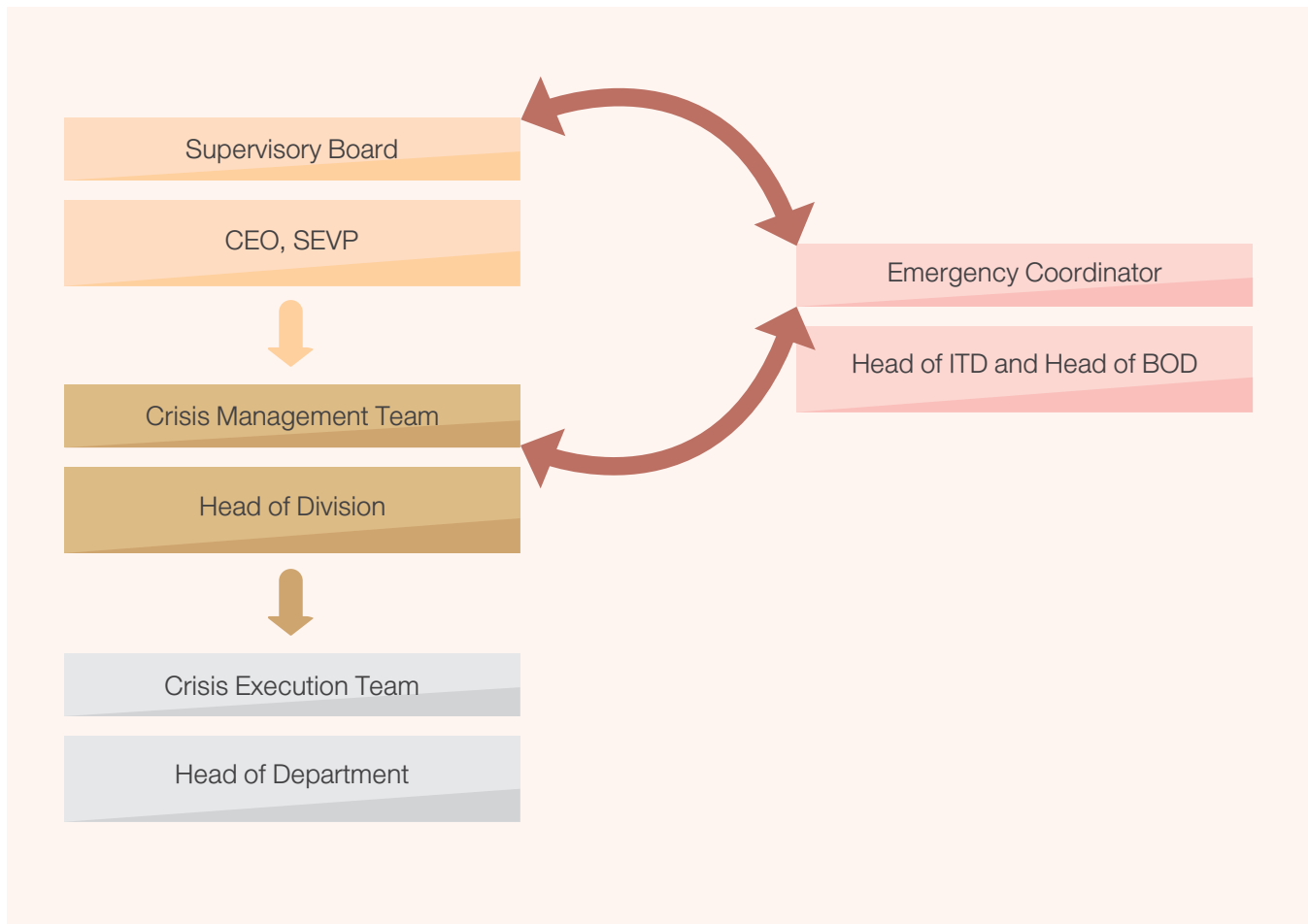
Disruptive events can arise from a variety of sources, including human-induced incidents, natural disasters, economic fluctuations, and physical damage. Such events may include fires, explosions, insurgency, floods, labor protests, damage to IT systems or facilities, and cyber threats. These incidents can affect the Bank’s normal operations, incite negative rumors, and lead to adverse publicity, as well as result in unauthorized data access, among other potential consequences.

To ensure adequate preparation for the wide range of potential disruptive events and the inherent complexity of the

Bank’s operations, the BCP guideline outlines five aspects to maintain the Bank’s resilience and swift recovery from disruptions, allowing for the continuation of critical business functions:

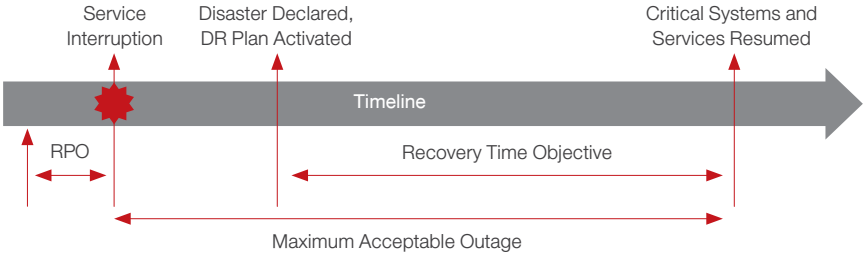
1. Core Banking System Failure
  - Disruption to the data center located in China
  - Disruption to the leased lines between ICBC (Thai) Bank and data center in China
2. Local Data Center Failure
3. Head Office (Emporium Tower)/Branch Building not Accessible
4. Cyber Security Incident Attack
5. Pandemic

**BCP Organization Structure and Area of Responsibility**



Area of Responsibility

Roles	Area of Responsibilities
Supervisory Board	<ul style="list-style-type: none"> <li>• Approve the decision which proposed by Emergency Coordinator and Crisis Management Team</li> <li>• Make decision about evacuation</li> <li>• Make decision about return to the Bank’s premises</li> <li>• Make decision about operational activity continuation in the Disaster Recovery center</li> </ul>
Emergency Coordinator	<ul style="list-style-type: none"> <li>• Coordination of the procedure for property protection and evacuation</li> <li>• Coordination of the procedure for IT systems recovery</li> <li>• Propose the decision for approval to Supervisory Board</li> </ul>
Crisis Management Team	<ul style="list-style-type: none"> <li>• Follow directions of Supervisory Board</li> <li>• Ensure business continuity in case of evacuation to Disaster Recovery center or other emergency situations</li> </ul>
Crisis Execution Team	<ul style="list-style-type: none"> <li>• Communicate with Crisis Management Team to follow directions of Supervisory Board</li> <li>• Arrange the BCP to be in line with current environment</li> <li>• Appoint the proper staff to participate in the BCP</li> <li>• Assess the need for resources required for the Critical Business Functions (CBF)</li> <li>• Establish the Recovery Time Objectives (RTO) and Recovery Point Objectives (RPO)</li> </ul>



Contribution to UNSDGs



## Sustainability Statistics

### ICBC (Thai) Bank and Subsidiaries' Sustainability Statistics

Economic performance	Unit	2022	2023	2024
Total Revenue, <sup>1</sup>	THB Million	7,335	7,638	7,949
Operating Expenses <sup>2</sup>	THB Million	2,855	3,228	4,693
Net Profits	THB Million	2,979	2,949	2,485
Remuneration and employee welfare	THB Million	1,642	1,623	1,586
Payment to providers of capital <sup>3</sup>	THB Million	3,143	4,739	5,238
Tax payment to government <sup>4</sup>	THB Million	1,136	683	1,212
Expenses for social activities & donation	THB Million	2	2	2
Total assets	THB Million	288,704	272,731	260,408
Loan to large corporate customer	THB Million	112,225	106,698	96,433
Loan to medium and small corporate customer	THB Million	2,705	1,909	1,497
Loan to individual customer	THB Million	49,340	49,117	43,530
Total liabilities	THB Million	248,784	229,652	214,688
Total shareholders' equity	THB Million	39,920	43,079	45,720
Environment performance (ICBC (Thai) Bank only)				
Loans Classified by Green Classification <sup>5</sup>	THB Million	7,600	10,769	12,454
Investment in ESG-related bonds	THB Million	5,850	8,035	9,495
Green Bond	THB Million	2,530	3,700	3,700
Sustainability-Linked Bond	THB Million	1,720	1,935	1,935
Sustainability Bond	THB Million	-	300	1,110
Social Bond	THB Million	1,600	2,100	2,100
Carbon Credit Bond	THB Million	-	-	200
Blue Bond	THB Million	-	-	450
Electric consumption	Kilowatt-Hour	757,396	724,492	706,879
Water consumption	Cubic Meter	1,476	1,260	1,193
Paper consumption	Ream	7,110	6,250	7,130
Fuel consumption	Liter	91,266	97,278	101,849

<sup>1</sup>Revenue refers to net interest income, net fee income and other non-interest income. The Bank reclassified hedging accounting transactions in financial statements for the year 2022 and restated the financial statements for the year 2023

<sup>2</sup>Operating Expenses exclude expense associated with employees, tax, charitable donations and donations to support public services and education.

<sup>3</sup>Payment to providers of capital refers to interest expenses. The Bank reclassified items in financial statements for the year 2021 and 2022

<sup>4</sup>Tax payment to government e.g. corporate income tax, land and building tax, and special business tax etc., exclude Deferred Income Tax.

<sup>5</sup>Green Classification of ICBC Group

<b>Social performance</b>	<b>Unit</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
Employee's wages and benefits	THB Million	1,642	1,623	1,586
Expenses for social activities & donation	THB Million	2	2	2
Tax payment to government	THB Million	1,136	683	1,212
<b>Employee data</b>				
Total number of employees	Person	1,107	1,138	1,141
Employee by nationality				
Thai	Person	1,061	1,091	1,085
Others	Person	46	47	56
Employee by gender				
Male	Person	408	421	422
Female	Person	699	717	719
Employee by type of employment				
Full-time employee	Person	1,103	1,135	1,136
Contract employee	Person	4	3	5
Employee by type of workplace				
Head office	Person	798	819	814
Branch	Person	309	319	327
<b>Training</b>				
Total number of employees <sup>6</sup>	Person	1,107	1,142	1,141
Total training hours	Hour	9,580	35,307	15,191
Average training hours per person	Hour/Person	9	31	13
Total training expense	THB	1,751,742	5,039,843	4,136,545
Average training expense per person	THB/Person	1,582	4,413	3,625
<b>Numbers of customers</b>				
Juristic customers	Person	10,247	11,122	11,799
Non-juristic customers	Person	220,847	250,155	253,212
Total numbers of customers	Person	231,094	261,277	265,011
<b>Access to services</b>				
Number of branches	Branch	21	21	21
Number of ATMs	Machine	37	41	43

<sup>6</sup> Total number of employees attended the training courses included employee who resigned during the year.



# REPORT OF THE AUDIT COMMITTEE

The Audit Committee comprises three qualified independent directors who fully met the qualifications under the rules and sound practices stipulated by the Bank's supervisory authorities. They are Mrs. Unakorn Phruithithada, Mr. Natdanai Indrasukhsri and Mr. Apinetr Unakul,

The Audit Committee performed its duties and responsibilities according to the scope and authority assigned by the Board of Directors as defined in the Audit Committee Charter. In the year 2024, the Audit Committee held seven meetings and reported the significance of its performed duties in each quarter to the Board of Directors with a summary as follows:

## 1. Financial Statements

The Audit Committee reviewed the action plan and scope of the external auditors to ensure that the audit scope covered all significant risks and reviewed the accuracy and reliability of the semi-annual and annual financial statements of the Bank itself and the consolidated financial statements as well as the adequacy of disclosure of information supplementary to the financial statements and considered the issues noted from the audit of the financial statements conducted by the external auditors. The review was made along with the management from the Accounting Department and always with the external auditors in attendance by considering the accounting information, compliance with accounting standards and regulatory requirements. Furthermore, the Audit Committee held one meeting with the external auditors without the participation of the Bank's management to discuss the independence of the auditors and restrictions or limitations in performing their duties and expressing opinions and any points of concern arising from their audits.

Considering the auditor's opinion expressed in the financial statements as well as the issues raised from examination of the external auditors, the Audit Committee opined that the Bank has maintained an adequate control system for preparing the financial statements. The Audit Committee considered and opined in line with the opinion of the external auditors that the financial statements fairly presented and adequately disclosed reliable information in conformity with the Thai Financial Reporting Standards (TFRS). The Audit Committee presented the results of the consideration on the financial statements to the Board of Directors for endorsement and acknowledgement. Meanwhile, the noticeable issues raised by the external auditors in the management letter were also brought into consideration and acknowledgement of the Board of Directors as well. In the course of the external auditors' duties, they have independently performed their duties without limitation. The points of concern raised by the external auditors had been brought to the attention of the Audit Committee. It was reported that such concerns have been made well aware of and been well managed by the Bank's responsible executives.

## 2. Internal Control and Information Technology Control

The Audit Committee considered the results of control assessment and the efficiency of the Bank and its subsidiary's management in relation to both operations and information technology through the reports of Internal Audit Department and those of external auditors. Appropriate discussion with relevant executives would be taken as the case may be for ensuring the implementation of sound and adequate internal control system. In the year 2024, the Audit Committee discussed with the executive of the Information Technology Division in regard to Cyber Security and IT Risk Management for ensuring that management is ready to mitigate the cyber risk and aware of management on IT risk in order to continue our services to the valued customers. The Audit Committee has been reported the audit findings and recommendations from the Head of Internal Audit of the Bank's subsidiary to review the effectiveness of internal control system and ensure that fraud protection and detection is covered in audit scopes.

As for the Bank's audit system, the Audit Committee considered and approved the annual audit plan as well as the revision of the approved plan to be in line with the current situation and ensured that the audit scope covered the significant banking operations and any areas or processes which expose high risk to the Bank based upon the result of risk assessment. The Audit Committee also reviewed the audit performance against the approved audit plan on a quarterly basis. Further, the Audit Committee has acknowledged the Quality Assurance and Improvement Program (QAIP) Report for the year 2023 with the objective of evaluating the standardized operations of the Internal Audit Department in conformance with the International Professional Practices Framework (IPPF). The Audit Committee also performed the annual performance evaluation of the Internal Audit Department.

The Audit Committee was of the opinion that the Bank and its subsidiary maintained an appropriate and sufficient control system with sound management and remedial implementation. In addition, the audit systems have been sufficient, appropriate and capable to support business undertaking with sound supervision.

### 3. Regulatory Compliance

The Audit Committee supervised the Bank's compliance monitoring system through the operation audit. In addition, the Audit Committee regularly acknowledged reports on regulatory changes affecting the banking operations through the report of the Compliance Department.

As for business operation undertakings in the year 2024 based upon the supervision through the whole year audit functions, there was no significant incompliance with the regulations of the Bank's supervisory authorities, nor any issues regarding conflict of interest. The Audit Committee opined that the Bank maintained the appropriate compliance functions to ascertain compliance with requirements and laws relevant to the banking business.

### 4. Statutory Auditors

Reference is made to the policy of the Industrial and Commercial Bank of China Limited ("ICBC"), the Bank's parent company which requests all subsidiaries to maintain the identical statutory auditors in order to be in compliance with the same standards. For the year 2024, EY Office Limited ("EY Thailand") was recommended by ICBC to be the statutory auditors of the Bank and its subsidiary and the Audit Committee considered the performance, audit standards, experiences, independency and qualifications of the statutory auditors and recommended to propose EY Office Limited ("EY Thailand") to be the statutory auditors of the Bank and its subsidiary for the year of 2024 with their proposed remuneration to the Board of Directors for consideration and further submission to the shareholders' meeting for approval.

### 5. Supervision of Credit Review Function

For the year 2024, the Audit Committee considered and approved the annual Credit Review Plan and reviewed the credit review performance to be in accordance with the Policy Statement of the Bank of Thailand related to reviewing of credit, loan, contingent liabilities and credit-like transactions through the Head of Credit Review Department to ensure that the Credit Review Department performed the credit review function as planned and performed duties independently without restrictions or limitations. Credit Review Department could perform their function with good cooperation from related business units and also monitored the completeness of the reviewed business units' corrective actions for their issues found. The Audit Committee proposed the annual review plan and the quarterly credit review results to the Board of Directors for ratification and acknowledgement respectively.

For new non-performing loans, the Credit Review Department conducted Credit Risk Events Identification Responsibility reports to identify root cause of NPL and the performance of the relevant business units who dealt with such new credit risk events and provide some opinions. Then they were reported to the Audit Committee for consideration and suggestions (if any) and then to the Risk Event Responsibility Identification Committee (RERIC) for final decision making.

Apart from the above-mentioned credit related functions, the Audit Committee consulted with the Head of Credit Review Department in reviewing the appropriateness and adequacy of resources as well as provided recommendations when any problems or any significant issues were encountered. The Audit Committee also performed the annual performance evaluation of the Credit Review Department.

### 6. Performance Assessment

The Audit Committee has annually reviewed the Audit Committee Charter and assessed its performance to ensure that it completely and effectively conducted its roles and responsibilities as assigned by the Board of Directors and fully addressed the defined objectives. For the year 2024, the Audit Committee has conducted self-evaluation for the performance of the Audit Committee and confirmed that all responsibilities outlined in the Audit Committee Charter have been carried out.

Overall, the Audit Committee has performed its duties carefully, independently and expressed opinions straightforwardly with the intent to optimize benefits for the Bank.



Ms. Unakorn Phruithithada  
Chairperson of the Audit Committee

# REPORT OF THE NOMINATION, COMPENSATION AND CORPORATE GOVERNANCE COMMITTEE 2024

The Nomination, Compensation and Corporate Governance Committee (NCC) of Industrial and Commercial Bank of China (Thai) Public Company Limited (the Bank) comprises of three Non-executive Directors with the Chairman being an Independent Director.

In 2024, the NCC conducted its duties as assigned by the Board of Directors in accordance with the amended NCC Charter. The roles of the NCC are to nominate persons who possess the appropriate abilities, experience and qualifications to be appointed as Directors and Members of Committees and Senior Executives, propose appropriate compensations for Directors and Senior Executives to the Board of Directors and oversee that the Bank is in compliance with the principles of good corporate governance. Moreover, the NCC is responsible for ensuring that the policies, conditions and methods for the nomination and compensation of the Directors and Managing Director or equivalent position of the company(ies) in the Bank's financial business group are clearly stated, transparent and appropriate to the significant risks of the company(ies) in the Bank's financial business group.

In the year 2024, the NCC held 6 meetings, in total, to conduct the following matters:

- Considered the nomination of qualified persons who were not prohibited by law and the regulations of the Bank of Thailand to be a Director of the Bank as well as Directors who were retiring by rotation and to be reappointed for another term, to the Board of Directors and/or the Shareholders' Meeting for appointment, as the case may be.
- Considered the hiring and/or appointments of 2 new Senior Executives and recommended them to the Board of Directors for approval.
- Considered and approved the NCC Reports for the 1<sup>st</sup> half year 2024 and full year 2023.
- Considered the remuneration of Directors and recommended it to the Board of Directors for further proposal to the Shareholders' Meeting for acknowledgement.
- Considered the appointment of the Chief Executive Officer for another term and recommended it to the Board of Directors for approval.
- Considered the extension of staff retirement of Senior Executives and recommended it to the Board of Directors for approval.
- Considered the appointment of the Chairman of the NCC and recommended it to the Board of Directors for approval.
- Considered the appointment of a Senior Executive Vice President to also be the Head of a Division and recommended it to the Board of Directors for approval.
- Considered the evaluations of the performance of the Chief Executive Officer and Independent Executives for the year 2023 and recommended them to the Board of Directors for approval.
- Reviewed the positions held in other companies by the Directors and Senior Executives of the Bank to ensure that they are able to fully devote time to perform their duties to the Bank effectively and submitted the review to the Board of Directors for approval.
- Acknowledged the results of the Board of Directors Assessment 2023.
- Acknowledged the NCC Self-Assessment for the year 2023.
- Acknowledged the CSR report in 2023.

The principles of good corporate governance are important for ensuring accountability, transparency and proper functioning of financial institutions in accordance with the principle of sustainable banking in which governance is an integral part of ESG (Environment, Social and Governance).

In addition to the requirements of the Bank's Corporate Governance related policies, the Bank also adheres to the measures of other guidelines and measures of the relevant supervisory authorities. Thus the Bank and its subsidiary strictly operate under the corporate governance guidelines, the anti-corruption measures of the Institute of Directors as well as the Corporate Governance for Financial Institutions and Handbook of Directors of Financial Institutions of the Bank of Thailand. Operating the Bank's business under the principle of good corporate governance not only helps ensure the fiduciary duty and enhance reputation of the Bank but also helps build a stronger foundation so that the Bank would be able to operate responsibly and grow sustainably.



**Mr. Jukr Boon-Long**

Chairman of the Nomination, Compensation  
and Corporate Governance Committee

# RISK POLICY

## Policies on Group Transactions and Risk from Group Transactions

In order to increase the competitiveness of the Bank in the financial markets, the Bank has diversified into the lending businesses other than the traditional lending activity via our own subsidiaries. Our banking group, namely “ICBC (Thai) Group”, which is comprised of Industrial and Commercial Bank of China (Thai) Public Company Limited, ICBC (Thai) Leasing Company Limited and ICBC (Thai) Insurance Broker Company Limited, has been then established.

This expansion may cause the higher risk to this ICBC (Thai) Group as a whole. Failure of any one subsidiary may have the effect on the reputation and financial stability of ICBC (Thai) Group.

The Bank has the duties in order to enhance the operating efficiency and financial stability of the ICBC (Thai) Group as follows:

1. Formulate credit risk management policies and procedure of the ICBC (Thai) Group which included risk identification, risk measurement, risk control and risk monitoring.
2. Supervise and ensure that the subsidiary comply with regulatory requirements and policies as set out by the Bank.

Therefore, the Bank has been implementing the policy in every risk perspective in purpose to supervise, monitor and control the risk of the ICBC (Thai) Group and to ensure that every lending business shall be in the direction and appetite of ICBC Group to achieve the Bank’s duties. Those policies shall be the guideline for the subsidiary in ICBC (Thai) Group to set up the policies and procedure properly and consistently in line with the risks of each subsidiary. The engagement from the Stakeholders in each company in the ICBC (Thai) Group has been performed. The Board of Directors and the Executive Managements of each company in ICBC (Thai) Group has reviewed, advised, and approved those policies. Those policies are

- Enterprise Risk Management Policy of ICBC (Thai) Group
- Consolidated Internal Control Policy
- Consolidated Supervision Policy on Credit Risk
- Consolidated Market Risk Management Policy
- Consolidated Liquidity Risk Management Policy
- Consolidated Strategic Risk Management Policy
- Consolidated Reputation Risk Management Policy
- Consolidated Operational Risk Management Policy
- Consolidated IT Risk Management Policy
- Consolidated Business Continuity Management Policy

Also, the “Inter-company Transactions within ICBC (Thai) Group”, which is referred to any types of transaction no matter on or off balance sheets among the company in the group, shall be supervised, controlled, and, monitored as well. The guideline for conducting Inter-company Transactions within ICBC (Thai) Group has been set based on the good governance and rules and regulations set forth by the regulator.

## Risk Management Related to Inter-company Transactions within the Group

The Bank has the consolidated risk policy to manage the risk of all companies in the financial business group. In terms of risk management related to inter-company transactions including lending, investments, obligations, or transactions similar to loan, any transactions shall be based on good governance. Transactions within the group shall be made in contractual documents enforceable by law and conditions or ordinary contents resembling business transactions with ordinary persons of the same risk level.

The risks of the group may occur both directly and indirectly. Risks may be incurred by the actions of the Bank or any company in the group, therefore, it is necessary to set amounts for transactions within the group and to be approved under Credit Approval Process. Transactions within the Group between companies in the solo consolidation group and outside the solo consolidation group shall be carried out in line with the same process as transactions with ordinary persons. For transactions involving loans, investments, obligations, or transactions similar to loans between companies in the solo consolidation group and companies outside the solo consolidation group, the Bank’s Board of Directors must approve or ratify in the next meeting on every case in order to confirm transactions. In cases involving transactions in the group under conditions or specifications differing from ordinary transactions or transactions failing to comply with the set policies, the Bank’s Board of Directors shall be responsible for the approval of all the aforementioned transactions.

Loans, investments, obligations, or business transactions similar to loans by all companies in the solo consolidation group with outside parties shall not exceed 25% of the solo consolidation group capital unless it is approved by BOT.



# ANALYSIS OF OPERATING RESULTS AND FINANCIAL POSITION

## Operating Results

Based on consolidated performance for the year ended 31 December 2024, the Bank and the subsidiary's net profit was THB 2,485 million, decreased by THB 465 million or 16% compared to 2023.

Net Interest income was THB 6,138 million, decreased by THB 36 million or 1% compared to 2023 mainly due to an increase in interest expense on deposits and decrease in interest income on hire purchase loan.

Net fees and service income was THB 353 million, decreased by THB 170 million or 32% compared to 2023 mainly due to a decrease in fee income from life insurance from the leasing.

Gains on disposals of equipment, properties foreclosed and other assets was THB 13 million, decreased by THB 204 million or 94% compared to 2023 mainly due to the Bank made a significant gain on disposal of assets for sale (NPA) in year 2023.

Bad debts recovered were THB 908 million, increased by THB 600 million or 195% compared to 2023 mainly due to the Bank had income from conversion debt to equity of Thai Airways International Public Company Limited.

Losses on properties foreclosed (Non-Performing Assets or NPA) and other assets in 2024 were THB 2,111 million, increased THB 1,472 million or 231% from 2023 mainly due to an increase in loss on disposal properties foreclosed from Leasing Company.

Net gains on financial instruments measured at FVTPL in 2024 was THB 479 million, increased by THB 112 million or 31% compared to 2023. In the future when the banking transaction which is tied to each derivative transaction matures, the gain or loss from the matured transaction will offset against the previously recognized gain or loss in the fair value measurement. The net result will not have a significant effect on profit or loss.

Total operating expense excluding provision for the assets for sale (NPA) was THB 2,583 million, decreased by THB 8 million or 0.3% from 2023.

In 2024, the Bank and its subsidiary recorded expected credit loss, bad debts, doubtful accounts and impairment losses of THB 157 million, decreased by THB 567 million or 78% from 2023 mainly due to decreasing of setting allowance for doubtful accounts from the Bank. The amount is set higher than the regulatory requirements in light of the uncertainties in the Thai and world economic situations.

(Unit: Million Baht)

Key statement of profit items	2024	2023	% change
Net interest income	6,138	6,174	(1)%
Net fees and service income	353	523	(32)%
Gains on disposals of equipments, properties foreclosed and other assets	13	217	(94)%
Bad debts recovered	908	308	195%
Losses on properties foreclosed (NPA) and other assets	2,111	638	231%
Net gains on financial instruments measured at FVTPL	479	366	31%
Total other operating expenses (excluded losses on NPA)	2,583	2,590	(0.3)%
Expected credit loss, bad debts, doubtful accounts and impairment losses	157	724	(78)%
Net profit after tax	2,485	2,949	(16)%

## Financial Position

The total assets of the Bank and its subsidiary as of 31 December 2024 stood at THB 260,408 million, decreased by THB 12,323 million or 5% from the end of last year mainly due to a decrease of loans to customers and accrued interest receivables, net.

Loans to customers and accrued interest receivables, net was THB 136,547 million, decreased by THB 15,842 million or 10%.

Total net investment was THB 82,343 million, increased by THB 3,139 million or 4%.

Interbank and money market items were THB 36,745 million, increased by THB 359 million or 1%.

Total liabilities of the Bank and its subsidiary as of 31 December 2024 stood at THB 214,688 million, decreased by THB 14,965 million or 7% from the end of last year. This is in accordance with the decrease in the Bank's total assets.

Deposits as of 31 December 2024 stood at THB 149,499 million, decreased by THB 4,090 million or 3%, debt issued and borrowing was THB 40,240 million, increased by THB 345 million or 1% and interbank and money market items was THB 19,459 million, decreased by THB 11,111 million or 36%.

Shareholder's equity of the Bank and its subsidiary as of 31 December 2024 stood at THB 45,720 million, increased by THB 2,642 million or 6% from the end of 2023 due to an increase in net profit for 2024, which was fully allocated to retained earnings.

(Unit: Million Baht)

Key financial position items	31 Dec 2024	31 Dec 2023	% change
Loans to customers and accrued interest receivables, net	136,547	152,389	(10)%
Investments, net	82,343	79,204	4%
Interbank and money market items, net	36,745	36,386	1%
Total assets	260,408	272,731	(5)%
Deposits	149,499	153,589	(3)%
Total liabilities	214,688	229,652	(7)%
Total equity	45,720	43,079	6%

## Asset Quality

At the end of December 2024, the consolidated NPL amount was THB 1,625 million, decreased by THB 239 million from the end of 2023 and gross NPL ratio of the Bank and its subsidiary was 0.96% lower than 1.01% at the end of 2023.

Consolidated	31 Dec 2024		31 Dec 2023	
	Million Baht	%	Million Baht	%
NPLs to total loans ratio (before deduct allowance for expected credit loss)	1,625	0.96%	1,864	1.01%

At the end of December 2024, the consolidated coverage ratio was 297.17% which was lower than 344.20% at the end of 2023.

Consolidated	31 Dec 2024	31 Dec 2023
Coverage Ratio	297.17%	344.20%

## Capital Adequacy Ratio

As at 31 December 2024, the capital fund of the Bank and its subsidiary before deducting capital add-on arising from Single Lending Limit (SLL) was THB 48,309 million.

The BIS ratio stood at 24.41% of capital fund to total risk weighted assets, which was higher than the Bank of Thailand's minimum requirement of 11%.

(Unit: Million Baht)

Capital funds	31 Dec 2024	31 Dec 2023
Tier 1 capital	43,014	40,133
Tier 2 capital	5,295	6,479
<b>Total capital funds</b>	<b>48,309</b>	<b>46,612</b>

(Unit: Percentage)

Capital ratios	31 Dec 2024	31 Dec 2023
Ratio of tier 1 capital to risk assets	21.74%	18.96%
Ratio of tier 2 capital to risk assets	2.67%	3.07%
<b>Ratio of total capital to risk assets</b>	<b>24.41%</b>	<b>22.03%</b>

# INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF  
INDUSTRIAL AND COMMERCIAL BANK OF CHINA (THAI) PUBLIC COMPANY LIMITED

## Opinion

I have audited the accompanying consolidated financial statements of Industrial and Commercial Bank of China (Thai) Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2024, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information, and have also audited the separate financial statements of Industrial and Commercial Bank of China (Thai) Public Company Limited for the same period (collectively “the financial statements”).

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Industrial and Commercial Bank of China (Thai) Public Company Limited and its subsidiaries and of Industrial and Commercial Bank of China (Thai) Public Company Limited as at 31 December 2024, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards and the Bank of Thailand’s regulations.

## Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

**Emphasis of Matter**

I draw attention to Note 4 to the financial statements regarding the adjustments to the prior year's financial statements due to misstatements in the prior periods. The Group has restated the consolidated and separate financial statements for the year 31 December 2023, presented herein as comparative information, to reflect the effect of the adjustment resulting from such changes. The Group has also presented the consolidated and separate financial statements of financial position as at 1 January 2023 as comparative information.

My opinion is not modified in respect of this matter.

**Other Matter**

The consolidated financial statements of Industrial and Commercial Bank of China (Thai) Public Company Limited and its subsidiaries (the Group) and the separate financial statement of Industrial and Commercial Bank of China (Thai) Public Company Limited for the year ended 31 December 2023 (before restatement), and as at 31 December 2022 (which have been adjusted for preparing the consolidated and separate statements of financial position as at 1 January 2023 as described in the preceding paragraph) were audited by other auditor, who expressed unqualified opinions on those statements, under her reports dated 15 March 2024 and 17 March 2023, respectively.

**Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards and the Bank of Thailand's regulations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.



## Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I am responsible for the audit resulting in this independent auditor's report.



Bongkot Kriangphanamorn  
Certified Public Accountant (Thailand) No. 6777

EY Office Limited  
Bangkok: 25 March 2025

INDUSTRIAL AND COMMERCIAL BANK OF CHINA (THAI) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

**STATEMENT OF FINANCIAL POSITION**

AS AT 31 DECEMBER 2024

(Unit: Thousand Baht)

	Note	Consolidated financial statements			Separate financial statements		
		31 December	31 December	1 January	31 December	31 December	1 January
		2024	2023	2023	2024	2023	2023
			(Restated)		(Restated)		
<b>Assets</b>							
Cash		350,833	363,003	335,295	350,257	362,307	334,699
Interbank and money market items - net	9.3	36,744,587	36,385,752	42,383,900	35,842,159	35,515,914	41,806,002
Financial assets measured at fair value through profit or loss	9.4	796,544	-	-	796,544	-	-
Derivatives assets	9.5	677,079	1,262,857	1,715,948	677,079	1,262,857	1,715,948
Investments - net	9.6	82,343,486	79,204,341	83,810,598	82,343,486	79,204,341	83,810,598
Investments in subsidiaries - net	9.7	-	-	-	4,250,000	4,250,000	4,250,000
Loans to customers and accrued interest receivables - net	9.8	136,547,019	152,388,826	157,324,573	90,614,254	102,302,560	106,274,359
Properties foreclosed - net	9.10	163,051	207,621	156,380	25,016	26,674	42,120
Land, premises and equipment - net	9.11	554,038	644,591	694,686	336,647	388,251	393,864
Intangible assets - net	9.13	46,827	44,590	49,121	31,182	28,390	31,937
Deferred tax assets - net	9.14	1,176,591	813,474	985,661	506,471	574,123	845,539
Accrued income - net		555,217	588,258	598,289	534,793	556,516	552,270
Receivables on credit support for derivative contracts		48,257	35,874	-	48,257	35,874	-
Other receivables - net		347,904	726,174	1,103,660	149,861	240,381	536,483
Other assets - net	9.15	56,596	65,753	63,107	38,447	49,907	48,625
<b>Total assets</b>		<b>260,408,029</b>	<b>272,731,114</b>	<b>289,221,218</b>	<b>216,544,453</b>	<b>224,798,095</b>	<b>240,642,444</b>

The accompanying notes are an integral part of the financial statements.

INDUSTRIAL AND COMMERCIAL BANK OF CHINA (THAI) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 31 DECEMBER 2024

(Unit: Thousand Baht)

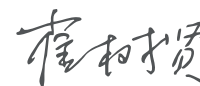
	Consolidated financial statements			Separate financial statements			
	31 December	31 December	1 January	31 December	31 December	1 January	
	Note	2024	2023 (Restated)	2023	2024	2023 (Restated)	2023
<b>Liabilities and equity</b>							
Deposits	9.16	149,499,343	153,589,433	162,981,600	149,515,178	153,605,742	162,989,599
Interbank and money market items	9.17	19,458,977	30,570,368	35,650,745	16,418,977	24,570,368	34,360,745
Liabilities payable on demand		81,535	31,762	129,228	81,535	31,762	129,228
Derivatives liabilities	9.5	185,822	324,692	230,149	185,822	324,692	230,149
Debt issued and borrowings	9.18	40,239,713	39,894,933	45,534,998	4,994,564	4,993,103	4,991,646
Provisions for employee benefits	9.19	397,964	381,148	364,797	311,426	300,099	294,910
Other provisions		292,230	306,429	242,263	281,203	294,990	230,836
Accrued interest payables		903,611	817,687	698,807	808,602	670,800	589,779
Payable on credit support for derivative contracts		115,701	243,699	363,333	115,701	243,699	363,333
Lease liabilities	9.12	362,677	405,736	436,304	175,068	193,707	199,704
Other liabilities	9.20	3,149,984	3,086,362	2,152,167	2,681,106	2,516,639	1,515,735
<b>Total liabilities</b>		<b>214,687,557</b>	<b>229,652,249</b>	<b>248,784,391</b>	<b>175,569,182</b>	<b>187,745,601</b>	<b>205,895,664</b>
<b>Equity</b>							
Share capital	9.22						
Authorised share capital							
442,431 non-cumulative preference shares							
of Baht 8.92 each		3,946	3,946	3,946	3,946	3,946	3,946
2,253,716,655 ordinary shares of Baht 8.92 each		20,103,153	20,103,153	20,103,153	20,103,153	20,103,153	20,103,153
Issued and paid-up share capital							
442,431 non-cumulative preference shares							
of Baht 8.92 each		3,946	3,946	3,946	3,946	3,946	3,946
2,253,716,655 ordinary shares of Baht 8.92 each		20,103,153	20,103,153	20,103,153	20,103,153	20,103,153	20,103,153
Difference arising from business combination							
under common control		(24,849)	(24,849)	(24,849)	-	-	-
Other components of equity	9.24	(64,429)	(217,153)	185,146	2,242	(148,038)	260,311
Retained earnings							
Appropriated - legal reserve	9.23	2,015,000	2,015,000	2,015,000	2,015,000	2,015,000	2,015,000
Unappropriated		23,687,651	21,198,768	18,154,431	18,850,930	15,078,433	12,364,370
<b>Equity attributable to equity holders of the Bank</b>		<b>45,720,472</b>	<b>43,078,865</b>	<b>40,436,827</b>	<b>40,975,271</b>	<b>37,052,494</b>	<b>34,746,780</b>
Non-controlling interests		-	-	-	-	-	-
<b>Total equity</b>		<b>45,720,472</b>	<b>43,078,865</b>	<b>40,436,827</b>	<b>40,975,271</b>	<b>37,052,494</b>	<b>34,746,780</b>
<b>Total liabilities and equity</b>		<b>260,408,029</b>	<b>272,731,114</b>	<b>289,221,218</b>	<b>216,544,453</b>	<b>224,798,095</b>	<b>240,642,444</b>

The accompanying notes are an integral part of the financial statements.



(Mr. Xiaobo Li)

Director



(Mr. Shuxian Cui)

Director

INDUSTRIAL AND COMMERCIAL BANK OF CHINA (THAI) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

**STATEMENT OF COMPREHENSIVE INCOME**

FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	(Unit: Thousand Baht)			
		Consolidated		Separate	
		financial statements		financial statements	
	2024	2023	2024	2023	
			(Restated)		
<b>Profit or loss:</b>					
Interest income	9.28	11,375,875	10,912,977	8,965,669	8,349,111
Interest expenses	9.29	5,237,928	4,739,344	4,199,471	3,854,172
<b>Net interest income</b>		<b>6,137,947</b>	<b>6,173,633</b>	<b>4,766,198</b>	<b>4,494,939</b>
Fees and service income	9.30	641,306	721,432	397,312	338,538
Fees and service expenses	9.30	287,908	197,991	263,513	156,816
<b>Net fees and service income</b>		<b>353,398</b>	<b>523,441</b>	<b>133,799</b>	<b>181,722</b>
Net gains on financial instruments measured at fair value					
through profit or loss	9.31	478,803	366,374	478,606	366,000
Net gains on investments		4	505	4	505
Gains on disposals of equipment, properties foreclosed					
and other assets		13,053	217,051	5,168	210,052
Bad debts recovery		908,061	308,122	604,423	5,934
Dividend income		470	4,540	470	4,540
Other operating income		57,727	44,471	10,925	4,905
<b>Total operating income</b>		<b>7,949,463</b>	<b>7,638,137</b>	<b>5,999,593</b>	<b>5,268,597</b>
<b>Other operating expenses</b>					
Employee's expenses		1,585,710	1,622,937	1,155,880	1,173,722
Directors' remuneration		5,793	5,807	5,793	5,807
Premises and equipment expenses		280,177	267,075	190,106	179,933
Taxes and duties		210,868	220,979	195,114	199,105
Amortisation expenses on intangible assets		7,651	7,389	5,138	5,056
Impairment losses on properties foreclosed and other assets		2,110,528	638,118	1,124	622
Others		492,390	466,067	189,954	183,539
<b>Total other operating expenses</b>		<b>4,693,117</b>	<b>3,228,372</b>	<b>1,743,109</b>	<b>1,747,784</b>
Expected credit losses (reversal)	9.33	156,883	724,334	(462,402)	242,180
<b>Profit before income tax</b>		<b>3,099,463</b>	<b>3,685,431</b>	<b>4,718,886</b>	<b>3,278,633</b>
Income tax	9.14	614,805	736,049	946,389	658,907
<b>Net profit for the years</b>		<b>2,484,658</b>	<b>2,949,382</b>	<b>3,772,497</b>	<b>2,619,726</b>

The accompanying notes are an integral part of the financial statements.



INDUSTRIAL AND COMMERCIAL BANK OF CHINA (THAI) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

**STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)**

FOR THE YEAR ENDED 31 DECEMBER 2024

Note	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
		(Restated)		
<b>Other comprehensive income (loss):</b>				
<i>Transactions that will be reclassified subsequently to profit or loss</i>				
Gains (losses) on debt securities measured at fair value				
through other comprehensive income	223,063	(191,510)	223,063	(191,510)
Losses on cash flow hedges	-	(157,910)	-	(157,910)
Gains arising from translating the financial statements of				
foreign operations	2,444	6,050	-	-
Income tax relating to other comprehensive income (loss)				
for items that will be reclassified subsequently to profit or loss	9.14 (44,613)	69,327	(44,613)	69,327
Transactions that will be reclassified subsequently				
to profit or loss - net of income tax	180,894	(274,043)	178,450	(280,093)
<i>Transactions that will never be reclassified subsequently to profit or loss</i>				
Losses on investments in equity securities designated to be measured				
at fair value through other comprehensive income	(35,213)	(45,634)	(35,213)	(45,634)
Actuarial gains on defined benefit plan	5,281	773	-	-
Income tax relating to other comprehensive income				
for items that will never be reclassified subsequently to profit or loss	9.14 5,987	11,560	7,043	11,715
Transactions that will never be reclassified subsequently				
to profit or loss - net of income tax	(23,945)	(33,301)	(28,170)	(33,919)
<b>Other comprehensive income (loss) for the years</b>	156,949	(307,344)	150,280	(314,012)
<b>Total comprehensive income for the years</b>	2,641,607	2,642,038	3,922,777	2,305,714

The accompanying notes are an integral part of the financial statements.

INDUSTRIAL AND COMMERCIAL BANK OF CHINA (THAI) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

**STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)**

FOR THE YEAR ENDED 31 DECEMBER 2024

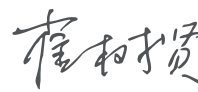
(Unit: Thousand Baht except earnings per share expressed in Baht)

Note	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
		(Restated)		
<b>Total profit attributable to:</b>				
Equity holders of the Bank	2,484,658	2,949,382	3,772,497	2,619,726
Non-controlling interest	-	-		
	<u>2,484,658</u>	<u>2,949,382</u>		
<b>Total comprehensive income attributable to:</b>				
Equity holders of the Bank	2,641,607	2,642,038	3,922,777	2,305,714
Non-controlling interest	-	-		
	<u>2,641,607</u>	<u>2,642,038</u>		
<b>Earnings per share of equity holders of the Bank</b>				
Basic earnings per share (Baht)	9.34	1.10	1.31	1.67

The accompanying notes are an integral part of the financial statements.



(Mr. Xiaobo Li)  
Director



(Mr. Shuxian Cui)  
Director

INDUSTRIAL AND COMMERCIAL BANK OF CHINA (THAI) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
**STATEMENT OF CHANGES IN EQUITY**  
FOR THE YEAR ENDED 31 DECEMBER 2024

(Unit: Thousand Baht)

		Consolidated financial statements											
		Attributable to equity holder of the Bank											
		Other components of equity											
Issued and paid-up share capital	Preference shares	Ordinary shares	Difference arising from business combinations under common control	Exchange differences on translation of financial statements in foreign currency	Surplus (deficit) on revaluation of debt instruments	Surplus (deficit) on revaluation of equity instruments	Cash flow hedge reserve	Total	Retained earnings		Total equity attributable to equity holders of the Bank	Non-controlling interests	Total
									Appropriated	Unappropriated			
	3,946	20,103,153	(24,849)	(75,165)	37,380	86,603	126,328	185,146	17,637,211	517,220	39,919,607	-	39,919,607
<b>Balance as at 31 December 2022 - as previously reported</b>													
Cumulative effect of the prior year's adjustments (Note 4)													
<b>Balance as at 31 December 2022 - as restated</b>													
Profit for the year													
Other comprehensive income (loss) for the year													
Total comprehensive income (loss) for the year													
Transfer to retained earnings													
<b>Balance as at 31 December 2023 - as restated</b>	3,946	20,103,153	(24,849)	(69,115)	(116,385)	(31,653)	-	(217,153)	21,198,768	43,078,865	43,078,865	-	43,078,865
<b>Balance as at 31 December 2023 - as previously reported</b>	3,946	20,103,153	(24,849)	(69,115)	(116,385)	(31,653)	-	(217,153)	20,835,698	42,715,795	42,715,795	-	42,715,795
Cumulative effect of the prior year's adjustments (Note 4)													
<b>Balance as at 31 December 2023 - as restated</b>	3,946	20,103,153	(24,849)	(69,115)	(116,385)	(31,653)	-	(217,153)	21,198,768	43,078,865	43,078,865	-	43,078,865
Profit for the year													
Other comprehensive income (loss) for the year													
Total comprehensive income (loss) for the year													
<b>Balance as at 31 December 2024</b>	3,946	20,103,153	(24,849)	(66,671)	62,065	(59,823)	-	(64,429)	23,687,651	45,720,472	45,720,472	-	45,720,472

The accompanying notes are an integral part of the financial statements.

INDUSTRIAL AND COMMERCIAL BANK OF CHINA (THAI) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

**STATEMENT OF CHANGES IN EQUITY (CONTINUED)**

FOR THE YEAR ENDED 31 DECEMBER 2024

(Unit: Thousand Baht)

	Separate financial statements											
	Issued and paid-up share capital		Other components of equity							Retained earnings		Total
			Preference shares	Ordinary shares	Surplus (deficit) on revaluation of debt instruments	Surplus (deficit) on revaluation of equity instruments	Cash flow hedge reserve	Total	Appropriated			
<b>Balance as at 1 January 2023</b>	3,946	20,103,153	37,380	96,603	126,328	260,311	2,015,000	12,364,370	34,746,780			
Profit for the year	-	-	-	-	-	-	-	-	2,619,726		2,619,726	
Other comprehensive income (loss) for the year	-	-	(153,765)	(33,919)	(126,328)	(314,012)	-	-	(314,012)		(314,012)	
Total comprehensive income (loss) for the year	-	-	(153,765)	(33,919)	(126,328)	(314,012)	-	-	2,619,726		2,305,714	
Transfer to retained earnings	-	-	-	(94,337)	-	(94,337)	-	-	94,337		-	
<b>Balance as at 31 December 2023</b>	3,946	20,103,153	(116,385)	(31,653)	-	(148,038)	2,015,000	15,078,433	37,052,494		37,052,494	
<b>Balance as at 1 January 2024</b>	3,946	20,103,153	(116,385)	(31,653)	-	(148,038)	2,015,000	15,078,433	37,052,494		37,052,494	
Profit for the year	-	-	-	-	-	-	-	3,772,497	3,772,497		3,772,497	
Other comprehensive income (loss) for the year	-	-	178,450	(28,170)	-	150,280	-	-	150,280		150,280	
Total comprehensive income (loss) for the year	-	-	178,450	(28,170)	-	150,280	-	-	3,772,497		3,922,777	
<b>Balance as at 31 December 2024</b>	3,946	20,103,153	62,065	(69,823)	-	2,242	2,015,000	18,850,930	40,975,271		40,975,271	

The accompanying notes are an integral part of the financial statements.

INDUSTRIAL AND COMMERCIAL BANK OF CHINA (THAI) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

**STATEMENT OF CASH FLOWS**

FOR THE YEAR ENDED 31 DECEMBER 2024

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
		(Restated)		
<b>Cash flows from operating activities</b>				
Profit before income tax	3,099,463	3,685,431	4,718,886	3,278,633
Adjustments to reconcile profit before income tax				
to net cash received (paid) from operating activities:				
Depreciation and amortisation expenses	183,237	175,854	131,880	120,904
Expected credit losses (reversal)	156,883	724,334	(462,402)	242,180
Gains on disposals of properties foreclosed and other assets	(11,952)	(217,051)	(4,067)	(210,052)
Gains on disposals of equipments	(1,101)	-	(1,101)	-
Amortisation of deferred interest	10,941	11,990	4,944	5,244
Amortisation of discount on promissory notes	(556)	(1,490)	(556)	(1,490)
Losses on impairment of properties foreclosed and other assets	2,110,528	638,118	1,124	622
Unrealised gains on financial instruments measured at fair value through profit or loss	(478,803)	(366,374)	(478,606)	(366,000)
Provision for long-term employee benefits	54,162	54,134	39,370	39,519
Net interest income	(6,137,947)	(6,173,633)	(4,766,198)	(4,494,939)
Dividend income	(470)	(4,540)	(470)	(4,540)
Proceeds from interest income	8,835,962	8,245,012	6,485,703	5,703,373
Cash paid on interest expenses	(5,133,868)	(4,599,840)	(4,059,911)	(3,771,411)
Proceeds from dividend income	470	4,540	470	4,540
Cash paid on income tax	(818,746)	(661,026)	(684,090)	(441,111)
<b>Income from operating activities before changes in operating assets and liabilities</b>	1,868,203	1,515,459	924,976	105,472
(Increase) decrease in operating assets				
Interbank and money market items	(443,944)	5,274,955	(411,335)	5,566,847
Derivatives assets	1,572,991	1,080,179	1,572,684	1,079,817
Loans to customers	14,834,928	5,063,462	11,241,158	4,559,478
Properties foreclosed	120,482	67,900	5,715	225,478
Receivables on credit support for derivative contracts	(12,376)	(35,874)	(12,376)	(35,874)
Fee receivables	11,317	14,277	-	-
Other receivables	(1,795,671)	(158,611)	89,951	299,610
Other assets	(97,197)	(90,241)	11,165	(3,469)

The accompanying notes are an integral part of the financial statements.



INDUSTRIAL AND COMMERCIAL BANK OF CHINA (THAI) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

**STATEMENT OF CASH FLOWS (CONTINUED)**

FOR THE YEAR ENDED 31 DECEMBER 2024

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
	(Restated)			
<b>Cash flows from operating activities (continued)</b>				
Increase (decrease) in operating liabilities				
Deposits	(4,090,089)	(9,422,525)	(4,090,564)	(9,414,215)
Interbank and money market items	(11,111,391)	(5,050,019)	(8,151,391)	(9,760,019)
Liabilities payable on demand	49,772	(97,466)	49,772	(97,466)
Derivatives liabilities	(1,234,925)	(742,588)	(1,234,815)	(742,601)
Employee benefit paid	(32,066)	(37,010)	(28,043)	(34,331)
Payable on credit support for derivative contracts	(127,998)	(119,634)	(127,998)	(119,634)
Other liabilities	(118,971)	1,090,955	(68,652)	1,105,396
<b>Net cash provided by (used in) operating activities</b>	<b>(606,935)</b>	<b>(1,646,781)</b>	<b>(229,753)</b>	<b>(7,265,511)</b>
<b>Cash flows from investing activities</b>				
Proceeds from interest income	2,663,435	2,733,603	2,663,435	2,733,603
Proceeds from disposals of investments in equity securities	-	15,053	-	15,053
Proceeds from disposals of investments in debt securities	41,494,218	34,836,260	41,494,218	34,836,260
Purchase of investments in debt securities	(43,835,312)	(30,198,266)	(43,835,312)	(30,198,266)
Proceeds from disposals of equipment	1,990	19	1,990	19
Purchase of equipment	(34,878)	(26,007)	(27,325)	(25,209)
Purchase of intangible assets	(9,888)	(2,858)	(7,931)	(1,509)
<b>Net cash provided by (used in) investing activities</b>	<b>279,565</b>	<b>7,357,804</b>	<b>289,075</b>	<b>7,359,951</b>
<b>Cash flows from financing activities</b>				
Proceeds from debt issued and borrowings	6,400,000	30,719,000	-	-
Repayments of debt issued and borrowings	(5,967,000)	(36,294,000)	-	-
Repayments of lease liabilities	(120,244)	(114,599)	(71,372)	(66,832)
<b>Net cash provided by (used in) financing activities</b>	<b>312,756</b>	<b>(5,689,599)</b>	<b>(71,372)</b>	<b>(66,832)</b>
Gains from translating the financial statements of foreign operations	2,444	6,284	-	-
<b>Increase (decrease) in cash and cash equivalents</b>	<b>(12,170)</b>	<b>27,708</b>	<b>(12,050)</b>	<b>27,608</b>
<b>Beginning balance of cash and cash equivalents</b>	<b>363,003</b>	<b>335,295</b>	<b>362,307</b>	<b>334,699</b>
<b>Ending balance of cash and cash equivalents</b>	<b>350,833</b>	<b>363,003</b>	<b>350,257</b>	<b>362,307</b>

The accompanying notes are an integral part of the financial statements.

INDUSTRIAL AND COMMERCIAL BANK OF CHINA (THAI) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

**TABLE OF NOTES TO THE FINANCIAL STATEMENTS**

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INDUSTRIAL AND COMMERCIAL BANK OF CHINA (THAI) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

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FOR THE YEAR ENDED 31 DECEMBER 2024

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INDUSTRIAL AND COMMERCIAL BANK OF CHINA (THAI) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2024

**1. General information**

Industrial and Commercial Bank of China (Thai) Public Company Limited, (the “Bank”), is incorporated in Thailand and has its registered office at No. 622, Sukhumvit Road, Klongton Sub-district, Klongtoey District, Bangkok. The Bank engages in commercial banking business. The principal activities of the Bank are the provision of financial products and services through its branch network in Thailand. Industrial and Commercial Bank of China Limited, which is incorporated in the People’s Republic of China, is the parent company holding 97.98% of shares. As at 31 December 2024 and 2023, in addition to Head Office as mentioned above, the Bank has 20 branches.

**2. Basis of preparation**

- 2.1** The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Profession Act B.E. 2547, and with reference to the regulations stipulated by the Bank of Thailand (“BOT”). The presentation of the financial statements has been made in compliance with the BOT’s Notification No. Sor Nor Sor. 21/2561 regarding “Preparation and Announcement of Financial Statements of Commercial Banks and Parent Companies of Financial Holding Groups”, dated 31 October 2018.

The financial statements in Thai language are the official statutory financial statements of the Bank. The financial statements in English language have been translated from the Thai language financial statements. In case of a conflict or a difference in interpretation between the two languages, the Thai language financial statements shall prevail.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

The financial statements are presented in Thai Baht, which is the Bank’s functional currency. All financial information presented in Thai Baht has been rounded in the financial statements and in the notes to financial statements to the nearest thousand unless otherwise stated.

INDUSTRIAL AND COMMERCIAL BANK OF CHINA (THAI) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2024

**2.2 Basis of consolidation**

- a) The consolidated financial statements include the financial statements of Industrial and Commercial Bank of China (Thai) Public Company Limited (“the Bank”) and its subsidiary companies (“the subsidiaries”) (collectively as “the Bank and its subsidiaries”) as mentioned in Note 9.7 to the financial statements.
- b) The Bank is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiaries are fully consolidated, being the date on which the Bank obtains control, and continue to be consolidated until the date when such control ceases.
- d) Business combination under common control are accounted for using a method similar to the pooling of interest method. Under that method, the acquirer recognises assets and liabilities of the acquired businesses at their carrying amount in the consolidated financial statements of the ultimate parent company at the moment of the transaction.

The difference between the carrying amount of the acquired net assets and the consideration transferred is recognised as surplus or discount from business combinations under common control in equity. The surplus or discount will be transferred to retained earnings upon divestment of the businesses acquired.

The results from operations of the acquired businesses will be included in the consolidated financial statements of the acquirer from the beginning of the comparative period or the moment the businesses came under common control, whichever date is later, until control ceases.

- e) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Bank.
- f) The assets and liabilities in the financial statements of overseas subsidiary companies are translated to Baht using the exchange rate prevailing on the end of reporting period, and revenues and expenses translated using the exchange rate prevailing on the dates of transactions. The resulting differences are shown under the caption of “Exchange differences on translation of financial statements in foreign currency” in the statement of changes in equity.
- g) Material balances and transactions between the Bank and its subsidiaries have been eliminated from the consolidated financial statements.
- h) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Bank and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

**2.3 The separate financial statements present investments in subsidiaries under the cost method.**

INDUSTRIAL AND COMMERCIAL BANK OF CHINA (THAI) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2024

**3. New financial reporting standards****3.1 Financial reporting standards that became effective in the current year**

During the year, the Bank and its subsidiaries have adopted the revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2024. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the Bank and its subsidiaries' financial statements.

**3.2 Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2025**

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2025. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The management of the Bank and its subsidiaries believes that adoption of these amendments will not have any significant impact on the Bank and its subsidiaries' financial statements

**4. Adjustments to the prior year financial statements**

During the current year, the Bank and its subsidiaries found that the expected credit losses recorded in the past in the consolidated financial statements were overstated. Therefore, the Bank and its subsidiaries have restated the consolidated financial statement for the year ended 31 December 2023, which is presented as comparative information to reflect the effect of such adjustments, and presented the consolidated statement of financial position as at 1 January 2023, presented herein as comparative information. These adjustments and the cumulative effect of the adjustments have been separately presented in the statement of changes in equity under the heading "Cumulative effect of the prior year's adjustments".

In addition, the Bank and its subsidiaries have reclassified certain items in the consolidated and separate statement of financial position as at 31 December 2023 in order to correspond to the classification in the current year.



INDUSTRIAL AND COMMERCIAL BANK OF CHINA (THAI) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2024

The amounts of the adjustments affecting the statement of financial position and statement of comprehensive income for the year ended, presented herein as comparative information, are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separated	
	financial statements		financial statements	
	31 December 2023	1 January 2023	31 December 2023	1 January 2023
<b>Statement of financial position</b>				
Interbank and money market items				
- net increase (decrease)	(924,589)	(162,884)	(924,589)	(162,884)
Loans to customers and accrued interest				
receivables - net increase (decrease)	1,378,332	809,302	924,589	162,884
Deferred tax assets increase (decrease)	(90,767)	(129,304)	-	-
Other receivables - net increase (decrease)	2,017	-	2,017	-
Other assets - net increase (decrease)	(2,017)	-	(2,017)	-
<b>Total assets increase (decrease)</b>	<b>362,976</b>	<b>517,114</b>	<b>-</b>	<b>-</b>
Other provisions increase (decrease)				
	(94)	(106)	-	-
<b>Total liabilities increase (decrease)</b>	<b>(94)</b>	<b>(106)</b>	<b>-</b>	<b>-</b>
Retained earnings - unappropriated increase (decrease)				
	363,070	517,220	-	-
<b>Total equity increase (decrease)</b>	<b>363,070</b>	<b>517,220</b>	<b>-</b>	<b>-</b>

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
	For the year ended 31 December 2023	For the year ended 31 December 2023
<b>Statement of comprehensive income</b>		
Expected credit losses increase (decrease)	192,687	-
Income tax expenses increase (decrease)	(38,537)	-
Profit for the year increase (decrease)	(154,150)	-

INDUSTRIAL AND COMMERCIAL BANK OF CHINA (THAI) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2024

**5. Accounting policies****5.1 Revenue recognition***Interest income*

Interest income are recognised in profit or loss using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset

When calculating the effective interest rate for financial instruments other than purchased or originated credit-impaired assets, the Bank and its subsidiaries estimate future cash flows by considering all contractual terms of the financial instruments, but excluding the expected credit losses (“ECLs”). For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated using the estimated future cash flows including the ECLs.

The calculation of the effective interest rate includes transaction costs and fees that are an integral part of the effective interest rate. Transaction costs include incremental costs that are directly attributable to the acquisition of a financial asset.

The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any allowance for expected credit losses.

*Calculation of interest income*

The effective interest rate of a financial asset is calculated on initial recognition of a financial asset. In calculating interest income, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired). The effective interest rate is revised as a result of periodic re-estimation of cash flows of floating rate instruments to reflect movements in market rates of interest. The effective interest rate is also revised for fair value hedge adjustments at the date amortisation of the hedge adjustment begins.

However, for financial assets that have become credit-impaired subsequent to initial recognition, the interest income is calculated by applying the effective interest rate to the carrying amount of the financial asset (net of allowance for expected credit losses). If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

For financial assets that are credit-impaired on the purchased or originated, interest income is calculated using the credit-adjusted effective interest rate applied to the amortised cost of the financial assets. The calculation of interest income does not revert to a gross basis, even if the credit risk of the asset improves.

INDUSTRIAL AND COMMERCIAL BANK OF CHINA (THAI) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2024

**Fee and service income and expenses**

Fee and service income and expenses that are integral to the effective interest rate on a financial asset or financial liability are included in the calculation of effective interest rate.

Other fee and service income are recognised when a customer obtains control of the services in an amount that reflects the consideration to which the Bank and its subsidiaries expect to be entitled to. In addition, judgment is required in determining the timing of the transfer of control for revenue recognition - at a point in time or over time.

The Bank and its subsidiaries operate as agents and recognise the net return from such contracts as brokerage fee income.

**Dividend income**

The Bank and its subsidiaries recognise dividend received as income in profit or loss on the date that the Bank and its subsidiaries have the right to receive the dividends. Dividend received are presented as operating income.

**Other income**

Other income is recognised in the statement of comprehensive income on an accrual basis.

**5.2 Expense recognition****Interest expenses**

Interest expenses on financial liabilities measured at amortised cost are calculated using the effective interest rate method and recognised on an accrual basis.

**Fee and service expenses, and other operating expenses**

The Bank and its subsidiaries recognise fee and service expenses and other operating expenses on an accrual basis.

**5.3 Cash**

Cash consists of cash on hand and cash in transit.

**5.4 Derivatives and hedge accounting**

Derivatives are initially recorded at fair value at the date on which a derivative contract is entered into (Trade Date) and are classified as trading, except for where they are designated as a part of an effective hedge relationship and classified as hedging derivatives. Derivatives are subsequently measured at fair value.

INDUSTRIAL AND COMMERCIAL BANK OF CHINA (THAI) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2024

**Hedge accounting**

The Bank and its subsidiaries designate certain derivatives held for risk management as well as certain non-derivative financial instruments as hedging instruments in qualifying hedging relationships. On initial designation of the hedge, the Bank and its subsidiaries formally documents the relationship between the hedging instruments and hedged items, including the risk management objective and strategy in undertaking the hedge, together with the method that will be used to assess the effectiveness of the hedging relationship. The Bank and its subsidiaries make an assessment, both on inception of the hedging relationship and on an ongoing basis, of whether the hedging instruments are expected to be highly effective in offsetting the changes in the fair value or cash flows of the respective hedged items during the period for which the hedge is designated, and whether the actual results of each hedge are within a specific range. For a cash flow hedge of a forecast transaction, the Bank and its subsidiaries make an assessment of whether the forecast transaction is highly probable to occur and presents an exposure to variations in cash flows that could ultimately affect profit or loss.

The Bank and its subsidiaries have the hedging relationships as follows:

**Fair value hedge**

When a derivative is designated as the hedging instrument in a hedge of the changes in fair value of a recognised asset or liability or the Bank and its subsidiaries' commitment that could affect profit or loss, changes in the fair value of the derivative are recognised immediately in profit or loss. The changes in fair value of the hedged item attributable to the hedged risk is recognised in profit or loss. If the hedged item would otherwise be measured at cost or amortised cost, then its carrying amount is adjusted accordingly.

If the hedging derivative is expired or sold, terminated or exercised, or the hedge no longer meets the criteria for fair value hedge accounting, or the hedge designation is revoked, then hedge accounting is discontinued prospectively.

Any adjustment up to the point of discontinuation to a hedged item for which the effective interest method is used to amortise to profit or loss as an adjustment to the recalculated effective interest rate of the item over its remaining life.

On hedge discontinuation, any hedging adjustment made previously to a hedged financial instrument for which the effective interest method is used to amortise to profit or loss by adjusting the effective interest rate of the hedged item from the date on which amortisation begins. If the hedged item is derecognised, then the adjustment is recognised immediately in profit or loss when the item is derecognised.

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**Cash flow hedge**

When a derivative is designated as the hedging instrument in a hedge of the variability in cash flows attributable to a particular risk associated with a recognised asset or liability or highly probable forecast transaction that could affect profit or loss, the effective portion of changes in the fair value of the derivative is recognised in OCI and presented in the hedging reserve within equity. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit or loss. The amount recognised in the hedging reserve is reclassified from OCI to profit or loss as a reclassification adjustment in the same period as the hedged cash flows affect profit or loss, and in the same line item in the statement of comprehensive income.

If the hedging derivative is expired, sold, terminated or exercised, or the hedge no longer meets the criteria for cash flow hedge accounting, or the hedge designation is revoked, then hedge accounting is discontinued prospectively.

If the hedged cash flows are no longer expected to occur, then the Bank and its subsidiaries immediately reclassify the amount in the hedging reserve from OCI to profit or loss. For terminated hedging relationships, if the hedged cash flows are still expected to occur, then the amount accumulated in the hedging reserve is not reclassified until the hedged cash flows affect profit or loss; if the hedged cash flows are expected to affect profit or loss in multiple reporting periods, then the Bank and its subsidiaries reclassify the amount in the hedging reserve from OCI to profit or loss on a straight line basis.

**Other non-trading derivatives**

Other non-trading derivatives are recognised on the statement of financial position at fair value on initial recognition. If a derivative is not held for trading, and is not designated in a qualifying hedge relationship, then all changes in its fair value are recognised immediately in profit or loss as a component of net income from other financial instruments measured at FVTPL.

**5.5 Financial instruments****Recognition and initial measurement**

The Bank and its subsidiaries initially recognised all financial instruments (including regular way purchases and sales of financial assets) on the trade date, which is the date on which the Bank and its subsidiaries become a party to the contractual provisions of the instrument, except for investments in debt instruments which are recognised on the settlement date. Under regular way purchases or sales with the delivery within time period established by regulation or market convention which account for changes in the fair value and interest calculation of financial asset or financial liability on the trade date and derivative is recognised on trade date.

A financial asset or financial liability that are not measured at FVTPL are measured initially at fair value plus, transaction costs that are directly attributable to its acquisition or issuance.

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**Classification and measurement of financial assets and financial liabilities****Financial assets**

On initial recognition, a financial asset is classified as measured at: amortised cost (“AMC”), fair value through other comprehensive income (“FVOCI”) or fair value through profit or loss (“FVTPL”).

*Financial assets - debt instruments*

Classification of debt instruments depends on business model assessment and assessment of whether contractual cash flows are solely payments of principle and interest.

*Business model assessment*

The Bank and its subsidiaries make an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management. The information considered includes:

- The stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management’s strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realising cash flows through the sale of the financial assets;
- The performance of the portfolio is evaluated and reported to the Bank and its subsidiaries’ management;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and its strategy for how those risks are managed;
- Investment managers are compensated (e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected); and
- The frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Bank and its subsidiaries’ stated objective for managing the financial assets is achieved and how cash flows are realised.

Financial assets that are held-for-trading or managed and whose performance is evaluated on a fair value basis are measured at FVTPL because they are neither held to collect contractual cash flow nor held both to collect contractual cash flows and to sell financial assets.



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*Assessment whether contractual cash flows are solely payments of principal and interest (“SPPI”)*

For the purposes of this assessment, “Principal” is defined as the fair value of the financial asset on initial recognition. “Interest” is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (i.e. liquidity risk and administrative costs), including different in profit.

In assessing whether the contractual cash flows are SPPI, the Bank and its subsidiaries consider the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment the Bank and its subsidiaries considers:

- Contingent events that would change the amount and timing of cash flows;
- Leverage features;
- Terms that limit the Bank and its subsidiaries’ claim to cash flows from specified assets (e.g. non-recourse loans); and
- Features that modify consideration of the time value of money (e.g. periodical reset of interest rates).

*Measurement at amortised cost*

A debt instrument that is not designated at FVTPL will be measured at AMC if it meets both of the following conditions:

- The debt instrument is held within a business model whose objective is to hold assets to collect contractual cash flows;
- The contractual terms of the debt instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

*Measurement at fair value through other comprehensive income*

A debt instrument that is not designated at FVTPL will be measured at FVOCI only if it meets both of the following conditions:

- The debt instrument is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- The contractual terms of the debt instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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*Measurement at fair value through profit or loss*

Unless debt instruments are classified as measured at AMC or FVOCI, debt instruments are classified as measured at FVTPL.

On initial recognition, the Bank and its subsidiaries may designate a financial asset that otherwise meets the requirements to be measured at AMC, or at FVOCI, or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise. When they are elected, it will be irrevocable.

*Financial assets - equity instruments*

All investments in equity instruments are measured at fair value in the statement of financial position. The Bank and its subsidiaries classifies its investments in equity instruments as equity instruments measured at FVTPL, or equity instruments designated at FVOCI. The classification is determined on an instrument-by-instrument basis.

After initial recognition, gains or losses on changes in fair value of investments in equity instruments measured at FVTPL are recognised in profit or loss, and gains or losses on changes in fair value of investments in equity instruments designated at FVOCI are recognised in other comprehensive income. Gains and losses recognised in other comprehensive income are never recycled to profit or loss, instead, they are directly transferred to retained earnings upon disposal of the investments.

In addition, investments in equity instruments are not subject to impairment assessment.

*Reclassification*

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Bank and its subsidiaries change its business model for managing financial assets.

*Financial liabilities*

The Bank and its subsidiaries classify its financial liabilities, other than financial guarantees and loan commitments, as measured at AMC or FVTPL.

**Derecognition of financial instruments***Derecognition of financial assets*

The Bank and its subsidiaries derecognise a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Bank and its subsidiaries neither transfer nor retain substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

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## NOTES TO THE FINANCIAL STATEMENTS

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On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of:

- (i) The consideration received (including any new asset obtained less any new liability assumed) and
- (ii) Any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

Any cumulative gain or loss recognised in other comprehensive income in respect of investments in equity instruments designated at FVOCI is not recognised in profit or loss on derecognition of such securities

Any interest in transferred financial assets that qualifies for derecognition that is created or retained by the Bank and its subsidiaries is recognised as a separate asset or liability.

The Bank and its subsidiaries enter into transactions whereby it transfers assets recognised on its statement of financial position but retains either all or substantially all of the risks and rewards of the transferred assets or a portion of them. In such cases, the transferred assets are not derecognised. Examples of such transactions are securities lending and sale-and-repurchase transactions.

When assets are sold to a third party with a concurrent total rate of return swap on the transferred assets, the transaction is accounted for as a secured financing transaction similar to sale-and-repurchase transactions, because the Bank and its subsidiaries retain all or substantially all of the risks and rewards of ownership of such assets.

In the event of the transfer that causes the Bank and its subsidiaries to derecognise the entire financial asset while receiving new financial assets, the Bank and its subsidiaries will recognise new financial assets at fair value.

In the event that the Bank and its subsidiaries receive cash inflow from written off financial assets. The Bank and its subsidiaries will recognise the cash flow as bad debt recovery with the same amount that have been written off and the remaining will be recorded in interest income in profit or loss.

### *Derecognition of financial liabilities*

The Bank and its subsidiaries derecognise a financial liability when its contractual obligations are discharged, cancelled or expired.

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**5.6 Modifications of financial assets**

If the terms of a financial asset are modified, then the Bank and its subsidiaries evaluate whether the cash flows of the modified asset are significantly different.

If the cash flows are significantly different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognised and a new financial asset is recognised at fair value included any eligible transaction costs.

If cash flows are modified when the borrower is in financial difficulties, then the objective of the modification is usually to maximise recovery of the original contractual terms rather than to originate a new asset with significantly different terms. If the Bank and its subsidiaries plan to modify a financial asset in a way that would result in forgiveness of cash flows, then it first considers whether a portion of the asset should be written off before the modification takes place. This approach impacts the result of the quantitative evaluation and means that the derecognition criteria are not usually met in such cases.

If the modification of a financial asset measured at AMC or FVOCI does not result in derecognition of the financial asset, the Bank and its subsidiaries first recalculate the gross carrying amount of the financial asset using the original effective interest rate or reasonable reference rate of the asset at the time the transaction occurred and recognise the resulting adjustment as a modification gain or loss in profit or loss through the revaluation accounts which are presented as part of accrued interest receivables in the statements of financial position. Any costs or fees incurred and fees received as part of the modification adjust the gross carrying amount of the modified financial asset and are amortised over the remaining terms of the modified financial asset.

If such a modification is carried out because of financial difficulties of the borrower, then the gain or loss is presented together with impairment losses. In other cases, it is presented as interest income calculated using the effective interest rate method.

**5.7 Allowance for expected credit losses of financial assets**

The Bank and its subsidiaries recognised allowance for expected credit losses applies to the following financial instruments that are not measured at FVTPL:

- Financial assets that are debt instruments;
- Lease receivables;
- Contract assets;
- Financial guarantee contracts issued; and
- Loan commitments.

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*Measurement of ECL*

An expected credit losses represents the present value of expected cash shortfalls over the residual terms of a financial asset, undrawn commitment or financial guarantee. A cash shortfall is the difference between the cash flows that are due in accordance with the contractual terms of the instrument and the cash flows that are expected to be received over the contractual life of the instrument.

Estimate of expected cash shortfalls is determined by multiplying the probability of default (PD) with the loss given default (LGD) with the expected exposure at the time of default (EAD).

Forward-looking macro-economic assumptions are incorporated into the PD, LGD and EAD where relevant and where they have been identified to influence credit risk, such as GDP, interest rates and housing price index. These assumptions are determined using all reasonable and supportable information, which includes both available internal and external information and are consistent with those used for financial and capital planning.

The period over which cash shortfalls are determined is generally limited to the maximum contractual period for which the Bank and its subsidiaries are exposed to credit risk, except in the case of certain revolving facilities for which a historical behavioral life is estimated.

The estimation of expected cash shortfalls on collateralised financial instruments reflects the expected amount and timing of cash flows from foreclosure of the collateral less the costs of obtaining and selling the collateral, regardless of whether the foreclosure is deemed probable or not.

*Cash shortfalls are discounted using the initial effective interest rate.*

ECL are a probability-weighted estimate of credit losses. They are measured as follows:

- Financial assets that are not credit-impaired at the reporting date: as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the customers in accordance with the contract and the cash flows that the Bank and its subsidiaries expect to receive);
- Financial assets that are credit-impaired at the reporting date: as the difference between the gross carrying amount and the present value of estimated future cash flows;
- Undrawn loan commitments: as the present value of the difference between the contractual cash flows that are due to the Bank and its subsidiaries if the commitment is drawn down and the cash flows that the Bank and its subsidiaries expect to receive; and
- Financial guarantee contracts the expected payments to reimburse the holder less any amounts that the Bank and its subsidiaries expects to recover.

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*Staging*

For ECL recognition, financial assets are classified in any of the below 3 stages at each reporting date. A financial asset can move between stages during its lifetime. The stages are based on changes in credit quality since initial recognition and defined as follows:

Performing (Stage 1): Financial assets that has not been a significant increase in credit risk

Financial assets that has not been a significant increase in credit risk (SICR) since initial recognition (i.e. no Stage 2 or 3 triggers apply) or debt investment that considered to have low credit risk at each reporting date with the exception of purchased or originated credit impaired (POCI) assets. The provision for ECL is 12-month ECL. 12-month ECL are the portion of lifetime ECL that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

The Bank and its subsidiaries consider investments in debt instruments to have low credit risk when its credit risk rating is equivalent to the globally understood definition of “investment grade”. The Bank and its subsidiaries do not apply the low credit risk exemption to any other financial instruments.

Under-performing (Stage 2): Financial assets that has been a significant increase in credit risk.

When financial assets have a SICR since initial recognition, expected credit losses are recognised for possible default events over the lifetime of the financial assets. SICR is assessed by using a number of quantitative and qualitative factors that are significant to the increase in credit risk. Financial assets that are past due more than 30 days and not credit-impaired will always be considered to have experienced a significant increase in credit risk.

Quantitative factors include an assessment of whether there has been a significant increase in the probability of default (PD) since origination. Increase in PD is determined from economic conditions that are relating to changes in credit risk such as internal credit rating downgrade. If the changes exceed the thresholds, the financial assets are considered to have experienced a significant increase in credit risk.

Qualitative factor assessments are part of current credit risk management processes, such as an assessment of significant deterioration in the customers’ ability to repay. Qualitative indicators includes operating results, financial liquidity and other reliable indicators.

Non-performing (Stage 3): Lifetime ECL credit impaired

Financial assets that are credit-impaired or in default represent those that are past due more than 90 days in respect of principal and/or interest. Financial assets are also considered to be credit-impaired where the customers are unlikely to repay on the occurrence of one or more observable events that have a negative impact on the estimated future cash flows of the financial assets.



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Evidence that financial assets are credit impaired includes observable data about the following events:

- Significant financial difficulty of the issuer or borrower;
- Breach of contract such as default or a past due event;
- It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation;
- The disappearance of an active market for the applicable financial asset due to financial difficulties of the borrower; or
- Purchase or origination of a financial asset at a significant discount that reflects incurred credit losses.

Expected credit losses of credit-impaired financial assets are determined based on the difference between the present value of the recoverable cash flows under a range of scenarios, including the realisation of any collateral held where appropriate, discounted with the financial assets' original effective interest rate, and the gross carrying value of the financial assets prior to any credit impairments.

*Financial assets that are credit-impaired require a lifetime provision*

In order to assess the expected credit losses, models are developed based on historical repayment, default information and other information indicating default risk behavior.

In case that the models cannot capture the risk, the management overlay principle, covering industry, model and other risks, will be applied.

*Improvement in credit risk*

For financial assets within Stage 2, these can only be transferred to Stage 1 when they are no longer considered to have experienced a significant increase in credit risk.

Where significant increase in credit risk was determined using quantitative measures, the financial assets will automatically transfer back to Stage 1 when the original PD based transfer criteria are no longer met. Where financial assets were transferred to Stage 2 due to an assessment of qualitative factors, the issues that led to the reclassification must be cured before the financial assets can be reclassified to Stage 1. This includes instances where required the action to be resolved before loans are reclassified to Stage 1. A period may elapse from the point at which instruments enter Stage 2 or Stage 3 and are reclassified back to Stage 1.

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For financial assets that are credit-impaired (Stage 3), and have not been subject to restructuring, a transfer to Stage 2 or Stage 1 is only permitted where the instrument is no longer considered to be credit-impaired. An instrument will no longer be considered credit-impaired when there is no shortfall of cash flows compared to the original contractual terms.

For troubled debt restructuring (TDR) customers, exposures under Stage 3 can transfer to Stage 2 when the customer performs under the revised terms of the contract for three consecutive payments. A further 9-month monitoring period is required for such customers to be transferred to Stage 1 on the basis that there is no overdue balance on the account and the customer is expected to repay its remaining obligations in full. On transfer to Stage 1, the origination rating will be reset to that applicable on that date.

For troubled debt restructuring (TDR) customers, exposures under Stage 2 that were not previously credit impaired can be transferred to Stage 1 when the customer performs under the revised terms of the contract for three consecutive payments and the customer is expected to repay its remaining obligations in full. On transfer to Stage 1, the origination rating will be reset to that applicable on that date.

*Loss provisions on purchased or originated credit impaired instruments (POCI)*

The Bank and its subsidiaries measure expected credit loss on a lifetime basis for POCI instruments throughout the life of the instrument. However, expected credit losses is not recognised in a separate loss provision on initial recognition for POCI instruments as the lifetime expected credit loss is inherent within the gross carrying amount of the instruments. The Bank and its subsidiaries recognise the changes in lifetime expected credit losses arising subsequent to initial recognition in profit or loss and the cumulative change as a loss provision. Where lifetime expected credit losses on POCI instruments are less than those at initial recognition, then the favourable differences are recognised as reversal gains in profit or loss.

*Loss allowances for ECL are presented in the statement of financial position*

- Financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets;
- Loan commitments and financial guarantee contracts: generally, as a provision;
- Where a financial instrument includes both a drawn and an undrawn component, and the Bank and its subsidiaries cannot identify the ECL on the loan commitment component separately from those on the drawn component: the Bank and its subsidiaries present a combined loss allowance for both components. The combined amount is presented as a deduction from the gross carrying amount of the drawn component. Any excess of the loss allowance over the gross amount of the drawn component is presented as an other provision; and
- Debt instruments measured at FVOCI: no loss allowance is recognised in the statement of financial position because the carrying amount of these assets is their fair value. However, the loss allowance is disclosed and is recognised in the other component of equity.

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*Write-off of credit impaired instruments and reversal of impairment*

To the extent a financial instrument which the loan is considered irrecoverable, the applicable portion of the gross carrying value is written off against the related loan provision. Such loans are written off after all the necessary procedures have been completed, it is decided that there is no realistic probability of recovery and the amount of the loss has been determined. Subsequent recoveries of amounts previously written off decrease the amount of the provision for loan credit impairment in profit or loss.

If, in a subsequent period, the amount of the credit impairment loss decreases and the decrease can be related objectively to an event occurring after the credit impairment was recognised, such as an improvement in the debtor's credit rating, the previously recognised credit impairment loss is reversed by adjusting the provision account. The amount of the reversal is recognised in profit or loss.

*Financial guarantee contracts held*

The Bank and its subsidiaries assess whether a financial guarantee contract held is an integral element of a financial asset that is accounted for separately. The factors that the Bank and its subsidiaries considers when making this assessment include whether:

- The guarantee is implicitly part of the contractual terms of the debt instrument;
- The guarantee is required by laws or regulations that govern the contract of the debt instrument;
- The guarantee is entered into at the same time as and in contemplation of the debt instrument; and
- The guarantee is given by the parent of the borrower or another company within the borrower's group.

If the Bank and its subsidiaries determine that the guarantee is an integral element of the financial asset, then any premium payable in connection with the initial recognition of the financial asset is treated as a transaction cost of acquiring it. The Bank and its subsidiaries consider the effect of the protection when measuring the fair value of the debt instrument and when measuring ECL.

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If the Bank and its subsidiaries determine that the guarantee is not an integral element of the financial asset, then it recognises an asset representing any prepayment of guarantee premium and a right to compensation for credit losses. A prepaid premium asset is recognised only if the guaranteed exposure neither is credit-impaired nor has undergone a significant increase in credit risk when the guarantee is acquired. These assets are recognised in other assets. The Bank and its subsidiaries present gains or losses on a compensation right in profit or loss in impairment losses on financial instruments.

**5.8 Hire-purchase and finance lease receivables**

Hire-purchase and finance lease receivables are stated at the outstanding debt balance net of unearned hire-purchase and finance lease income, residual commissions and direct expenses incurred at the inception of the contracts less allowance for expected credit losses.

Accounting policy regarding hire-purchase and finance lease receivables, derecognition, contract modification, and allowance for expected credit losses are disclosed in Note 5.5 to the financial statements “Financial instruments”.

**5.9 Properties foreclosed**

Properties foreclosed are stated at the lower of cost at the acquisition date or net realisable value. Net realisable value is determined with reference to the appraisal value less estimated selling expenses.

Gains or losses on disposals of properties foreclosed are recorded as revenue or expenses in profit or loss when significant risk and rewards have been transferred to the buyer. Impairment loss is recognised as expenses in profit or loss.

The management uses the BOT’s regulation and judgment to estimate impairment losses, taking into consideration the latest appraisal values, types and characteristics of assets, the period of time for which to be recouped from disposals and changes in the economic conditions.

**5.10 Land, premises and equipment***Recognition and measurement*

Land is stated at cost less allowance for impairment (if any).

Premises and equipment are measured at cost less accumulated depreciation and impairment losses (if any).

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Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labor, any other costs directly attributable to bringing the assets to a working condition for their intended use. The cost also includes the costs of dismantling and removing the items and restoring the site on which they are located and capitalised borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of premises and equipment have different useful lives, they are accounted for separately by major components.

Gains or losses on disposal of premises and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net as profit or loss in the statement of comprehensive income.

*Subsequent costs*

The cost of replacing a part of an item of premises and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Bank and its subsidiaries, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised as an expense in statement of profit or loss and other comprehensive income as incurred.

*Depreciation*

Depreciation is calculated based on the depreciable amount of premises and equipment, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is charged as an expense to the statement of comprehensive income on a straight-line basis over the estimated useful lives of each component of an item of premises and equipment. The estimated useful lives are as follows:

Buildings	34 years
Furniture, fixtures and office equipment	3 - 5 and 10 years
Motor vehicles	5 and 8 years

No depreciation is provided on freehold land.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

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*Derecognition*

The Bank and its subsidiaries derecognised an item of premises and equipment upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses on disposal of an item of premises and equipment are determined by comparing the proceeds from disposal with the carrying amount of premises and equipment and are recognised in profit or loss from operations when the Bank and its subsidiaries derecognised that assets.

**5.11 Intangible assets**

Intangible assets that are acquired by the Bank and its subsidiaries and have finite useful lives are measured at cost less accumulated amortisation and allowance for impairment losses (if any).

*Subsequent expenditure*

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. Other expenditure is recognised in profit or loss as incurred.

*Amortisation*

Amortisation is calculated over the cost of the asset, or other amount substituted for cost, less its residual value.

Amortisation is recognised as an expense in the statement of comprehensive income on a straight-line basis over the estimated useful lives of intangible asset, other than goodwill, from the date that they are available for use. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end.

The estimated useful lives are as follows

Computer software	5 - 10 years
Deferred license fee	10 years

Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Intangible assets with definite useful lives are tested for impairment when there is an indicator that the asset may be impaired. Intangible assets with indefinite useful lives are tested for impairment annually or when there is an indicator that the asset may be impaired.



**NOTES TO THE FINANCIAL STATEMENTS**

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**5.12 Impairment of non-financial assets**

The carrying amounts of the Bank and its subsidiaries' assets are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amounts are estimated. For goodwill, the recoverable amount is estimated each year at the same time.

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 as an expense in the statement of comprehensive income unless it reverses a previous revaluation credited to equity and it subsequently impairs in which case it is charged to the statement of comprehensive income.

*Calculation of recoverable amount*

The recoverable amount of a non-financial asset is the higher of the asset's value in use or fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

*Reversals of impairment*

An impairment loss in respect of a financial asset is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised as an expense in the statement of comprehensive income.

Impairment losses recognised in prior periods in respect of other non-financial assets are assessed at each reporting date for any indications of impairment the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, as if no impairment loss had been recognised.

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**5.13 Provision**

Provisions are recognised when the Bank and its subsidiaries have a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

*Litigation*

The Bank and its subsidiaries have contingent liabilities as a result of litigation being made against them for claims of compensation. The management uses judgment to assess the results of the litigation and would record provisions as at the end of the reporting period (if any).

**5.14 Employee benefits***Defined contribution plans*

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity (provident fund) and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the statement of comprehensive income in the periods during which services are rendered by employees.

*Defined benefit plans*

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Bank and its subsidiaries' net obligation in respect of defined benefit pension plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value based on salary, mortality rate, service period and other factors. The discount rate used in determining post-employment benefit obligation is the yield of the government bond.

When the benefits of a plan are improved, the portion of the increased benefit relating to past service by employees is recognised as an expense immediately in the statement of comprehensive income on a straight-line basis until the benefits become vested.

The Bank and its subsidiaries recognise all actuarial gains and losses arising from defined benefit plans in other comprehensive income and all expenses related to defined benefit plans in the statement of comprehensive income.

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Past service cost related to the plan amendment is recognised as an expense in the statement of comprehensive income when the plan amendment is effective.

*Short-term employee benefits*

Short-term employee benefit obligations are measured on an undiscounted cash flow basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Bank and its subsidiaries have a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

**5.15 Foreign currencies transactions***Translation of foreign currency transactions*

Transactions in foreign currencies are translated to the respective functional currencies of the Bank and its subsidiaries at exchange rates at the date of the transactions.

Outstanding of monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate at the end of reporting period.

Foreign currency differences are generally recognised in profit or loss. However, foreign currency differences arising from the translation of the following items are recognised in other comprehensive income:

- Investment in equity securities designated as at FVOCI except on impairment, in which case foreign currency differences that have been recognised in other comprehensive income are reclassified to profit or loss;
- Qualifying cash flow hedges to the extent the hedge is effective.

*Translation of financial statements of foreign entity*

The assets and liabilities of foreign entities are translated to Thai Baht at the foreign exchange rates ruling at the end of reporting period.

The revenues and expenses of foreign entities are translated to Thai Baht at rates approximating the foreign exchange rates ruling at the dates of the transactions.

The financial statements of foreign entity are translated into Thai Baht at the reference rates announced by the Bank of Thailand at the end of reporting period. Foreign exchange differences arising on translation is recognised in other comprehensive income until dissolution of the foreign entity's business.

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**5.16 Fair value measurement**

Fair value is the price that would be received from selling an asset or paid to transfer a liability in an ordinary transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using valuation technique. In estimating the fair value of an asset or a liability, the Bank and its subsidiaries take into account the characteristics of the asset or liability as market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis.

In addition, fair value measurements are categorised into Level 1, 2 and 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 inputs are observable inputs, other than quoted prices included within Level 1, which are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability.

At the end of each reporting period, the Bank and its subsidiaries determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

**5.17 Leases***The Bank and its subsidiaries as a lessee*

The Bank and its subsidiaries assess whether a contract is or contains a lease, at inception of the contract. The Bank and its subsidiaries recognise a right-of-use asset and corresponding lease liability with respect to all lease arrangements in which it is the lease, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Bank and its subsidiaries recognise the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leases assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Bank and its subsidiaries use its incremental borrowing rate.

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Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lease under residual value guarantees;
- The exercise price of purchase options, if the lease is reasonably certain to exercise the options

Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the consolidated and separate statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Bank and its subsidiaries remeasure the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a yield interest rate, in which case a revised discount rate is used).
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

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The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses (if any).

Whenever the Bank and its subsidiaries incur an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under TAS 37 “Provisions, Contingent Liabilities and Contingent Assets”. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Bank and its subsidiaries expect exercise a purchase option, the related right-of-use is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented in premises and equipment in the consolidated and separate statement of financial position.

The Bank and its subsidiaries apply TAS 36 “Impairment of Assets” to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the “Premises and Equipment” policy.

Variable rents that do not depend on an index or rate are not included in the measurement the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line “Other expenses” in profit or loss.

**5.18 Income tax**

Income tax expenses for the year comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that they relate to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected to be paid to the taxation authorities, based on the taxable profit or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.



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Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the tax bases of assets and liabilities. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction in the consolidated financial statement that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries and jointly-controlled entities to the extent that it is probable that they will not reverse in the foreseeable future.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Bank and its subsidiaries expect, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax is measured at the tax rates that are enacted at the end of the reporting period.

In determining the amount of current and deferred tax, the Bank and its subsidiaries take into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Bank and its subsidiaries believe that its accruals for tax liabilities are adequate for income taxes to be paid in the future, based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgments about future events. New information may become available that causes the Bank and its subsidiaries to change its judgment regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the year that such a determination is made.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that the related tax benefit will be realised. The Bank and its subsidiaries recognise all temporary difference of deferred tax liabilities in the consolidated and the separate financial statements.

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**5.19 Earnings per share**

Basic earnings per share is calculated by dividing the profit attributable to ordinary shareholders and preference shareholders which are equivalent to the ordinary shareholders of the Bank (excluding other comprehensive income) by the weighted average number of ordinary shares and preference shares which are equivalent to the ordinary shares outstanding during the year, adjusted for own shares held.

**5.20 Related parties**

A related party is a person or entity that has direct or indirect control or joint control, or has significant influence over the financial and managerial decision-making of the Bank and its subsidiaries; a person or entity that are under common control or under the same significant influence as the Bank and its subsidiaries and the Bank; or and its subsidiaries have direct or indirect control or joint control or have significant influence over the financial and managerial decision-making of a person or entity.

**5.21 Segment reporting**

Segment results that are reported to the Bank's Executive Committee (the Chief Operating Decision Maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

**5.22 Offsetting**

Financial assets and liabilities are offset and the net amount is reported in the statements of financial position when the Bank and its subsidiaries have a legal, enforceable right to set off the recognised amounts and the transactions are intended to be settled on a net basis.

**5.23 Treasury shares**

When share capital recognised as equity is repurchased, the amount of consideration paid, including directly attributable costs, is classified as treasury shares and recognised as a deduction from equity.

**6. Significant accounting judgements and estimates**

The preparation of financial statements in conformity with financial reporting standards at times requires the Bank and its subsidiaries to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates are as follows:

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***Recognition and derecognition assets and liabilities***

In considering whether to recognise or to derecognise assets or liabilities, the Excom is required to make judgement on whether significant risk and rewards of those assets or liabilities have been transferred, based on their best knowledge of the current events and arrangements.

***Allowance for expected credit losses of financial assets***

The Group Risk Supervision and Internal Control committee is required to use judgement in estimating the allowance for expected credit loss on financial assets. The estimation relies on a complex model, a dataset of assumptions, model development and assessments related to the increase in credit risk, as well as the selection of forward-looking information, which involves a large number of variables. Therefore, actual results could differ from these estimates.

***Fair value of financial instruments***

In determining the fair value of financial instruments recognised in the statement of financial position that are not actively traded and for which quoted market prices are not readily available, the management exercises judgement, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk of both the Group and the counterparty, liquidity, correlation and longer-term volatility of financial instruments. Change in assumptions about these factors could affect the fair value recognised in the statement of financial position and disclosures of fair value hierarchy.

***Deferred tax assets***

Deferred tax assets are recognised for deductible temporary differences to the extent that it is probable that taxable profits will be available against which the temporary differences can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimated future taxable profits.

***Post-employment benefits under defined benefit plans***

The obligation under the defined benefit plans and other long-term employee benefit plans is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate, and staff turnover rate.

***Litigation***

The Bank and its subsidiaries have contingent liabilities as a result of litigation. The management has used judgement to assess of the results of the litigation. In case the management believes that there will be no loss, no provisions are recognised at the end of the reporting period.

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**7. Risk management****7.1 Risk management approach**

The Bank and its subsidiaries have set up its risk management structure in order to efficiently manage its core risks, as follows strategic risk, credit risk, market risk, operational risk, liquidity risk, reputation risk and information technology risks. Appropriate risk policies and risk management procedures have been established to provide common guidelines and standards to be consistently applied across the Bank and its subsidiaries.

The Bank and its subsidiaries manage its risks under the following key principles: core risks must be identified, measured, monitored, reported, analysed and controlled; and business activities are managed under a risk-return framework to ensure that risks undertaken are commensurate with an appropriate return.

The Bank and its subsidiaries' risk governance structure consist of the Board of Directors (BOD), which holds the ultimate responsibility for the Bank and its subsidiaries' overall risk management, Group Risk Supervision and Internal Control Committee, which has been delegated by the BOD with the authority to review and oversee the management of all risks across the Bank and its subsidiaries and formulate risk management strategies, policies, frameworks and standards, as well as risk appetite and submit to the Board of Directors for approval. Additionally, Audit Committee is overseeing for the Internal Audit Department and Credit Review Department.

To strengthen Enterprise-Wide Risk Management, the Bank forms a risk governance where the 3 lines of defense work together to prevent and control risk. To follow 3 lines of defenses in which the Bank has set risk ownership, formulate segregation of duties, and form check and balance in the monitoring of risk management. The risk management related functions are under the stewardship of the Chief Executive Officer (CEO) are responsible for establishing Enterprise-Wide risk management policies and guidelines, and take care of the following roles: developing tools for managing risks; proposing risk management strategies and recommending risk appetite for approval in order to be used for monitoring, controlling and managing risk levels of the Bank and its subsidiaries.

**7.2 Credit risk**

Credit risk is the risk that a debtor and/or counterparty to a financial agreement fails to honour an obligation and consequently causes the Bank and its subsidiaries to incur a financial loss. The Bank and its subsidiaries have disclosed significant concentrations of credit risk occurred from loans to customer, loan commitments and financial guarantee.

The maximum amount of credit risk exposure is the carrying amount of the financial assets and provision on loans commitment and financial guarantee less provision for losses as stated in the statement of financial position.

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*Credit policies/Framework*

The Board of Director and Group Risk Supervision and Internal Control Committee are responsible for strategy approval and credit risk appetite in order to manage credit risk properly. The Bank and its subsidiaries have put in place the Credit Risk Policy and other related risk policy including the frameworks to ensure that credit decisions are prudently made and make credit risk management an integral part of all credit-related business processes. All other relevant business units and support units are required to formulate their own specific policies follow the main policy. The Bank and its subsidiaries have also established policies to ensure diversification of its credit portfolio to address various concentration risks covering single exposure concentration risk or a group basis that is economically interdependent, industry/business sector concentration risk and country exposure concentration risk. Additionally, the Bank and its subsidiaries' Stress Testing Policy ensure a consistent framework to assess the Bank and its subsidiaries' ability to withstand extreme but plausible adverse changes to economic conditions.

*Credit Approval Process*

In managing credit risk, the Bank and its subsidiaries segregate the roles and responsibilities of the credit marketing function from the credit approval function to ensure proper checks and balance. Individual credit risk is analysed and assessed by experienced credit officers and approved by an appropriate authority depending on the size and risk levels of credit requested.

Where appropriate, the Bank and its subsidiaries demand the placement of adequate collateral by customers in various forms including, for example, land and building, deposits, securities, and personal/corporate guarantees, etc.

The Bank and its subsidiaries have contingent liabilities by issuing loan payment and other forms of guarantees, as well as issuing letters of credit and endorsing aval on commercial bills and Notes for its customers. Such contingent transaction activities require assessment on financial condition of customers in the same manner as done for direct lending. The Bank and its subsidiaries also make a standard practice to set conditions to mitigate the elements of risk in the same manner as for direct lending procedures.

*Credit Review*

Credit Review Department, independent unit, is responsible for performing the assessments and making recommendations to improve the adequacy and effectiveness of credit-related processes and the risk management processes. Moreover, the Credit Review Department, independent unit, performs individual credit review plan to ensure that the credit process and account administration are effectively conducted in accordance with policies and procedures, and in compliance with the regulatory requirements.

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*Credit rating*

Credit ratings are typically based on credit analysis factors and/or market condition indicators, considering both the quantitative and qualitative information. The Bank developed internal credit risk models as a tool for management and for supporting any activities relating to the Bank and its subsidiaries' credit risk. The model covered credit process such as the determination of risk appetite, credit approval process, measuring quality and effectiveness of portfolio. In addition, it can be used to predict changes in portfolio quality and early warning sign for deterioration trend and is useful for determining credit interest rate and measuring performance of credit portfolio. It also can be used as a communication tool within the Bank and its subsidiaries.

Credit risk models have been developed for expected credit loss (ECL) to determine probability of default (PD), exposure at default (EAD), and loss given default (LGD). All models comprise both quantitative and qualitative factors/information. For the quantitative aspect, the data is collected from historical or from service providers. In addition to the wide range of activities described above, the Bank and its subsidiaries also use credit risk models in the process to determine loan loss provisioning, regulatory capital, and economic capital.

The Bank and its subsidiaries set up credit rating guideline to provide the logic and use of creating and verifying model-based credit ratings. Currently, the Bank and its subsidiaries use different credit rating models according to different borrower segment.

Credit risk grade is based on risk rating (or PD models). The Bank and its subsidiaries apply different types of internal rating models as 2 categories (1) Rating models for Commercial portfolio - based on most recent available financial position and qualitative assessment on the profile of the borrowers; and, (2) Rating models for small SME and retail portfolios are based on behavioral and/or credit performance proved by statistical methods to measure an appropriate credit risk grade or determining the appropriate probability of default based on borrowers' risk level.

Exposures and the corresponding credit risk grades are subject to review at a frequency stipulated in the policy. Model for evaluation and risk rating are subject to review and monitor regularly. This is a process to keep both risk grade and models up to date and healthiest.

A credit risk grade is ranked from lowest to highest by lower the number in the rank, the lower the probability of default. The highest rating represents non-performing loans with probability of default of 100%. In relation to Note 7.2.1 to the financial statements "C credit quality", the Bank and its subsidiaries segregate risk level according to the ability for customers to meet financial obligation into five level; Low, Medium, Rather high, High, and Defaults.



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In addition to the internal rating, the Bank and its subsidiaries also use external ratings from an international rating agency as references for credit risk grade of investment in debt securities.

*Information related to ECL**Significant increase in credit risk*

SICR is assessed by comparing the risk of default of an exposure at the reporting date to the risk of default at origination, the significance of which being determined by using a number of quantitative and qualitative factors. Financial assets that are more than 30 days past due and not credit-impaired will be considered to have experienced a significant increase in credit risk.

Qualitative factors assessed include those linked to current credit risk management processes. Indicators could include weak operating results or observed liquidity issues among a number of other factors.

*Definition of default*

Financial assets are assessed for credit-impairment at each reporting date and more frequently when circumstances warrant further assessment. Evidence of credit-impairment includes arrears of over 90 days on any material credit obligation, indications that the borrower is experiencing significant financial difficulty, bankruptcy or distressed restructuring.

*ECL model*

The Bank and its subsidiaries have recognised loss allowances based on the expected credit loss (ECL) model of TFRS 9 “Financial Instruments”, which is designed to be forward-looking. The TFRS 9 impairment requirements are applicable to on-balance sheet financial assets measured at amortised cost (AMC) or fair value through other comprehensive income (FVOCI), such as loans and debt securities, as well as off-balance sheet items such as undrawn loan commitments, certain financial guarantees, and undrawn committed revolving credit facilities. These financial instruments are divided into three groups, depending on the stage of credit quality deterioration (“Staging”). The ECL model parameters are estimated based on statistical techniques and supported by expert judgment.

*Incorporation of forward-looking information*

TFRS 9 requires that expected credit loss should consider the effect from the economic movement or so-called forward-looking factor. The estimated of loss should also incorporate the state of economy.

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The Bank and its subsidiaries apply forward-looking factor into the ECL models. For macroeconomic input/projections, the Bank and its subsidiaries leverage on information from external sources. Then, statistical techniques are applied to transform the data into a multiple scenario analysis. Finally, the scenarios are used to derive lifetime parameters, which are applied in the calculation of expected credit losses and in the identification of significant deterioration in credit quality of financial assets as described previously.

The Bank and its subsidiaries apply economic factors or any factor expected to occur as a part of formulated scenario for developing ECL. The Bank and its subsidiaries formulate three forward-looking economic scenarios; a normal case scenario, which is the normal case scenario, best case scenario and worst case scenario which is put different weighted average amount. Examples of the macro economic variables used in the forward-looking information are Gross Domestic Product (GDP), interest rate, and unemployment rate, etc.

*Management Overlay*

The Bank and its subsidiaries calculated the ECL based on the model. However, management overlay was considered when underlying assumptions or data used to estimate ECL do not reflect current circumstances, events or conditions of the Bank and its subsidiaries at the reporting date as post-model adjustments.

**The maximum exposure to credit risk**

The maximum exposure to credit risk for recognised and unrecognised financial instruments. The maximum exposure is shown at gross before both the effect of mitigation through use of master netting and collateral arrangements.

**7.2.1 Credit quality**

Credit risk refers to the risk that a customer or a counterparty will default on its contractual obligations resulting in a financial loss to the Bank and its subsidiaries. The Bank and its subsidiaries have adopted the policy to prevent this risk by performing credit analysis from customers' information and follow-up on customer status consistently.

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The table below shows the credit quality of financial assets exposed to credit risk, the amounts presented for financial assets are gross carrying amount (before allowance for expected credit losses). For loan commitments, the amounts in the table represent the amounts committed.

(Unit: Million Baht)

	Consolidated financial statements			Total
	2024			
	Financial assets that has not been a significant increase in credit risk	Financial assets that has been a significant increase in credit risk	Financial assets that are credit - impaired	
<b>Interbank and money market items (assets)</b>				
Low risk	29,247	-	-	29,247
Medium risk	7,578	-	-	7,578
Total	36,825	-	-	36,825
<u>Less</u> Allowance for expected credit losses	(80)	-	-	(80)
Net book value	36,745	-	-	36,745
<b>Investments in debt instruments measured at amortised cost</b>				
Low risk	46,356	998	-	47,354
Total	46,356	998	-	47,354
<u>Less</u> Allowance for expected credit losses	(44)	(3)	-	(47)
Net book value	46,312	995	-	47,307
<b>Investments in debt instruments measured at fair value through other comprehensive income</b>				
Low risk	34,911	-	-	34,911
Net book value	34,911	-	-	34,911
Allowance for expected credit losses	(1)	-	-	(1)
<b>Loans to customers and accrued interest receivables - net</b>				
Low risk	76,645	-	-	76,645
Medium risk	46,559	3,071	-	49,630
Rather high/high risk	4,122	9,308	-	13,430
Defaults	-	-	1,592	1,592
Total	127,326	12,379	1,592	141,297
<u>Less</u> Allowance for expected credit losses	(2,786)	(1,254)	(710)	(4,750)
Net book value	124,540	11,125	882	136,547
<b>Loan commitments and financial guarantee contracts</b>				
Loan commitments and financial guarantee	78,438	121	19	78,578
<u>Less</u> Allowance for expected credit losses	(270)	(4)	(7)	(281)
Net book value	78,168	117	12	78,297

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## NOTES TO THE FINANCIAL STATEMENTS

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(Unit: Million Baht)

	Consolidated financial statements			Total
	2023 (Restated)			
	Financial assets that has not been a significant increase in credit risk	Financial assets that has been a significant increase in credit risk	Financial assets that are credit - impaired	
<b>Interbank and money market items (assets)</b>				
Low risk	29,421	-	-	29,421
Medium risk	6,998	-	-	6,998
Total	36,419	-	-	36,419
<u>Less</u> Allowance for expected credit losses	(33)	-	-	(33)
Net book value	36,386	-	-	36,386
<b>Investments in debt instruments measured at amortised cost</b>				
Low risk	42,817	-	-	42,817
Total	42,817	-	-	42,817
<u>Less</u> Allowance for expected credit losses	(46)	-	-	(46)
Net book value	42,771	-	-	42,771
<b>Investments in debt instruments measured at fair value through other comprehensive income</b>				
Low risk	36,272	-	-	36,272
Net book value	36,272	-	-	36,272
Allowance for expected credit losses	(2)	-	-	(2)
<b>Loans to customers and accrued interest receivables - net</b>				
Low risk	84,336	-	-	84,336
Medium risk	46,326	768	-	47,094
Rather high/high risk	13,338	11,643	-	24,981
Defaults	-	-	1,909	1,909
Total	144,000	12,411	1,909	158,320
<u>Less</u> Allowance for expected credit losses	(2,832)	(2,220)	(879)	(5,931)
Net book value	141,168	10,191	1,030	152,389
<b>Loan commitments and financial guarantee contracts</b>				
Loan commitments and financial guarantee	87,717	176	409	88,302
<u>Less</u> Allowance for expected credit losses	(245)	(32)	(18)	(295)
Net book value	87,472	144	391	88,007

INDUSTRIAL AND COMMERCIAL BANK OF CHINA (THAI) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(Unit: Million Baht)

	Separate financial statements			Total
	2024			
	Financial assets that has not been a significant increase in credit risk	Financial assets that has been a significant increase in credit risk	Financial assets that are credit - impaired	
<b>Interbank and money market items (assets)</b>				
Low risk	28,344	-	-	28,344
Medium risk	7,578	-	-	7,578
Total	35,922	-	-	35,922
<u>Less</u> Allowance for expected credit losses	(80)	-	-	(80)
Net book value	35,842	-	-	35,842
<b>Investments in debt instruments measured at amortised cost</b>				
Low risk	46,356	998	-	47,354
Total	46,356	998	-	47,354
<u>Less</u> Allowance for expected credit losses	(44)	(3)	-	(47)
Net book value	46,312	995	-	47,307
<b>Investments in debt instruments measured at fair value through other comprehensive income</b>				
Low risk	34,911	-	-	34,911
Net book value	34,911	-	-	34,911
Allowance for expected credit losses	(1)	-	-	(1)
<b>Loans to customers and accrued interest receivables - net</b>				
Low risk	41,253	-	-	41,253
Medium risk	39,688	3,071	-	42,759
Rather high/high risk	4,122	5,066	-	9,188
Defaults	-	-	778	778
Total	85,063	8,137	778	93,978
<u>Less</u> Allowance for expected credit losses	(2,495)	(454)	(415)	(3,364)
Net book value	82,568	7,683	363	90,614
<b>Loan commitments and financial guarantee contracts</b>				
Loan commitments and financial guarantee	78,468	121	19	78,608
<u>Less</u> Allowance for expected credit losses	(270)	(4)	(7)	(281)
Net book value	78,198	117	12	78,327

INDUSTRIAL AND COMMERCIAL BANK OF CHINA (THAI) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(Unit: Million Baht)

	Separate financial statements			Total
	2023 (Restated)			
	Financial assets that has not been a significant increase in credit risk	Financial assets that has been a significant increase in credit risk	Financial assets that are credit - impaired	
<b>Interbank and money market items (assets)</b>				
Low risk	28,551	-	-	28,551
Medium risk	6,998	-	-	6,998
Total	35,549	-	-	35,549
<u>Less</u> Allowance for expected credit losses	(33)	-	-	(33)
Net book value	35,516	-	-	35,516
<b>Investments in debt instruments measured at amortised cost</b>				
Low risk	42,817	-	-	42,817
Total	42,817	-	-	42,817
<u>Less</u> Allowance for expected credit losses	(46)	-	-	(46)
Net book value	42,771	-	-	42,771
<b>Investments in debt instruments measured at fair value through other comprehensive income</b>				
Low risk	36,272	-	-	36,272
Net book value	36,272	-	-	36,272
Allowance for expected credit losses	(2)	-	-	(2)
<b>Loans to customers and accrued interest receivables - net</b>				
Low risk	45,143	-	-	45,143
Medium risk	40,622	768	-	41,390
Rather high/high risk	13,338	5,478	-	18,816
Defaults	-	-	951	951
Total	99,103	6,246	951	106,300
<u>Less</u> Allowance for expected credit losses	(2,506)	(931)	(561)	(3,998)
Net book value	96,597	5,315	390	102,302
<b>Loan commitments and financial guarantee contracts</b>				
Loan commitments and financial guarantee	115,342	176	409	115,927
<u>Less</u> Allowance for expected credit losses	(245)	(32)	(18)	(295)
Net book value	115,097	144	391	115,632



**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2024

**7.2.2 Collateral held and other credit enhancements**

In addition to determining counterparty credit quality through risk rating, the Bank and its subsidiaries also use collateral as one type of credit risk mitigation to reduce potential credit losses to the Bank and its subsidiaries. The type of eligible collateral consists of financial and non-financial collaterals which valued primarily based on their quality and liquidity. The value of collateral is primarily assessed on a prudent basis to ensure that the value assigned to the collateral remains current.

The assessment of the suitability of collateral for a specific credit transaction is part of the credit decision making which undertaken in a conservative way, including collateral haircuts that are applied. The Bank and its subsidiaries strive to avoid “wrong-way” risk characteristics where the borrower’s counterparty risk is positively correlated with the risk of deterioration in the collateral value.

For “guarantee”, the process for the analysis of the guarantor’s creditworthiness is aligned to the credit assessment process for borrowers as well as Loan-to-Value (LTV) ratio for credit processes.

Loan-to-Value (LTV) ratio is used in entire credit processes, including

- Credit evaluation process
- Different risk levels require different LTVs

**Collateral Appraisal Approach**

Asset being used for provisioning calculation and LTV calculation guidance has to be pass through an appraisal process. The appraisal shall be conducted according to the codes of professional ethics and standards of appraisal practice stipulated by the Office of the Securities and Exchange Commission (SEC) and is under responsibility of Asset Appraisal Department.

The following are example of collateral appraisal approach:

- Immovable property for commercial purpose shall be appraised by the cost approach, or the direct sales comparison approach, or the income approach.
- Immovable property for residential purpose shall be appraised by the direct sales comparison approach, or the cost approach.
- Other immovable properties shall be appraised by the cost approach, or the direct sales comparison approach, or the income approach.
- Machinery and vehicle shall be appraised by the direct sales comparison approach, or the cost approach.
- Criteria for appraising marketable equity securities and debt securities collateral shall be established in writing and agreed among the Collateral Appraisal Committee members.

INDUSTRIAL AND COMMERCIAL BANK OF CHINA (THAI) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2024

The following table sets out the principal types of collateral held against different types of financial assets as at 31 December 2024 and 2023.

(Unit: Million Baht)

Type of credit exposures	Consolidated		Principal type of collateral held
	financial statements		
	2024	2023	
		(Restated)	
Interbank and money market items	16,929	20,052	Debt securities
Loans to customers			
- Loans to corporate customers	43,439	41,706	Properties, plant, equipment and guarantee by another banks
- Retail mortgage lending	2	6	Properties
- Hire-purchase and finance lease receivables	50,141	58,146	Vehicle

(Unit: Million Baht)

Type of credit exposures	Separate		Principal type of collateral held
	financial statements		
	2024	2023	
		(Restated)	
Interbank and money market items	16,929	20,052	Debt securities
Loans to customers			
- Loans to corporate customers	46,730	45,128	Properties, plant, equipment and guarantee by another banks
- Retail mortgage lending	2	6	Properties

INDUSTRIAL AND COMMERCIAL BANK OF CHINA (THAI) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2024

**Concentrations of credit risk**

The Bank and its subsidiaries monitor concentration in different dimensions including sector. Concentrations of credit risk from loans to customers (including loans to financial institutions, which are presented as a part of “interbank and money market items” (assets)), loan commitments and financial guarantees as at 31 December 2024 and 2023 are shown below:

(Unit: Million Baht)

	<b>Consolidated financial statements</b>		
	Loans to customers	Loan commitments	Financial guarantees
<b>As at 31 December 2024</b>			
Gross carrying amount	168,994	-	-
Amount committed/guaranteed	-	55,581	22,997
<i>Concentration by sector</i>			
Financial institutions	28,029	10,342	1,593
Agricultural and mining	1,606	54	-
Manufacturing and commerce	49,021	26,359	13,590
Real estate and construction	7,181	8,828	2,378
Public utilities and services	36,172	8,052	4,562
Retail mortgage lending	3	-	436
Hire-purchase and finance lease	46,850	-	-
Others	132	1,946	438
<b>Total</b>	<b>168,994</b>	<b>55,581</b>	<b>22,997</b>

INDUSTRIAL AND COMMERCIAL BANK OF CHINA (THAI) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2024

(Unit: Million Baht)

**Consolidated financial statements**

	Loans to customers	Loan commitments	Financial guarantees
<b>As at 31 December 2023 (Restated)</b>			
Gross carrying amount	185,374	-	-
Amount committed/guaranteed	-	58,262	30,039
<i>Concentration by sector</i>			
Financial institutions	27,683	7,214	16,257
Agricultural and mining	1,877	54	-
Manufacturing and commerce	53,457	32,024	2,951
Real estate and construction	6,712	5,562	1,642
Public utilities and services	40,773	11,445	8,609
Retail mortgage lending	5	-	580
Hire-purchase and finance lease	54,721	-	-
Others	146	1,963	-
<b>Total</b>	<b>185,374</b>	<b>58,262</b>	<b>30,039</b>

(Unit: Million Baht)

**Separate financial statements**

	Loans to customers	Loan commitments	Financial guarantees
<b>As at 31 December 2024</b>			
Gross carrying amount	121,694	-	-
Amount committed/guaranteed	-	55,611	22,997
<i>Concentration by sector</i>			
Financial institutions	28,029	10,342	1,593
Agricultural and mining	1,606	54	-
Manufacturing and commerce	51,863	26,389	13,590
Real estate and construction	7,181	8,828	2,378
Public utilities and services	32,880	8,052	4,562
Retail mortgage lending	3	-	436
Others	132	1,946	438
<b>Total</b>	<b>121,694</b>	<b>55,611</b>	<b>22,997</b>

INDUSTRIAL AND COMMERCIAL BANK OF CHINA (THAI) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2024

(Unit: Million Baht)

	<b>Separate financial statements</b>		
	Loans to customers	Loan commitments	Financial guarantees
<b>As at 31 December 2023 (Restated)</b>			
Gross carrying amount	133,316	-	-
Amount committed/guaranteed	-	85,887	30,039
<i>Concentration by sector</i>			
Financial institutions	27,683	7,214	16,257
Agricultural and mining	1,877	54	-
Manufacturing and commerce	59,545	59,649	2,951
Real estate and construction	6,712	5,562	1,642
Public utilities and services	37,348	11,445	8,609
Retail mortgage lending	5	-	580
Others	146	1,963	-
<b>Total</b>	<b>133,316</b>	<b>85,887</b>	<b>30,039</b>

**7.3 Market risk**

Market risk refers to losses that may happen due to the fluctuations of foreign exchange rates, interest rates, and prices of equity securities, all of which may impact the value of the Bank and its subsidiaries' assets and liabilities including financial commitment.

The Bank and its subsidiaries have established various market risk policies, which set standards and guidelines for market risk management. The sub-committee holds the responsibility to assist the BOD and the Bank and its subsidiaries Risk Supervision and Internal Control Committee to ensure that bank-wide market risk management complies with the relevant risk policies and defined levels of risk appetite. The Bank and its subsidiaries classify the overall market risk management into 2 parts: trading book and banking book. The Bank and its subsidiaries have developed a policy to set standards on the book definitions and transaction classification criteria as well as the treatment of each book.

*Market risk in the trading book*

Market risk in the trading book consists of market risk from exposures of financial instruments and derivatives that are held with trading intent or for hedging other positions in the trading book. The Bank and its subsidiaries has established the market risk policies for trading book to ensure the proper management of market risks in the trading book as well as impose limits to control the risks to be within the Bank and its subsidiaries' risk appetite.

INDUSTRIAL AND COMMERCIAL BANK OF CHINA (THAI) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2024

*Market risk in the Banking book*

Market risk in the Banking book consists of market risks incurred from items on statement of financial position and financial commitment including derivatives designated to hedge other banking book items.

The Bank and its subsidiaries have established the market risk policies for banking book, which outlines the approach for managing market risks in the Banking book and setting the relevant limits appropriate to the positions of the risks in the book and in line with the Bank and its subsidiaries' risk appetite.

The Bank and its subsidiaries also analyse risks and regularly assesses the impact, the results of which are used as tools to manage the Bank's assets and liabilities structure to be in line with the changing market environment.

**7.3.1 Interest rate risk**

Interest rate risk is the risk from future movements in market interest rates including changes in interest rates of rate sensitive assets and liabilities that will have negative impact to the Bank and its subsidiaries' operating results, cash flows and economic value.

The Bank and its subsidiaries manage interest rate risk by means of an appropriate structuring of holdings in assets and liabilities with different repricing dates, taking into account the direction of market interest rates, in order to generate a suitable yield while maintaining risk at acceptable levels.

As at 31 December 2024 and 2023, significant financial assets and financial liabilities classified according to the earlier between their remaining maturity and interest repricing periods were as follows:

(Unit: Million Baht)

	Consolidated financial statements							
	2024							
	At call	Interest repricing/maturity				Non-interest bearing	Non-performing asset	Total
Within 3 months		Over 3 months to 1 year	Over 1 year to 5 years	Over 5 years				
<b>Financial assets</b>								
Cash	-	-	-	-	-	351	-	351
Interbank and money market items	806	23,440	4,589	-	-	7,910	-	36,745
Financial assets measured at fair value through profit or loss	-	-	-	-	-	797	-	797
Derivative assets	-	-	-	-	-	677	-	677
Investments	-	14,294	30,333	36,077	1,561	126	-	82,391
Loans to customers	392	84,287	15,094	37,645	1,922	-	1,625	140,965
<b>Total financial assets</b>	<b>1,198</b>	<b>122,021</b>	<b>50,016</b>	<b>73,722</b>	<b>3,483</b>	<b>9,861</b>	<b>1,625</b>	<b>261,926</b>

INDUSTRIAL AND COMMERCIAL BANK OF CHINA (THAI) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(Unit: Million Baht)

Consolidated financial statements							
2024							
	Interest repricing/maturity				Non-interest bearing	Non-performing asset	Total
	At call	Within 3 months	Over 3 months to 1 year	Over 1 year to 5 years			
<b>Financial liabilities</b>							
Deposits	49,654	58,181	36,321	3,663	-	1,680	149,499
Interbank and money market items	2,488	14,117	1,623	656	-	575	19,459
Liabilities payable on demand	-	-	-	-	-	82	82
Derivative liabilities	-	-	-	-	-	186	186
Debt issued and borrowings	-	8,104	12,980	19,156	-	-	40,240
<b>Total financial liabilities</b>	<b>52,142</b>	<b>80,402</b>	<b>50,924</b>	<b>23,475</b>	<b>-</b>	<b>2,523</b>	<b>209,466</b>

(Unit: Million Baht)

Consolidated financial statements							
2023 (Restated)							
	Interest repricing/ maturity				Non-interest bearing	Non-performing asset	Total
	At call	Within 3 months	Over 3 months to 1 year	Over 1 year to 5 years			
<b>Financial assets</b>							
Cash	-	-	-	-	-	363	363
Interbank and money market items	723	26,378	1,304	-	-	7,895	36,300
Derivative assets	-	-	-	-	-	1,263	1,263
Investments	-	9,834	22,389	44,121	2,745	161	79,250
Loans to customers	402	95,334	18,751	41,281	59	-	157,691
<b>Total financial assets</b>	<b>1,125</b>	<b>131,546</b>	<b>42,444</b>	<b>85,402</b>	<b>2,804</b>	<b>9,682</b>	<b>274,867</b>
<b>Financial liabilities</b>							
Deposits	49,542	54,096	43,058	5,824	-	1,069	153,589
Interbank and money market items	6,938	20,513	1,043	1,112	-	964	30,570
Liabilities payable on demand	-	-	-	-	-	32	32
Derivative liabilities	-	-	-	-	-	325	325
Debt issued and borrowings	-	1,818	18,895	19,182	-	-	39,895
<b>Total financial liabilities</b>	<b>56,480</b>	<b>76,427</b>	<b>62,996</b>	<b>26,118</b>	<b>-</b>	<b>2,390</b>	<b>224,411</b>



## INDUSTRIAL AND COMMERCIAL BANK OF CHINA (THAI) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(Unit: Million Baht)

	Separate financial statements							Total
	2024							
	At call	Interest repricing/maturity				Non-interest bearing	Non-performing asset	
		Within 3 months	Over 3 months to 1 year	Over 1 year to 5 years	Over 5 years			
<b>Financial assets</b>								
Cash	-	-	-	-	-	350	-	350
Interbank and money market items	2	23,440	4,589	-	-	7,811	-	35,842
Financial assets measured at fair value through profit or loss	-	-	-	-	-	797	-	797
Derivative assets	-	-	-	-	-	677	-	677
Investments	-	14,294	30,333	36,077	1,561	126	-	82,391
Loans to customers	431	80,510	5,171	6,706	35	-	812	93,665
<b>Total financial assets</b>	<b>433</b>	<b>118,244</b>	<b>40,093</b>	<b>42,783</b>	<b>1,596</b>	<b>9,761</b>	<b>812</b>	<b>213,722</b>
<b>Financial liabilities</b>								
Deposits	49,666	58,181	36,321	3,663	-	1,684	-	149,515
Interbank and money market items	2,488	11,077	1,623	656	-	575	-	16,419
Liabilities payable on demand	-	-	-	-	-	82	-	82
Derivative liabilities	-	-	-	-	-	186	-	186
Debt issued and borrowings	-	-	-	4,995	-	-	-	4,995
<b>Total financial liabilities</b>	<b>52,154</b>	<b>69,258</b>	<b>37,944</b>	<b>9,314</b>	<b>-</b>	<b>2,527</b>	<b>-</b>	<b>171,197</b>

(Unit: Million Baht)

	Separate financial statements							Total
	2023 (Restated)							
	At call	Interest repricing/maturity				Non-interest bearing	Non-performing asset	
		Within 3 months	Over 3 months to 1 year	Over 1 year to 5 years	Over 5 years			
<b>Financial assets</b>								
Cash	-	-	-	-	-	362	-	362
Interbank and money market items	2	26,378	1,304	-	-	7,746	-	35,430
Derivative assets	-	-	-	-	-	1,263	-	1,263
Investments	-	9,834	22,389	44,121	2,745	161	-	79,250
Loans to customers	777	88,150	11,373	3,978	450	-	906	105,634
<b>Total financial assets</b>	<b>779</b>	<b>124,362</b>	<b>35,066</b>	<b>48,099</b>	<b>3,195</b>	<b>9,532</b>	<b>906</b>	<b>221,939</b>
<b>Financial liabilities</b>								
Deposits	49,552	54,096	43,058	5,824	-	1,076	-	153,606
Interbank and money market items	2,938	18,513	1,043	1,112	-	964	-	24,570
Liabilities payable on demand	-	-	-	-	-	32	-	32
Derivative liabilities	-	-	-	-	-	325	-	325
Debt issued and borrowings	-	-	-	4,993	-	-	-	4,993
<b>Total financial liabilities</b>	<b>52,490</b>	<b>72,609</b>	<b>44,101</b>	<b>11,929</b>	<b>-</b>	<b>2,397</b>	<b>-</b>	<b>183,526</b>

INDUSTRIAL AND COMMERCIAL BANK OF CHINA (THAI) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

The average balances of the significant financial assets and financial liabilities generating revenues and incurring expenses, calculated based on the average balances outstanding during the years, and the average interest rates for the years ended 31 December 2024 and 2023 can be summarised as follows:

(Unit: Million Baht)

	Consolidated financial statements					
	2024			2023 (Restated)		
	Average balances <sup>(1)</sup>	Interest	Average interest rate (%)	Average balances <sup>(1)</sup>	Interest	Average interest rate (%)
<b>Financial assets</b>						
Interbank and money market items	33,743	1,036	3.07	31,058	755	2.43
Investments	81,889	2,873	3.51	81,850	2,639	3.22
Loans to customers	158,604	7,466	4.71	169,733	7,519	4.43
<b>Financial liabilities</b>						
Deposits	142,712	2,540 <sup>(2)</sup>	1.78	145,756	1,700 <sup>(2)</sup>	1.17
Interbank and money market items	23,366	988	4.23	34,335	1,394	4.06
Debts issued and borrowings	42,223	1,088 <sup>(3)</sup>	2.58	45,632	1,017 <sup>(3)</sup>	2.23

<sup>(1)</sup> Calculated by average of month end balance

<sup>(2)</sup> Excluding contributions to Deposit Protection Agency and Bank of Thailand

<sup>(3)</sup> Including debentures fee expense

(Unit: Million Baht)

	Separate financial statements					
	2024			2023 (Restated)		
	Average balances <sup>(1)</sup>	Interest	Average interest rate (%)	Average balances <sup>(1)</sup>	Interest	Average interest rate (%)
<b>Financial assets</b>						
Interbank and money market items	32,896	1,032	3.14	30,457	753	2.47
Investments	81,889	2,873	3.51	81,850	2,639	3.22
Loans to customers	100,929	5,060	5.01	107,925	4,958	4.59
<b>Financial liabilities</b>						
Deposits	142,728	2,540 <sup>(2)</sup>	1.78	145,768	1,701 <sup>(2)</sup>	1.17
Interbank and money market items	20,583	861	4.18	32,875	1,349	4.10
Debts issued and borrowings	4,994	177 <sup>(3)</sup>	3.54	4,992	177 <sup>(3)</sup>	3.55

<sup>(1)</sup> Calculated by average of month end balance

<sup>(2)</sup> Excluding contributions to Deposit Protection Agency and Bank of Thailand

<sup>(3)</sup> Including debentures fee expense

INDUSTRIAL AND COMMERCIAL BANK OF CHINA (THAI) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2024

**Sensitivity analysis***Market risk in the Banking book*

The Bank and its subsidiaries employ Repricing Gap Report in measuring and monitoring the interest rate in the Banking book in which the control limit has been set at the acceptable level.

In addition, the Bank and its subsidiaries conduct the stress test on the interest rate risk in the Banking book based on the assumptions in line with the principle of extreme but plausible scenarios and divided into individual currencies in a quarterly basis in order to report to the Group Risk Supervision and Internal Control Committee for consideration and revision of risk management strategy and backup plan.

At present, the Bank and its subsidiaries do not have the behavioral adjustments on both assets and liabilities, e.g. behavioral adjustment on prepayment schedule and the rollover of the deposit.

The Repricing Gap report in Banking Book by currency is reported to the Asset and Liabilities Committee on a monthly basis, and a report on interest rate risk to The Bank of Thailand on a quarterly basis.

The impacts of a change in interest rate on earnings of the consolidated and separate financial statements as at 31 December 2024 and 2023 are as follows:

(Unit: Million Baht)

Currency	Consolidated financial statements			
	2024		2023	
	Upward 100 bps	Downward 100 bps	Upward 100 bps	Downward 100 bps
Thai Baht	158	(158)	90	(90)
US Dollar	(70)	70	(12)	12
Renminbi	(35)	35	(27)	27
Euro	2	(2)	2	(2)
<b>Total impact of the changes in interest rate</b>	<b>55</b>	<b>(55)</b>	<b>53</b>	<b>(53)</b>

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(Unit: Million Baht)

Currency	Separate financial statements			
	2024		2023	
	Upward 100 bps	Downward 100 bps	Upward 100 bps	Downward 100 bps
Thai Baht	237	(237)	187	(187)
US Dollar	(70)	70	(12)	12
Renminbi	(35)	35	(27)	27
Euro	2	(2)	2	(2)
<b>Total impact of the change in interest rate</b>	<b>134</b>	<b>(134)</b>	<b>150</b>	<b>(150)</b>

**7.4 Liquidity risk**

Liquidity risk is the risk that the Bank and its subsidiaries will be unable to liquidate its financial assets to cash or procure sufficient funds to discharge its obligations in a timely manner, resulting to occur a financial loss.

The Bank and its subsidiaries have established a liquidity management policy, to ensure that the Bank and its subsidiaries has sufficient liquidity to meet debt and other obligations when due in normal circumstances, and has liquidity contingency plans in place to handle crisis situations, as well as to ensure that management of liquidity strikes an appropriate balance between costs and benefits. The liquidity management policy is approved by the Bank and its subsidiaries Risk Supervision and Internal Control Committee under Financial Group, the Executive Committee and the Board of Directors, respectively.

To manage the Bank's liquidity, the Financial Markets Division projects funding demand and identifies appropriate sources of funds consistent with the Bank's business and strategic plans. For the purpose of liquidity risk management, the Bank has set risk limits, required liquidity ratios, liquidity control procedures, the liquidity gap and liquidity management's performance are reported to the Asset and Liability Committee (ALCO) on a monthly basis. Moreover, the Risk Management Division closely monitors risk to ensure it remains within the limits set, and reports to the Bank and its subsidiaries Risk Supervision and Internal Control Committee on a regular basis.

Moreover, the Bank has prepared the Early Warning System Indicator to monitor daily and monthly risk level and also set the trigger point in order to be prepared in case of any increasing of any risk factors and be used for liquidity risk management. The Portfolio Risk Management Department will inform the related party daily and submit to Asset and Liability Committee Meeting (ALCO) monthly. The Bank has also formulated the liquidity contingency plans to handle any potential liquidity problems. These plans designate working procedures and explicitly assign roles and responsibilities to the relevant parties.

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The Asset and Liability Committee has the following roles and responsibilities:

1. Formulate strategies relating to the regular and daily liquidity management.
2. Ensure that liquidity management is efficient and appropriate policies and procedures for liquidity risk are established.
3. Ensure that the Bank has adequate information systems to measure, monitor, control and report liquidity risk.
4. Consider the liquidity risk limit and propose to the Executive Committee (EXCOM) for approval.
5. Review all assumptions which related to liquidity risk.

The Bank and its subsidiaries liquidity management is decentralised, with the subsidiaries, ICBC (Thai) Leasing Company Limited independently managing its own liquidity. ICBC (Thai) Leasing Company Limited's sources funds mainly from issuing debentures and loans from financial institutions, the Bank will provide liquidity support with the amount of funds based on Limited of Authority via the Board of Directors. Nevertheless, the Bank and its subsidiaries perform regular controlling and monitoring of the liquidity risk of its subsidiaries and the subsidiaries' liquidity gap is reported to the Asset and Liability Committee on a monthly basis.

The major uses of funds by the Bank are lending to corporate customers and investments in debt securities with an acceptable and low level of risk, but the Bank also designates limits to diversify the use of funds, such as limits on individual industries and lending limits for each individual. The Bank main sources of funds are public deposits and borrowings. The Bank has set guidelines to reduce deposit concentrations, such as limits of the amount deposited per customer and limits of the amount deposited per corporate customer and per state enterprise.

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The Bank and its subsidiaries generate reports and set limits in liquidity management as follows:

1. Daily and monthly reports of Early Warning Indicator together with trigger points in order to monitor the liquidity risk such as 3 days consecutive withdrawal, Liquidity Coverage Ratio (LCR), High Quality of Liquid Assets (HQLA) and available of committed facility amount, Loan to Deposit, Credit Rating of the Bank and ICBC group, etc.
2. Daily reports on amounts and types of liquid assets and their returns.
3. Liquidity gap report, indicating expected cash inflows and outflows in different tenors, and cumulative net liquidity excess or shortfall, which the period to maturity both on the basis of the contract and after behavioral adjustment. The Bank and its subsidiaries prepare liquidity gap reports on a monthly basis for normal circumstances and on a quarterly basis for crisis situations.
4. Monthly reports on liquidity ratios, to be used to provide indications of the Bank's liquidity and early warnings, including loan to deposit ratio such as loan to asset ratio, investment to asset ratio, liquid asset to total asset ratio, liquid asset to short-term to 1 month deposit ratio, borrowing to total asset ratio, deposit to total asset ratio, proportion of large depositors to total deposits, maximum deposit withdrawal per day and rollover rate, etc.
5. Annual liquidity risk self-assessment report.
6. Monthly reports on any transactions or facilities exceeding approved limits.

The Bank also conducts stress tests on a quarterly basis, and regularly reviews the assumptions used to ensure they reflect current economic conditions, business strategies, and other relevant current and future factors. Stress test scenarios include a bank-specific crisis, a general market crisis and a combination of both scenarios that it is thought would have a severely adverse impact, and the Bank has prepared action plans to respond to the occurrence of such events. In addition, the Bank has prepared reports on its Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR), in accordance with the BOT's guideline.

According to BOT Notification Number Sor Nor Sor. 2/2561, dated 25 January 2018, the Bank is required to disclose Liquidity Coverage Ratio (LCR) in The Bank's website. The Bank will disclose the LCR of the Bank as at 31 December 2024 in the Bank's website, [www.icbcthai.com](http://www.icbcthai.com), under Financial Report section/Basel III Pillar III Disclosure, within April 2025.

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As at 31 December 2024 and 2023, significant financial assets and financial liabilities are classified according to their maturity date according to contract as follows:

(Unit: Million Baht)

<b>Consolidated financial statements</b>							
2024							
Maturity							
	At call	Within 3 months	Over 3 months to 1 year	Over 1 year to 5 years	Over 5 years	No maturity	Total
<b>Financial assets</b>							
Cash	-	-	-	-	-	351	351
Interbank and money market items	8,715	22,192	4,752	456	627	3	36,745
Financial assets measured at fair value through profit or loss	-	-	-	-	-	797	797
Derivative assets	-	39	288	282	21	47	677
Investments	-	3,215	40,539	36,950	1,435	252	82,391
Loans to customers	323	26,243	28,589	70,549	13,244	2,017 <sup>(1)</sup>	140,965
<b>Total financial assets</b>	<b>9,038</b>	<b>51,689</b>	<b>74,168</b>	<b>108,237</b>	<b>15,327</b>	<b>3,467</b>	<b>261,926</b>
<b>Financial liabilities</b>							
Deposits	51,334	58,181	36,321	3,663	-	-	149,499
Interbank and money market items	3,062	7,999	1,624	6,774	-	-	19,459
Liabilities payable on demand	82	-	-	-	-	-	82
Derivative liabilities	-	110	3	68	-	5	186
Debt issued and borrowings	-	8,104	12,980	19,156	-	-	40,240
<b>Total financial liabilities</b>	<b>54,478</b>	<b>74,394</b>	<b>50,928</b>	<b>29,661</b>	<b>-</b>	<b>5</b>	<b>209,466</b>

<sup>(1)</sup> The total amount included non-performing loans amounting to Baht 1,625 million.

(Unit: Million Baht)

<b>Consolidated financial statements</b>							
2023 (Restated)							
Maturity							
	At call	Within 3 months	Over 3 months to 1 year	Over 1 year to 5 years	Over 5 years	No maturity	Total
<b>Financial assets</b>							
Cash	-	-	-	-	-	363	363
Interbank and money market items	8,618	26,298	50	-	1,304	30	36,300
Derivative assets	-	299	188	623	61	92	1,263
Investments	-	5,332	24,391	46,621	2,745	161	79,250
Loans to customers	52	28,996	29,261	80,729	16,390	2,263 <sup>(1)</sup>	157,691
<b>Total financial assets</b>	<b>8,670</b>	<b>60,925</b>	<b>53,890</b>	<b>127,973</b>	<b>20,500</b>	<b>2,909</b>	<b>274,867</b>
<b>Financial liabilities</b>							
Deposits	50,611	54,096	43,058	5,824	-	-	153,589
Interbank and money market items	7,902	10,931	4,466	7,271	-	-	30,570
Liabilities payable on demand	32	-	-	-	-	-	32
Derivative liabilities	-	270	18	12	19	6	325
Debt issued and borrowings	-	1,818	18,895	19,182	-	-	39,895
<b>Total financial liabilities</b>	<b>58,545</b>	<b>67,115</b>	<b>66,437</b>	<b>32,289</b>	<b>19</b>	<b>6</b>	<b>224,411</b>

<sup>(1)</sup> The total amount included non-performing loans amounting to Baht 1,864 million.



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(Unit: Million Baht)

Separate financial statements							
2024							
Maturity							
	At call	Within 3 months	Over 3 months to 1 year	Over 1 year to 5 years	Over 5 years	No maturity	Total
<b>Financial assets</b>							
Cash	-	-	-	-	-	350	350
Interbank and money market items	7,813	22,192	4,752	456	627	2	35,842
Financial assets measured at fair value through profit or loss	-	-	-	-	-	797	797
Derivative assets	-	39	288	282	21	47	677
Investments	-	3,215	40,539	36,950	1,435	252	82,391
Loans to customers	362	22,467	18,666	39,564	11,402	1,204 <sup>(1)</sup>	93,665
<b>Total financial assets</b>	<b>8,175</b>	<b>47,913</b>	<b>64,245</b>	<b>77,252</b>	<b>13,485</b>	<b>2,652</b>	<b>213,722</b>
<b>Financial liabilities</b>							
Deposits	51,350	58,181	36,321	3,663	-	-	149,515
Interbank and money market items	3,062	4,959	1,624	6,774	-	-	16,419
Liabilities payable on demand	82	-	-	-	-	-	82
Derivative liabilities	-	110	3	68	-	5	186
Debt issued and borrowings	-	-	-	4,995	-	-	4,995
<b>Total financial liabilities</b>	<b>54,494</b>	<b>63,250</b>	<b>37,948</b>	<b>15,500</b>	<b>-</b>	<b>5</b>	<b>171,197</b>

<sup>(1)</sup> The total amount included non-performing loans amounting to Bah 812 million.

(Unit: Million Baht)

Separate financial statements							
2023 (Restated)							
Maturity							
	At call	Within 3 months	Over 3 months to 1 year	Over 1 year to 5 years	Over 5 years	No maturity	Total
<b>Financial assets</b>							
Cash	-	-	-	-	-	362	362
Interbank and money market items	7,748	26,298	50	-	1,304	30	35,430
Derivative assets	-	299	188	623	61	92	1,263
Investments	-	5,332	24,391	46,621	2,745	161	79,250
Loans to customers	427	25,213	21,795	42,844	14,050	1,305 <sup>(1)</sup>	105,634
<b>Total financial assets</b>	<b>8,175</b>	<b>57,142</b>	<b>46,424</b>	<b>90,088</b>	<b>18,160</b>	<b>1,950</b>	<b>221,939</b>
<b>Financial liabilities</b>							
Deposits	50,628	54,096	43,058	5,824	-	-	153,606
Interbank and money market items	3,902	8,931	4,466	7,271	-	-	24,570
Liabilities payable on demand	32	-	-	-	-	-	32
Derivative liabilities	-	270	18	12	19	6	325
Debt issued and borrowings	-	-	-	4,993	-	-	4,993
<b>Total financial liabilities</b>	<b>54,562</b>	<b>63,297</b>	<b>47,542</b>	<b>18,100</b>	<b>19</b>	<b>6</b>	<b>183,526</b>

<sup>(1)</sup> The total amount included non-performing loans amounting to Baht 906 million.

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**7.5 Foreign exchange risk**

Foreign exchange risk is the risk that the value of the financial instruments will be affected by changes in foreign exchange rates.

In addition to the financial assets and financial liabilities denominated in foreign currencies already disclosed in related note to the financial statements. As at 31 December 2024 and 2023, the Bank and its subsidiaries' net foreign currency positions categorised by major foreign currencies were as follows:

(Unit: USD Million)

	Consolidated financial statements					
	2024			2023		
	US Dollar	CNY <sup>(1)</sup>	Other currencies <sup>(1)</sup>	US Dollar	CNY <sup>(1)</sup>	Other currencies <sup>(1)</sup>
Spot	270	(240)	9	232	(206)	4
Forward	(228)	237	(4)	(206)	204	-
<b>Net position</b>	<b>42</b>	<b>(3)</b>	<b>5</b>	<b>26</b>	<b>(2)</b>	<b>4</b>

<sup>(1)</sup> Balance denominated in CNY and other currencies are stated in US Dollar equivalents.

(Unit: USD Million)

	Separate financial statements					
	2024			2023		
	US Dollar	CNY <sup>(1)</sup>	Other currencies <sup>(1)</sup>	US Dollar	CNY <sup>(1)</sup>	Other currencies <sup>(1)</sup>
Spot	270	(240)	9	231	(206)	4
Forward	(228)	237	(4)	(206)	204	-
<b>Net position</b>	<b>42</b>	<b>(3)</b>	<b>5</b>	<b>25</b>	<b>(2)</b>	<b>4</b>

<sup>(1)</sup> Balance denominated in CNY and other currencies are stated in US Dollar equivalents.**7.6 Equity price risk**

Equity price risk is the risk arising from changes in the price of equity instruments or equity securities. This causes fluctuations in the income or financial assets of the Bank and its subsidiaries.

The Bank and its subsidiaries have a policy to manage market risks. The ceiling risk limit is set in order to control the risk to be at the Bank and its subsidiaries' acceptable level. There is a Risk Control Unit, separated from the front office and the back office to control risks and report the status of limits to relevant departments or related management in order to manage risks promptly.

As at 31 December 2024 and 2023, the Bank has equity investments listed on Stock Exchange of Thailand at cost in the amount of Baht 179 million and Baht 179 million, respectively, with the mark to market value in the amount of Baht 116 million and Baht 152 million, respectively.

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**8. Capital fund**

The Bank maintains its capital fund in accordance with the Financial Institution Business Act B.E. 2551 by maintaining its capital fund as a proportion of risk weighted assets in accordance with the criteria, methodologies, and conditions prescribed by The Bank of Thailand. As announced by the BOT in its circulars dated 8 November 2012 and 7 May 2019, the Bank is required to calculate its Capital Fund in accordance with Basel III. The Bank and financial group comply with the regulatory capital according to Basel III.

As at 31 December 2024 and 2023, the consolidated supervision and the Bank's total capital funds could be categorised as follows:

	(Unit: Thousand Baht)	
	<b>Consolidated supervision</b>	
	2024	2023
<b>Tier 1 capital</b>		
Common Equity Tier 1 (CET1)		
Issued and paid-up share capital	20,107,099	20,107,099
Legal reserve	2,015,000	2,015,000
Retained earnings after appropriations	22,204,680	19,201,203
Other comprehensive income	(64,429)	(217,153)
Other owner changes items	(24,849)	(24,849)
Less Capital deduction items on CET1	(1,223,418)	(948,832)
<b>Total Tier 1 capital</b>	<b>43,014,083</b>	<b>40,132,468</b>
<b>Tier 2 capital</b>		
Subordinated debentures	3,000,000	4,000,000
Allowance for assets classified as normal	2,294,449	2,479,276
<b>Total Tier 2 capital</b>	<b>5,294,449</b>	<b>6,479,276</b>
<b>Total capital funds</b>	<b>48,308,532</b>	<b>46,611,744</b>
<b>Total risk-weighted assets</b>	<b>197,864,362</b>	<b>211,623,147</b>

	(Unit: Percent)			
	<b>Consolidated supervision</b>			
	BOT's minimum requirement	2024	BOT's minimum requirement	2023
<b>Capital ratio</b>				
Total capital to total risk-weighted assets	11.0	24.41	11.0	22.03
Tier 1 capital to total risk-weighted assets	8.5	21.74	8.5	18.96
Tier 1 common equity to total risk-weighted assets	7.0	21.74	7.0	18.96
Tier 2 capital to total risk-weighted assets	-	2.68	-	3.07

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(Unit: Thousand Baht)

	Separate financial statements	
	2024	2023
<b>Tier 1 capital</b>		
Common Equity Tier 1 (CET1)		
Issued and paid-up share capital	20,107,099	20,107,099
Legal reserve	2,015,000	2,015,000
Retained earnings after appropriations	16,685,546	13,385,952
Other comprehensive income	2,242	(148,038)
Less Capital deduction items on CET1	(537,653)	(602,513)
<b>Total Tier 1 capital</b>	<b>38,272,234</b>	<b>34,757,500</b>
<b>Tier 2 capital</b>		
Subordinated debentures	3,000,000	4,000,000
Allowance for assets classified as normal	1,882,853	1,988,938
<b>Total Tier 2 capital</b>	<b>4,882,853</b>	<b>5,988,938</b>
<b>Total capital funds</b>	<b>43,155,087</b>	<b>40,746,438</b>
<b>Total risk-weighted assets</b>	<b>161,274,199</b>	<b>168,059,476</b>

(Unit: Percent)

	Separate financial statements			
	BOT's minimum requirement	2024	BOT's minimum requirement	2023
<b>Capital ratio</b>				
Total capital to total risk-weighted assets	11.0	26.76	11.0	24.25
Tier 1 capital to total risk-weighted assets	8.5	23.73	8.5	20.68
Tier 1 common equity to total risk-weighted assets	7.0	23.73	7.0	20.68
Tier 2 capital to total risk-weighted assets	-	3.03	-	3.57

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As disclosures of capital maintenance information under the Notification of The Bank of Thailand, the Public Disclosures of Capital Maintenance for Commercial Banks in accordance with the BOT's directive number Sor Nor Sor 14/2562 and the BOT's directive number Sor Nor Sor 15/2562, dated 7 May 2019, the Bank will disclose of Capital Maintenance and Information security risks for the Bank and financial group as at 31 December 2024 in the Bank's website, www.icbcthai.com, under Financial Report section within April 2025.

According to Bank of Thailand notification number For Gor Gor (12) Wor 1030/2562 dated 10 July 2019, the Bank is required to disclose regulatory capital and capital ratio after deducting capital add-on arising from Single Lending Limit. As at 31 December 2024 and 2023, the financial group and the Bank do not require to have capital add-on arising from Single Lending Limit.

*Capital management*

The primary objectives of the Bank's capital management are to support business growth and to maintain the capital adequacy ratio in accordance with Laws and the credit rating.

**9. Supplemental information****9.1 Supplemental information of cash flows**

9.1.1 Non-cash transactions for the years ended 31 December 2024 and 2023 are as follows:

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
Properties for sale from debt repayment	2,659	1,601	-	-
Amortisation of deferred interest and fee	93	45	7	7

9.1.2 Changes in liabilities arising from financing activities for the years ended 31 December 2024 and 2023 are as follows:

(Unit: Million Baht)

	Consolidated financial statements			
	Balance as at	Financing	Other	Balance as at
	1 January	cash flows <sup>(1)</sup>	changes	31 December
	2024			2024
Debt issued and borrowings	39,895	433	(88) <sup>(2)</sup>	40,240
Lease liabilities	395	(120)	63	338
<b>Total</b>	<b>40,290</b>	<b>313</b>	<b>(25)</b>	<b>40,578</b>

<sup>(1)</sup> Financing cash flows included net proceed and repayment cash transactions in the statements of cash flows.

<sup>(2)</sup> Other changes were arisen from deferred interest expenses and accumulated amortisation of transaction costs relating to debentures.

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(Unit: Million Baht)

	Consolidated financial statements			Balance as at 31 December 2023
	Balance as at 1 January 2023	Financing cash flows <sup>(1)</sup>	Other changes	
	Debt issued and borrowings	45,535	(5,575)	
Lease liabilities	436	(115)	74	395
<b>Total</b>	<b>45,971</b>	<b>(5,690)</b>	<b>9</b>	<b>40,290</b>

<sup>(1)</sup> Financing cash flows included net proceed and repayment cash transactions in the statements of cash flows.<sup>(2)</sup> Other changes were arisen from deferred interest expenses and accumulated amortisation of transaction costs relating to debentures.

(Unit: Million Baht)

	Separate financial statements			Balance as at 31 December 2024
	Balance as at 1 January 2024	Financing cash flows <sup>(1)</sup>	Other changes	
	Debt issued and borrowings	4,993	-	
Lease liabilities	192	(71)	51	172
<b>Total</b>	<b>5,185</b>	<b>(71)</b>	<b>53</b>	<b>5,167</b>

<sup>(1)</sup> Financing cash flows included net proceed and repayment cash transactions in the statements of cash flows.<sup>(2)</sup> Other changes were arisen from deferred interest expenses and accumulated amortisation of transaction costs relating to debentures.

(Unit: Million Baht)

	Separate financial statements			Balance as at 31 December 2023
	Balance as at 1 January 2023	Financing cash flows <sup>(1)</sup>	Other changes	
	Debt issued and borrowings	4,992	-	
Lease liabilities	200	(67)	59	192
<b>Total</b>	<b>5,192</b>	<b>(67)</b>	<b>60</b>	<b>5,185</b>

<sup>(1)</sup> Financing cash flows included net proceed and repayment cash transactions in the statements of cash flows.<sup>(2)</sup> Other changes were arisen from deferred interest expenses and accumulated amortisation of transaction costs relating to debentures.**9.1.3 Realised and unrealised gains (losses) on foreign exchange**

In the preparation of cash flows statements, realised gains (losses) on foreign exchange are based on a cash basis. Unrealised gains (losses) on foreign exchange are based on the translation difference of assets and liabilities in foreign currencies as described in the accounting policies. It is presented as an adjustment to reconcile income before tax to cash received (paid) from operating activities.

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**9.2 Classification of financial assets and financial liabilities**

Classification of financial assets and financial liabilities as at 31 December 2024 and 2023 as follows:

(Unit: Million Baht)

	Consolidated financial statements				Total
	2024				
	Financial instruments measured at fair value through profit or loss	Financial instruments measured at fair value through other comprehensive income	Investments in equity instruments designated at fair value through other comprehensive income	Financial instruments measured at amortised cost	
<b>Financial assets</b>					
Cash	-	-	-	351	351
Interbank and money market items - net	-	-	-	36,745	36,745
Financial assets measured at fair value					
through profit or loss	797	-	-	-	797
Derivative assets	677	-	-	-	677
Investments - net	-	34,911	126	47,307	82,344
Loans to customers and accrued					
interest receivables - net	-	-	-	136,547	136,547
Receivables on credit support					
for derivative contracts	-	-	-	48	48
<b>Total</b>	<b>1,474</b>	<b>34,911</b>	<b>126</b>	<b>220,998</b>	<b>257,509</b>
<b>Financial liabilities</b>					
Deposits	-	-	-	149,499	149,499
Interbank and money market items	-	-	-	19,459	19,459
Liability payables on demand	-	-	-	82	82
Derivative liabilities	186	-	-	-	186
Debts issued and borrowings	-	-	-	40,240	40,240
Payables on credit support for					
derivative contracts	-	-	-	116	116
Lease liabilities	-	-	-	363	363
<b>Total</b>	<b>186</b>	<b>-</b>	<b>-</b>	<b>209,759</b>	<b>209,945</b>



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(Unit: Million Baht)

	Consolidated financial statements				Total
	2023 (Restated)				
	Financial instruments measured at fair value through profit or loss	Financial instruments measured at fair value through other comprehensive income	Investments in equity instruments designated at fair value through other comprehensive income	Financial instruments measured at amortised cost	
<b>Financial assets</b>					
Cash	-	-	-	363	363
Interbank and money market items - net	-	-	-	36,386	36,386
Derivative assets	1,263	-	-	-	1,263
Investments - net	-	36,272	161	42,771	79,204
Loans to customers and accrued interest receivables - net	-	-	-	152,389	152,389
Receivables on credit support for derivative contracts	-	-	-	36	36
<b>Total</b>	<b>1,263</b>	<b>36,272</b>	<b>161</b>	<b>231,945</b>	<b>269,641</b>
<b>Financial liabilities</b>					
Deposits	-	-	-	153,589	153,589
Interbank and money market items	-	-	-	30,570	30,570
Liability payables on demand	-	-	-	32	32
Derivative liabilities	325	-	-	-	325
Debts issued and borrowings	-	-	-	39,895	39,895
Payables on credit support for derivative contracts	-	-	-	244	244
Lease liabilities	-	-	-	406	406
<b>Total</b>	<b>325</b>	<b>-</b>	<b>-</b>	<b>224,736</b>	<b>225,061</b>

INDUSTRIAL AND COMMERCIAL BANK OF CHINA (THAI) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

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FOR THE YEAR ENDED 31 DECEMBER 2024

(Unit: Million Baht)

Separate financial statements

	2024				Total
	Financial instruments measured at fair value through profit or loss	Financial instruments measured at fair value through other comprehensive income	Investments in equity instruments designated at fair value through other comprehensive income	Financial instruments measured at amortised cost	
<b>Financial assets</b>					
Cash	-	-	-	350	350
Interbank and money market items - net	-	-	-	35,842	35,842
Financial assets measured at fair value					
through profit or loss	797	-	-	-	797
Derivative assets	677	-	-	-	677
Investments - net	-	34,911	126	47,307	82,344
Loans to customers and accrued					
interest receivables - net	-	-	-	90,614	90,614
Receivables on credit support					
for derivative contracts	-	-	-	48	48
<b>Total</b>	<b>1,474</b>	<b>34,911</b>	<b>126</b>	<b>174,161</b>	<b>210,672</b>
<b>Financial liabilities</b>					
Deposits	-	-	-	149,515	149,515
Interbank and money market items	-	-	-	16,419	16,419
Liability payables on demand	-	-	-	82	82
Derivative liabilities	186	-	-	-	186
Debts issued and borrowings	-	-	-	4,995	4,995
Payables on credit support for					
derivative contracts	-	-	-	116	116
Lease liabilities	-	-	-	175	175
<b>Total</b>	<b>186</b>	<b>-</b>	<b>-</b>	<b>171,302</b>	<b>171,488</b>

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**NOTES TO THE FINANCIAL STATEMENTS**

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(Unit: Million Baht)

	Separate financial statements				Total
	2023 (Restated)				
	Financial instruments measured at fair value through profit or loss	Financial instruments measured at fair value through other comprehensive income	Investments in equity instruments designated at fair value through other comprehensive income	Financial instruments measured at amortised cost	
<b>Financial assets</b>					
Cash	-	-	-	362	362
Interbank and money market items - net	-	-	-	35,516	35,516
Derivative assets	1,263	-	-	-	1,263
Investments - net	-	36,272	161	42,771	79,204
Loans to customers and accrued interest receivables - net	-	-	-	102,303	102,303
Receivables on credit support for derivative contracts	-	-	-	36	36
<b>Total</b>	<b>1,263</b>	<b>36,272</b>	<b>161</b>	<b>180,988</b>	<b>218,684</b>
<b>Financial liabilities</b>					
Deposits	-	-	-	153,606	153,606
Interbank and money market items	-	-	-	24,570	24,570
Liability payables on demand	-	-	-	32	32
Derivative liabilities	325	-	-	-	325
Debts issued and borrowings	-	-	-	4,993	4,993
Payables on credit support for derivative contracts	-	-	-	244	244
Lease liabilities	-	-	-	194	194
<b>Total</b>	<b>325</b>	<b>-</b>	<b>-</b>	<b>183,639</b>	<b>183,964</b>

INDUSTRIAL AND COMMERCIAL BANK OF CHINA (THAI) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

**9.3 Interbank and money market items - net (assets)**

Interbank and money market items - net (assets) as at 31 December 2024 and 2023 as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
		(Restated)		(Restated)
<b>Domestic items</b>				
Bank of Thailand	1,978,049	1,910,375	1,978,049	1,910,375
Commercial banks	7,944,143	4,516,138	7,081,628	3,688,662
Specialised financial institutions	6,080,666	9,602,517	6,080,000	9,600,000
Other financial institutions	7,699,250	7,502,133	7,699,250	7,502,133
<b>Total</b>	23,702,108	23,531,163	22,838,927	22,701,170
<u>Add</u> Accrued interest receivables and undue interest receivables	16,814	14,251	16,758	14,177
<u>Less</u> Allowance for expected credit losses	(16,011)	(1,174)	(16,011)	(1,174)
<b>Total domestic items - net</b>	23,702,911	23,544,240	22,839,674	22,714,173
<b>Foreign items</b>				
US Dollar	8,726,846	6,197,750	8,693,252	6,162,800
Renminbi	4,147,581	6,245,035	4,147,581	6,245,035
Euro	59,720	81,275	54,123	76,454
Hong Kong Dollar	13,601	8,684	13,601	8,684
Other currencies	94,131	236,137	94,131	236,137
<b>Total</b>	13,041,879	12,768,881	13,002,688	12,729,110
<u>Add</u> Accrued interest receivables and undue interest receivables	64,064	104,459	64,064	104,459
<u>Less</u> Allowance for expected credit losses	(64,267)	(31,828)	(64,267)	(31,828)
<b>Total foreign items - net</b>	13,041,676	12,841,512	13,002,485	12,801,741
<b>Total domestic and foreign items - net</b>	36,744,587	36,385,752	35,842,159	35,515,914

INDUSTRIAL AND COMMERCIAL BANK OF CHINA (THAI) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2024

**9.4 Financial assets measured at fair value through profit or loss**

Financial assets measured at fair value through profit or loss classified by type of investments as at 31 December 2024 and 2023 are as follows:

(Unit: Million Baht)

Investments	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
<b>Financial assets held for trading</b>				
Non-marketable equity instruments	797	-	797	-
<b>Total</b>	<b>797</b>	<b>-</b>	<b>797</b>	<b>-</b>

**9.5 Derivatives****9.5.1 Derivatives held for trading**

The fair value and the notional amount classified by types of risks as at 31 December 2024 and 2023 are as follows:

(Unit: Thousand Baht)

Types of risks	Consolidated and separate financial statements					
	2024			2023		
	Fair value		Notional amount <sup>(1)</sup>	Fair value		Notional amount <sup>(1)</sup>
Assets	Liabilities	Assets		Liabilities		
Foreign exchange	251,231	113,279	28,486,168	312,307	282,678	32,012,018
Interest rate	62,045	4,285	1,680,757	214,850	6,803	4,130,603
<b>Total</b>	<b>313,276</b>	<b>117,564</b>	<b>30,166,925</b>	<b>527,157</b>	<b>289,481</b>	<b>36,142,621</b>

<sup>(1)</sup> Disclosed only in case that the Bank has the commitment on the payment side.

Proportion of derivative trading transactions classified by types of counterparties are determined on the basis of the notional amount.

Counterparties:	Consolidated and separate financial statements	
	2024	2023
	(Percent)	(Percent)
Financial institutions	98.14	98.63
Corporations	1.86	1.37
<b>Total</b>	<b>100.00</b>	<b>100.00</b>

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### 9.5.2 Derivatives held for hedging

The fair value and notional amounts classified by type of risk as at 31 December 2024 and 2023 are as follows:

(Unit: Thousand Baht)

Types of risks	Consolidated and separate financial statements					
	2024			2023		
	Fair value		Notional amount <sup>(1)</sup>	Fair value		Notional amount <sup>(1)</sup>
Assets	Liabilities	Assets		Liabilities		
Interest rate						
- Fair value hedge	363,803	68,258	21,943,713	735,700	35,211	26,520,243
<b>Total</b>	<b>363,803</b>	<b>68,258</b>	<b>21,943,713</b>	<b>735,700</b>	<b>35,211</b>	<b>26,520,243</b>

<sup>(1)</sup> The value based on the contractual amount.

#### Hedge accounting methodology

##### Fair value hedges

The amounts relating to items designated as hedged items under fair value hedges are as follows:

(Unit: Million Baht)

Type of risk		Consolidated and separate financial statements			
		2024			
		Carrying amount of hedged items		Accumulated amount of fair value adjustments on the hedged items	
		Assets	Liabilities	Assets	Liabilities
<b>Interest rate risk</b>					
Fixed rate investments in debt instrument	A				
- Debt securities measured at amortised cost		20,386	-	(209)	-
- Debt securities measured at fair value through other comprehensive income		885	-	(3)	-
Fixed-rate loans to customers	B	448	-	(2)	-
<b>Total</b>		<b>21,719</b>	<b>-</b>	<b>(214)</b>	<b>-</b>

(Unit: Million Baht)

Type of risk		Consolidated and separate financial statements			
		2023			
		Carrying amount of hedged items		Accumulated amount of fair value adjustments on the hedged items	
		Assets	Liabilities	Assets	Liabilities
<b>Interest rate risk</b>					
Fixed rate investments in debt instrument	A				
- Debt securities measured at amortised cost		23,095	-	(539)	-
- Debt securities measured at fair value through other comprehensive income		1,885	-	(5)	-
Fixed-rate loans to customers	B	2,426	-	(24)	-
<b>Total</b>		<b>27,406</b>	<b>-</b>	<b>(568)</b>	<b>-</b>

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The items in the statement of financial position, where the hedged items and the cumulative fair value changes are recorded, include:

- A. Investments - net
- B. Loans to customers and accrued interest receivables - net

The Bank establishes a hedge ratio by aligning the par amount of the fixed-rate investments in debt securities and the notional amount of the interest rate swap designated as a hedging instrument. The Bank applies the hedge ratio of 1:1.

**9.6 Investments - net**

As at 31 December 2024 and 2023, investments classified by type of investments are as follows:

	(Unit: Thousand Baht)	
	Consolidated and separate financial statements	
	2024	2023
Investments in debt securities measured at amortised cost	47,306,638	42,770,907
Investments in debt securities measured at fair value through other comprehensive income	34,910,751	36,272,123
Investments in equity securities designated at fair value through other comprehensive income	126,097	161,311
<b>Total</b>	<b>82,343,486</b>	<b>79,204,341</b>

**9.6.1 Investments in debt securities measured at amortised cost**

	(Unit: Thousand Baht)	
	Consolidated and separate financial statements	
	2024	2023
	Amortised cost	Amortised cost
Domestic private debt securities	34,286,307	32,067,716
Foreign private debt securities	13,068,006	10,749,014
Total	47,354,313	42,816,730
Less: Allowance for expected credit losses	(47,675)	(45,823)
<b>Total</b>	<b>47,306,638</b>	<b>42,770,907</b>

As at 31 December 2024, the Bank has no the investments in debt instruments measured at amortised cost are pledged as security on a contract for repurchase agreements (31 December 2023: Baht 712 million).



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FOR THE YEAR ENDED 31 DECEMBER 2024

**9.6.2 Investments in debt securities measured at fair value through other comprehensive income**

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	2024	2023
	Fair value	Fair value
Government and state enterprise securities	34,025,746	34,386,829
Domestic private debt securities	885,005	1,885,294
<b>Total</b>	<b>34,910,751</b>	<b>36,272,123</b>
Allowance for expected credit losses	(772)	(1,596)

**9.6.3 Investments in equity securities designated at fair value through other comprehensive income**

(Unit: Thousand Baht)

	Consolidated and separate financial statements			
	2024		2023	
	Fair value	Dividend income	Fair value	Dividend income
Domestic marketable equity securities	116,281	-	152,328	-
Domestic non-marketable equity securities	9,816	470	8,983	4,540
<b>Total</b>	<b>126,097</b>	<b>470</b>	<b>161,311</b>	<b>4,540</b>

As of 31 December 2024, the bank has no investments in shares of other companies exceeding 10% of their paid-up capital (as of 31 December 2023: the bank had investments in shares of other companies exceeding 10% of their paid-up capital, which did not qualify as investments in subsidiaries or associates, and the investment was in a domestic company for which the Bank of Thailand had granted a waiver allowing the bank to hold such shares)

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**9.7 Investments in subsidiaries - net**

Investments in subsidiaries as presented in the separate financial statements as at 31 December 2024 and 2023 are summarised as follows:

Name of subsidiaries	Type of business	Percentage of holding		Paid-up capital		Investment (cost method)		(Unit: Million Baht) Dividend received for the years ended 31 December	
		2024	2023	2024	2023	2024	2023	2024	2023
		(Percent)	(Percent)						
<b>Direct subsidiary</b>									
ICBC (Thai) Leasing Company Limited <sup>(1)</sup>	Hire-purchase, finance lease and factoring business	99.99	99.99	4,250	4,250	4,250	4,250	-	-
<b>Indirect subsidiaries</b>									
Sky High Li Leasing Designated Activity Company <sup>(2)</sup>	Hire-purchase business	99.99	99.99	- <sup>(3)</sup>	- <sup>(3)</sup>	-	-	-	-
ICBC (Thai) Insurance Broker Company Limited <sup>(1)</sup>	Life and non-life insurance brokers	99.99	99.99	6	6	-	-	-	-
<b>Total</b>						<b>4,250</b>	<b>4,250</b>	<b>-</b>	<b>-</b>

<sup>(1)</sup> The subsidiaries are incorporated in Thailand<sup>(2)</sup> The subsidiary is incorporated in Ireland<sup>(3)</sup> Paid-up capital and cost are lower than Baht 1 million**9.8 Loans to customers and accrued interest receivables - net****9.8.1 Classified by types of loans**

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
		(Restated)		(Restated)
Overdrafts	391,781	371,836	391,781	371,836
Loans	66,728,995	72,210,618	69,862,235	75,632,984
Bills	19,833,855	20,862,813	19,872,855	24,237,813
Factoring receivables	3,868,728	6,100,145	3,538,009	5,390,998
Hire-purchase receivables	47,807,864	54,233,117	-	-
Finance lease receivables	2,333,475	3,912,552	-	-
<b>Total loans to customers</b>	<b>140,964,698</b>	<b>157,691,081</b>	<b>93,664,880</b>	<b>105,633,631</b>
<u>Add</u> Accrued interest receivables and undue interest income <sup>(1)</sup>	332,415	629,020	313,879	666,803
<b>Total loans to customers and accrued interest receivables</b>	<b>141,297,113</b>	<b>158,320,101</b>	<b>93,978,759</b>	<b>106,300,434</b>
<u>Less</u> Allowance for expected credit losses	(4,750,094)	(5,931,275)	(3,364,505)	(3,997,874)
<b>Loans to customers and accrued interest receivables - net</b>	<b>136,547,019</b>	<b>152,388,826</b>	<b>90,614,254</b>	<b>102,302,560</b>

<sup>(1)</sup> Net of allowance on revaluation from debt restructuring.

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### 9.8.2 Classified by currencies and residences of customers

(Unit: Thousand Baht)

	Consolidated financial statements					
	2024			2023 (Restated)		
	Domestic	Foreign	Total	Domestic	Foreign	Total
Baht	129,320,142	30,125	129,350,267	141,493,459	35,591	141,529,050
US Dollar	10,344,726	921,723	11,266,449	13,556,422	2,236,524	15,792,946
Renminbi	6,558	747	7,305	12,166	1,153	13,319
Euro	340,632	45	340,677	355,712	54	355,766
<b>Total <sup>(1)</sup></b>	<b>140,012,058</b>	<b>952,640</b>	<b>140,964,698</b>	<b>155,417,759</b>	<b>2,273,322</b>	<b>157,691,081</b>

<sup>(1)</sup> Excluding accrued interest receivables

(Unit: Thousand Baht)

	Separate financial statements					
	2024			2023 (Restated)		
	Domestic	Foreign	Total	Domestic	Foreign	Total
Baht	82,021,975	30,125	82,052,100	89,438,255	35,591	89,473,846
US Dollar	7,053,013	4,211,785	11,264,798	10,131,810	5,658,890	15,790,700
Renminbi	6,558	747	7,305	12,166	1,153	13,319
Euro	340,632	45	340,677	355,712	54	355,766
<b>Total <sup>(1)</sup></b>	<b>89,422,178</b>	<b>4,242,702</b>	<b>93,664,880</b>	<b>99,937,943</b>	<b>5,695,688</b>	<b>105,633,631</b>

<sup>(1)</sup> Excluding accrued interest receivables

### 9.8.3 Classified by stages

(Unit: Thousand Baht)

	Consolidated financial statements			
	2024		2023 (Restated)	
	Loans to customers and accrued interest receivables	Allowance for expected credit losses	Loans to customers and accrued interest receivables	Allowance for expected credit losses
Financial assets that has not been a significant increase in credit risk (Performing)	127,325,869	(2,785,927)	143,999,899	(2,832,501)
Financial assets that has been a significant increase in credit risk (Under-performing)	12,379,455	(1,253,655)	12,411,074	(2,219,893)
Financial assets that are credit-impaired (Non-performing)	1,591,789	(710,512)	1,909,128	(878,881)
<b>Total</b>	<b>141,297,113</b>	<b>(4,750,094)</b>	<b>158,320,101</b>	<b>(5,931,275)</b>

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(Unit: Thousand Baht)

	<b>Separate financial statements</b>			
	2024		2023 (Restated)	
	Loans to customers and accrued interest receivables	Allowance for expected credit losses	Loans to customers and accrued interest receivables	Allowance for expected credit losses
Financial assets that has not been a significant increase in credit risk (Performing)	85,063,005	(2,494,820)	99,103,472	(2,505,714)
Financial assets that has been a significant increase in credit risk (Under-performing)	8,137,337	(454,483)	6,246,038	(931,028)
Financial assets that are credit-impaired (Non-performing)	778,417	(415,202)	950,924	(561,132)
<b>Total</b>	<b>93,978,759</b>	<b>(3,364,505)</b>	<b>106,300,434</b>	<b>(3,997,874)</b>

**9.8.4 Classified by business types and stages**

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>			
	2024			
	Financial assets that has not been a significant increase in credit risk	Financial assets that has been a significant increase in credit risk	Financial assets that are credit - impaired	Total
Agriculture and mining	1,604,437	1,162	-	1,605,599
Manufacturing and commerce	46,071,303	2,274,271	676,020	49,021,594
Property development and construction	6,353,648	716,739	111,077	7,181,464
Infrastructure and services	31,272,897	4,877,597	21,550	36,172,044
Housing loans	2,040	699	-	2,739
Others <sup>(1)</sup>	41,932,235	4,232,822	816,201	46,981,258
<b>Total<sup>(2)</sup></b>	<b>127,236,560</b>	<b>12,103,290</b>	<b>1,624,848</b>	<b>140,964,698</b>

<sup>(1)</sup> Incorporate hire-purchase and finance lease of subsidiaries.<sup>(2)</sup> Excluding accrued interest receivables

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FOR THE YEAR ENDED 31 DECEMBER 2024

(Unit: Thousand Baht)

	Consolidated financial statements			
	2023 (Restated)			
	Financial assets that has not been a significant increase in credit risk	Financial assets that has been a significant increase in credit risk	Financial assets that are credit - impaired	Total
Agriculture and mining	1,876,034	1,260	-	1,877,294
Manufacturing and commerce	51,852,516	929,970	674,790	53,457,276
Property development and construction	6,157,553	431,721	122,409	6,711,683
Infrastructure and services	35,900,041	4,767,855	105,152	40,773,048
Housing loans	4,033	1,243	-	5,276
Others <sup>(1)</sup>	47,705,904	6,198,890	961,710	54,866,504
<b>Total<sup>(2)</sup></b>	<b>143,496,081</b>	<b>12,330,939</b>	<b>1,864,061</b>	<b>157,691,081</b>

<sup>(1)</sup> Incorporate hire-purchase and finance lease of subsidiaries.

<sup>(2)</sup> Excluding accrued interest receivables

(Unit: Thousand Baht)

	Separate financial statements			
	2024			
	Financial assets that has not been a significant increase in credit risk	Financial assets that has been a significant increase in credit risk	Financial assets that are credit - impaired	Total
Agriculture and mining	1,604,437	1,162	-	1,605,599
Manufacturing and commerce	48,912,825	2,274,271	676,020	51,863,116
Property development and construction	6,353,648	716,739	111,077	7,181,464
Infrastructure and services	27,981,184	4,877,597	21,550	32,880,331
Housing loans	2,040	698	-	2,738
Others	125,131	3,137	3,364	131,632
<b>Total<sup>(1)</sup></b>	<b>84,979,265</b>	<b>7,873,604</b>	<b>812,011</b>	<b>93,664,880</b>

<sup>(1)</sup> Excluding accrued interest receivables

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(Unit: Thousand Baht)

	Separate financial statements			
	2023 (Restated)			
	Financial assets that has not been a significant increase in credit risk	Financial assets that has been a significant increase in credit risk	Financial assets that are credit - impaired	Total
	Agriculture and mining	1,876,034	1,260	-
Manufacturing and commerce	54,518,368	4,352,336	674,790	59,545,494
Property development and construction	6,157,553	431,721	122,409	6,711,683
Infrastructure and services	35,900,041	1,343,242	105,152	37,348,435
Housing loans	4,033	1,243	-	5,276
Others	137,879	4,064	3,506	145,449
<b>Total <sup>(1)</sup></b>	<b>98,593,908</b>	<b>6,133,866</b>	<b>905,857</b>	<b>105,633,631</b>

<sup>(1)</sup> Excluding accrued interest receivables**9.8.5 Hire-purchase and financial lease receivables**

As at 31 December 2024 and 2023, the subsidiaries had net hire-purchase and finance lease receivables, which are hire-purchase or finance lease contracts for motor vehicles, aircrafts, machinery and equipment for businesses. The terms of the contracts are between 1 to 23 years and the interest is charged at floating or fixed rates as specified in the contracts.

(Unit: Million Baht)

	Consolidated financial statements			
	2024			
	Periods due for payments			
	Less than 1 year	1 - 5 years	Over 5 years	Total
Gross investments in the agreements	16,016	35,037	5,143	56,196
<u>Less</u> Deferred revenue <sup>(1)</sup>	<u>(2,049)</u>	<u>(3,270)</u>	<u>(716)</u>	<u>(6,035)</u>
<b>Present value of the minimum lease payments</b>	<b>13,967</b>	<b>31,767</b>	<b>4,427</b>	<b>50,161</b>
<u>Less</u> Allowance for expected credit losses				<u>(1,714)</u>
<b>Hire-purchase and finance lease receivables - net</b>				<b>48,447</b>

<sup>(1)</sup> Net of commission and initial direct expense incurred at the inception of contracts.

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(Unit: Million Baht)

	Consolidated financial statements			
	2023			
	Periods due for payments			
	Less than 1 year	1 - 5 years	Over 5 years	Total
Gross investments in the agreements	16,854	42,323	6,848	66,025
<u>Less</u> Deferred revenue <sup>(1)</sup>	(2,379)	(4,482)	(1,052)	(7,913)
<b>Present value of the minimum lease payments</b>	<b>14,475</b>	<b>37,841</b>	<b>5,796</b>	<b>58,112</b>
<u>Less</u> Allowance for expected credit losses				(2,386)
<b>Hire-purchase and finance lease receivables - net</b>				<b>55,726</b>

<sup>(1)</sup> Net of commission and initial direct expense incurred at the inception of contracts.

9.8.6 Loans to subsidiaries

(Unit: Million Baht)

Company's name	Types of loans	Maturity	Separate financial statements			
			Interest rate		Amount	
			2024	2023	2024	2023
			(% per annum)	(% per annum)		
ICBC (Thai) Leasing Company Limited	Revolving loans	At call	2.50	2.75	39	375
	Term loans	2024	-	2.34 - 2.41	-	3,001
Sky High Li Leasing Designated Activity Company	Term loans	2038	3 Months	3 Months USD		
			Term SOFR	Interbank		
			+54.6 bps	wholesale		
				market deposit		
				rate + 10 bps	3,291	3,425
<b>Total</b>					3,330	6,801
<u>Less</u> Allowance for expected credit losses					(328)	(454)
<b>Loan to customers and accrued interest receivables - net</b>					<b>3,002</b>	<b>6,347</b>



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**9.8.7 Troubled debt restructuring**

As at 31 December 2024 and 2023, the Bank and its subsidiaries have outstanding balances with troubled debt restructuring debtors as follows:

	Consolidated financial statements			
	2024		2023	
	Number of debtors	Outstanding balances (Million Baht)	Number of debtors	Outstanding balances (Million Baht)
Balances of restructured debts	16,259	17,436	21,199	19,102

	Separate financial statements			
	2024		2023	
	Number of debtors	Outstanding balances (Million Baht)	Number of debtors	Outstanding balances (Million Baht)
Balances of restructured debts	50	8,186	48	6,557

As at 31 December 2024 and 2023, the Bank and its subsidiaries have no commitment to addition lending to customers after troubled debt restructurings.

**9.9 Allowance for expected credit losses**

(Unit: Thousand Baht)

	Consolidated financial statements			
	2024			
	Financial assets that has not been a significant increase in credit risk	Financial assets that has been a significant increase in credit risk	Financial assets that are credit - impaired	Total
<b>Interbank and money market items (assets)</b>				
Beginning balance	33,002	-	-	33,002
Changes from remeasurement of loss allowance	(28)	-	-	(28)
New financial assets purchased or acquired	78,459	-	-	78,459
Derecognition	(31,155)	-	-	(31,155)
<b>Ending balance</b>	<b>80,278</b>	<b>-</b>	<b>-</b>	<b>80,278</b>

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## NOTES TO THE FINANCIAL STATEMENTS

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(Unit: Thousand Baht)

	Consolidated financial statements			Total
	2024			
	Financial assets that has not been a significant increase in credit risk	Financial assets that has been a significant increase in credit risk	Financial assets that are credit - impaired	
<b>Investments in debt instruments measured at amortised cost</b>				
Beginning balance	45,823	-	-	45,823
Changes from transfers among stages	(1,114)	1,114	-	-
Changes from remeasurement of loss allowance	(5,086)	2,112	-	(2,974)
New financial assets purchased or acquired	10,343	-	-	10,343
Derecognition	(5,517)	-	-	(5,517)
<b>Ending balance</b>	<b>44,449</b>	<b>3,226</b>	<b>-</b>	<b>47,675</b>
<b>Investments in debt instruments measured at fair value through other comprehensive income</b>				
Beginning balance	1,596	-	-	1,596
Changes from remeasurement of loss allowance	(351)	-	-	(351)
Derecognition	(473)	-	-	(473)
<b>Ending balance</b>	<b>772</b>	<b>-</b>	<b>-</b>	<b>772</b>
<b>Loans to customers and accrued interest receivables</b>				
Beginning balance	2,832,501	2,219,893	878,881	5,931,275
Changes from transfers among stages	382,563	(445,697)	63,134	-
Changes from remeasurement of loss allowance	(664,364)	306,426	1,223,450	865,512
New financial assets purchased or acquired	379,015	157,472	408,281	944,768
Derecognition	(143,788)	(984,439)	(618,273)	(1,746,500)
Write-off	-	-	(1,244,961)	(1,244,961)
<b>Ending balance</b>	<b>2,785,927</b>	<b>1,253,655</b>	<b>710,512</b>	<b>4,750,094</b>
<b>Loan commitments and financial guarantee contracts</b>				
Beginning balance	245,284	31,500	18,112	294,896
Changes from transfers among stages	(1,391)	1,331	60	-
Changes from remeasurement of loss allowance	(3,337)	(29,507)	(39)	(32,883)
New financial assets purchased or acquired	58,857	1,407	-	60,264
Derecognition	(29,461)	(675)	(11,443)	(41,579)
<b>Ending balance</b>	<b>269,952</b>	<b>4,056</b>	<b>6,690</b>	<b>280,698</b>

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	Consolidated financial statements			
	2023 (Restated)			
	Financial assets that has not been a significant increase in credit risk	Financial assets that has been a significant increase in credit risk	Financial assets that are credit - impaired	Total
<b>Interbank and money market items (assets)</b>				
Beginning balance	33,217	-	-	33,217
Changes from remeasurement of loss allowance	(2,474)	-	-	(2,474)
New financial assets purchased or acquired	10,348	-	-	10,348
Derecognition	(8,089)	-	-	(8,089)
<b>Ending balance</b>	<b>33,002</b>	<b>-</b>	<b>-</b>	<b>33,002</b>
<b>Investments in debt instruments measured at amortised cost</b>				
Beginning balance	44,387	-	-	44,387
Changes from remeasurement of loss allowance	(5,333)	-	-	(5,333)
New financial assets purchased or acquired	10,531	-	-	10,531
Derecognition	(3,762)	-	-	(3,762)
<b>Ending balance</b>	<b>45,823</b>	<b>-</b>	<b>-</b>	<b>45,823</b>
<b>Investments in debt instruments measured at fair value through other comprehensive income</b>				
Beginning balance	2,785	-	-	2,785
Changes from remeasurement of loss allowance	(924)	-	-	(924)
Derecognition	(265)	-	-	(265)
<b>Ending balance</b>	<b>1,596</b>	<b>-</b>	<b>-</b>	<b>1,596</b>
<b>Loans to customers and accrued interest receivables</b>				
Beginning balance	4,312,603	2,146,228	240,136	6,698,967
Changes from transfers among stages	77,327	(152,347)	75,020	-
Changes from remeasurement of loss allowance	(2,022,621)	(132,013)	1,956,688	(197,946)
New financial assets purchased or acquired	667,954	519,312	38,607	1,225,873
Derecognition	(202,762)	(161,287)	(48,359)	(412,408)
Write-off	-	-	(1,383,211)	(1,383,211)
<b>Ending balance</b>	<b>2,832,501</b>	<b>2,219,893</b>	<b>878,881</b>	<b>5,931,275</b>
<b>Loan commitments and financial guarantee contracts</b>				
Beginning balance	223,342	7,367	22	230,731
Changes from transfers among stages	(1,430)	1,201	229	-
Changes from remeasurement of loss allowance	(34,205)	26,025	5,224	(2,956)
New financial assets purchased or acquired	73,942	10	12,659	86,611
Derecognition	(16,365)	(3,103)	(22)	(19,490)
<b>Ending balance</b>	<b>245,284</b>	<b>31,500</b>	<b>18,112</b>	<b>294,896</b>

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(Unit: Thousand Baht)

	Separate financial statements			Total
	2024			
	Financial assets that has not been a significant increase in credit risk	Financial assets that has been a significant increase in credit risk	Financial assets that are credit - impaired	
<b>Interbank and money market items (assets)</b>				
Beginning balance	33,002	-	-	33,002
Changes from remeasurement of loss allowance	(28)	-	-	(28)
New financial assets purchased or acquired	78,459	-	-	78,459
Derecognition	(31,155)	-	-	(31,155)
<b>Ending balance</b>	<b>80,278</b>	<b>-</b>	<b>-</b>	<b>80,278</b>
<b>Investments in debt instruments measured at amortised cost</b>				
Beginning balance	45,823	-	-	45,823
Changes from transfers among stages	(1,114)	1,114	-	-
Changes from remeasurement of loss allowance	(5,086)	2,112	-	(2,974)
New financial assets purchased or acquired	10,343	-	-	10,343
Derecognition	(5,517)	-	-	(5,517)
<b>Ending balance</b>	<b>44,449</b>	<b>3,226</b>	<b>-</b>	<b>47,675</b>
<b>Investments in debt instruments measured at fair value through other comprehensive income</b>				
Beginning balance	1,596	-	-	1,596
Changes from remeasurement of loss allowance	(351)	-	-	(351)
Derecognition	(473)	-	-	(473)
<b>Ending balance</b>	<b>772</b>	<b>-</b>	<b>-</b>	<b>772</b>
<b>Loans to customers and accrued interest receivables</b>				
Beginning balance	2,505,714	931,028	561,132	3,997,874
Changes from transfers among stages	340,110	(340,075)	(35)	-
Changes from remeasurement of loss allowance	(561,270)	89,543	14,297	(457,430)
New financial assets purchased or acquired	344,176	137,487	401,759	883,422
Derecognition	(133,910)	(363,500)	(551,980)	(1,049,390)
Write-off	-	-	(9,971)	(9,971)
<b>Ending balance</b>	<b>2,494,820</b>	<b>454,483</b>	<b>415,202</b>	<b>3,364,505</b>
<b>Loan commitments and financial guarantee contracts</b>				
Beginning balance	245,378	31,500	18,112	294,990
Changes from transfers among stages	(1,391)	1,331	60	-
Changes from remeasurement of loss allowance	(3,337)	(29,507)	(39)	(32,883)
New financial assets purchased or acquired	59,362	1,407	-	60,769
Derecognition	(29,555)	(675)	(11,443)	(41,673)
<b>Ending balance</b>	<b>270,457</b>	<b>4,056</b>	<b>6,690</b>	<b>281,203</b>

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(Unit: Thousand Baht)

	Separate financial statements			Total
	2023 (Restated)			
	Financial assets that has not been a significant increase in credit risk	Financial assets that has been a significant increase in credit risk	Financial assets that are credit - impaired	
<b>Interbank and money market items (assets)</b>				
Beginning balance	33,217	-	-	33,217
Changes from remeasurement of loss allowance	(2,474)	-	-	(2,474)
New financial assets purchased or acquired	10,348	-	-	10,348
Derecognition	(8,089)	-	-	(8,089)
<b>Ending balance</b>	<b>33,002</b>	<b>-</b>	<b>-</b>	<b>33,002</b>
<b>Investments in debt instruments measured at amortised cost</b>				
Beginning balance	44,387	-	-	44,387
Changes from remeasurement of loss allowance	(5,333)	-	-	(5,333)
New financial assets purchased or acquired	10,531	-	-	10,531
Derecognition	(3,762)	-	-	(3,762)
<b>Ending balance</b>	<b>45,823</b>	<b>-</b>	<b>-</b>	<b>45,823</b>
<b>Investments in debt instruments measured at fair value through other comprehensive income</b>				
Beginning balance	2,785	-	-	2,785
Changes from remeasurement of loss allowance	(924)	-	-	(924)
Derecognition	(265)	-	-	(265)
<b>Ending balance</b>	<b>1,596</b>	<b>-</b>	<b>-</b>	<b>1,596</b>
<b>Loans to customers and accrued interest receivables</b>				
Beginning balance	3,775,596	745,133	13,164	4,533,893
Changes from transfers among stages	(9,650)	(3,234)	12,884	-
Changes from remeasurement of loss allowance	(1,695,995)	(201,650)	1,249,304	(648,341)
New financial assets purchased or acquired	611,794	444,552	1,206	1,057,552
Derecognition	(176,031)	(53,773)	(1,413)	(231,217)
Write-off	-	-	(714,013)	(714,013)
<b>Ending balance</b>	<b>2,505,714</b>	<b>931,028</b>	<b>561,132</b>	<b>3,997,874</b>
<b>Loan commitments and financial guarantee contracts</b>				
Beginning balance	223,447	7,367	22	230,836
Changes from transfers among stages	(1,430)	1,201	229	-
Changes from remeasurement of loss allowance	(34,216)	26,025	5,224	(2,967)
New financial assets purchased or acquired	73,942	10	12,659	86,611
Derecognition	(16,365)	(3,103)	(22)	(19,490)
<b>Ending balance</b>	<b>245,378</b>	<b>31,500</b>	<b>18,112</b>	<b>294,990</b>

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**9.10 Properties foreclosed - net**

The majority of properties foreclosed are from auction bidding and settlement of debts by the restructured debtors. The details of properties foreclosed as at 31 December 2024 and 2023 are as follows:

(Unit: Thousand Baht)

Types of properties foreclosed	Consolidated financial statements			
	2024			
	Beginning balance	Additions	Disposals	Ending balance
<b>Assets transferred in settlement of debts</b>				
- Immovable properties	182,702	-	(3,239)	179,463 <sup>(1)</sup>
- Movable assets	335,105	2,658,615	(2,765,497)	228,223
<b>Total</b>	<b>517,807</b>	<b>2,658,615</b>	<b>(2,768,736)</b>	<b>407,686</b>
<b>Assets from auction bidding</b>				
- Immovable properties	27,120	-	-	27,120
<b>Total</b>	<b>27,120</b>	<b>-</b>	<b>-</b>	<b>27,120</b>
<b>Total properties foreclosed</b>	<b>544,927</b>	<b>2,658,615</b>	<b>(2,768,736)</b>	<b>434,806</b>
<b>Less</b> Allowance for impairment	<b>(337,306)</b>	<b>(733,660)</b>	<b>799,211</b>	<b>(271,755)</b>
<b>Total properties foreclosed - net</b>	<b>207,621</b>	<b>1,924,955</b>	<b>(1,969,525)</b>	<b>163,051</b>

<sup>(1)</sup> As at 31 December 2024, the value of immovable assets acquired from debt settlement was appraised by external appraisers and internal appraisers in the amount of Baht 152 million and Baht 28 million, respectively.

(Unit: Thousand Baht)

Types of properties foreclosed	Consolidated financial statements			
	2023			
	Beginning balance	Additions	Disposals	Ending balance
<b>Assets transferred in settlement of debts</b>				
- Immovable properties	307,295	-	(124,593)	182,702 <sup>(1)</sup>
- Movable assets	170,527	1,600,812	(1,436,234)	335,105
<b>Total</b>	<b>477,822</b>	<b>1,600,812</b>	<b>(1,560,827)</b>	<b>517,807</b>
<b>Assets from auction bidding</b>				
- Immovable properties	53,430	-	(26,310)	27,120
- Movable assets	4,020	-	(4,020)	-
<b>Total</b>	<b>57,450</b>	<b>-</b>	<b>(30,330)</b>	<b>27,120</b>
<b>Total properties foreclosed</b>	<b>535,272</b>	<b>1,600,812</b>	<b>(1,591,157)</b>	<b>544,927</b>
<b>Less</b> Allowance for impairment	<b>(378,892)</b>	<b>(565,364)</b>	<b>606,950</b>	<b>(337,306)</b>
<b>Total properties foreclosed - net</b>	<b>156,380</b>	<b>1,035,448</b>	<b>(984,207)</b>	<b>207,621</b>

<sup>(1)</sup> As at 31 December 2023, the value of immovable assets acquired from debt settlement was appraised by external appraisers and internal appraisers in the amount of Baht 152 million and Baht 31 million, respectively.

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(Unit: Thousand Baht)

Types of properties foreclosed	Separate financial statements			
	2024			
	Beginning balance	Additions	Disposals	Ending balance
<b>Assets transferred in settlement of debts</b>				
- Immovable properties	182,702	-	(3,239)	179,463 <sup>(1)</sup>
<b>Total</b>	182,702	-	(3,239)	179,463
<b>Assets from auction bidding</b>				
- Immovable properties	27,120	-	-	27,120
<b>Total</b>	27,120	-	-	27,120
<b>Total properties foreclosed</b>	209,822	-	(3,239)	206,583
<u>Less</u> Allowance for impairment	(183,148)	-	1,581	(181,567)
<b>Total properties foreclosed - net</b>	26,674	-	(1,658)	25,016

<sup>(1)</sup> As at 31 December 2024, the value of immovable assets acquired from debt settlement was appraised by external appraisers and internal appraisers in the amount of Baht 152 million and Baht 28 million, respectively.

(Unit: Thousand Baht)

Types of properties foreclosed	Separate financial statements			
	2023			
	Beginning balance	Additions	Disposals	Ending balance
<b>Assets transferred in settlement of debts</b>				
- Immovable properties	307,294	-	(124,593)	182,701 <sup>(1)</sup>
<b>Total</b>	307,294	-	(124,593)	182,701
<b>Assets from auction bidding</b>				
- Immovable properties	53,430	-	(26,310)	27,120
- Movable assets	4,020	-	(4,020)	-
<b>Total</b>	57,450	-	(30,330)	27,120
<b>Total properties foreclosed</b>	364,744	-	(154,923)	209,821
<u>Less</u> Allowance for impairment	(322,624)	-	139,477	(183,147)
<b>Total properties foreclosed - net</b>	42,120	-	(15,446)	26,674

<sup>(1)</sup> As at 31 December 2023, the value of immovable assets acquired from debt settlement was appraised by external appraisers and internal appraisers in the amount of Baht 152 million and Baht 31 million, respectively.

As at 31 December 2024 and 2023, the Bank and its subsidiaries have no properties foreclosed subject to restrictions on disposal, buy-back rights or first refusal rights.



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### 9.11 Land, premises and equipment - net

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
Net book value:				
Land, premises and equipment	149,166	182,642	112,402	133,610
Right-of-use assets (Note 9.12)	404,872	461,949	224,245	254,641
<b>Total</b>	<b>554,038</b>	<b>644,591</b>	<b>336,647</b>	<b>388,251</b>

Movements of land, premises and equipment for the years ended 31 December 2024 and 2023 are summarised below

(Unit: Thousand Baht)

	Consolidated financial statements					
	Land	Buildings	Furniture, fixtures and office equipment	Motor vehicles	Asset under installation	Total
<b>Cost:</b>						
As at 1 January 2023	8,500	6,892	689,984	84,770	7,141	797,287
Additions/transfers-in	-	-	68,104	-	27,921	96,025
Disposals/write-offs/transfers - out	-	-	(4,305)	-	(33,789)	(38,094)
As at 31 December 2023	8,500	6,892	753,783	84,770	1,273	855,218
Additions/transfers-in	-	-	30,271	-	14,937	45,208
Disposals/write-offs/transfers - out	-	-	(81,654)	(6,809)	(14,609)	(103,072)
As at 31 December 2024	8,500	6,892	702,400	77,961	1,601	797,354
<b>Accumulated depreciation:</b>						
As at 1 January 2023	-	(2,714)	(537,427)	(72,400)	-	(612,541)
Depreciation for the year	-	(203)	(57,754)	(5,649)	-	(63,606)
Depreciation on disposals/ write-offs/transfers-out	-	-	3,571	-	-	3,571
As at 31 December 2023	-	(2,917)	(591,610)	(78,049)	-	(672,576)
Depreciation for the year	-	(203)	(60,027)	(3,824)	-	(64,054)
Depreciation on disposals/ write-offs/transfers-out	-	-	81,633	6,809	-	88,442
As at 31 December 2024	-	(3,120)	(570,004)	(75,064)	-	(648,188)
<b>Net book value:</b>						
As at 31 December 2023	8,500	3,975	162,173	6,721	1,273	182,642
As at 31 December 2024	8,500	3,772	132,396	2,897	1,601	149,166
<b>Depreciation for the years ended 31 December:</b>						
2023						63,606
2024						64,054

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**NOTES TO THE FINANCIAL STATEMENTS**

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(Unit: Thousand Baht)

	<b>Separate financial statements</b>					Total
	Land	Buildings	Furniture, fixtures and office equipment	Motor vehicles	Asset under installation	
<b>Cost:</b>						
As at 1 January 2023	8,500	6,892	550,367	65,704	5,273	636,736
Additions/transfers-in	-	-	60,696	-	27,921	88,617
Disposals/write-offs/transfers - out	-	-	(4,278)	-	(31,921)	(36,199)
As at 31 December 2023	8,500	6,892	606,785	65,704	1,273	689,154
Additions/transfers-in	-	-	26,589	-	14,739	41,328
Disposals/write-offs/transfers - out	-	-	(71,991)	(6,809)	(14,411)	(93,211)
As at 31 December 2024	8,500	6,892	561,383	58,895	1,601	637,271
<b>Accumulated depreciation:</b>						
As at 1 January 2023	-	(2,716)	(457,998)	(54,474)	-	(515,188)
Depreciation for the year	-	(203)	(38,656)	(5,041)	-	(43,900)
Depreciation on disposals/ write-offs/transfers-out	-	-	3,544	-	-	3,544
As at 31 December 2023	-	(2,919)	(493,110)	(59,515)	-	(555,544)
Depreciation for the year	-	(203)	(44,611)	(3,291)	-	(48,105)
Depreciation on disposals/ write-offs/transfers-out	-	-	71,971	6,809	-	78,780
As at 31 December 2024	-	(3,122)	(465,750)	(55,997)	-	(524,869)
<b>Net book value:</b>						
As at 31 December 2023	8,500	3,973	113,675	6,189	1,273	133,610
As at 31 December 2024	8,500	3,770	95,633	2,898	1,601	112,402
<b>Depreciation for the years ended 31 December:</b>						
2023						43,900
2024						48,105

As at 31 December 2024 and 2023, the Bank and its subsidiaries have equipment which have been fully depreciated but are still in use with the gross carrying amount, before deducting accumulated depreciation and allowance for loss on impairment, of approximately Baht 540 million and Baht 563 million, respectively (Separate financial statements: Baht 445 million and Baht 480 million, respectively)

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**9.12 Leases**

The Bank and its subsidiaries have entered into the lease agreements for rental of buildings, furniture, fixtures and office equipment and motor vehicles for use in its operation, whereby it is committed to pay rental on a monthly basis. The terms of the agreements are generally between 2 to 30 years.

**9.12.1 Right-of-use assets**

Movements of right-of-use assets for the years ended 31 December 2024 and 2023 are summarised below:

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>			
	Buildings	furniture, fixtures and office equipment	Motor vehicles	Total
As at 1 January 2023	501,512	2,788	5,640	509,940
Additions	56,308	560	-	56,868
Depreciation for the year	(100,403)	(1,493)	(2,963)	(104,859)
As at 31 December 2023	457,417	1,855	2,677	461,949
Additions	44,596	7,547	3,181	55,324
Contract termination	(869)	-	-	(869)
Depreciation for the year	(104,774)	(3,883)	(2,875)	(111,532)
As at 31 December 2024	396,370	5,519	2,983	404,872

(Unit: Thousand Baht)

	<b>Separate financial statements</b>			
	Buildings	furniture, fixtures and office equipment	Motor vehicles	Total
As at 1 January 2023	268,317	322	3,677	272,316
Additions	53,714	560	-	54,274
Depreciation for the year	(69,851)	(262)	(1,836)	(71,949)
As at 31 December 2023	252,180	620	1,841	254,641
Additions	41,354	7,756	-	49,110
Contract termination	(869)	-	-	(869)
Depreciation for the year	(74,107)	(2,689)	(1,841)	(78,637)
As at 31 December 2024	218,558	5,687	-	224,245

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**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2024

**9.12.2 Lease liabilities**

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
Balance - beginning of year	443,227	485,332	207,493	218,559
Increase during the year	69,537	72,494	50,791	55,766
Paid during the year	(120,244)	(114,599)	(71,372)	(66,832)
Terminated during the year	(869)	-	(869)	-
<b>Balance - end of year</b>	<b>391,651</b>	<b>443,227</b>	<b>186,043</b>	<b>207,493</b>
Less: Deferred interest expenses	(28,974)	(37,491)	(10,975)	(13,786)
<b>Lease liabilities - net</b>	<b>362,677</b>	<b>405,736</b>	<b>175,068</b>	<b>193,707</b>
Less: current portion	(93,931)	(96,221)	(64,353)	(64,781)
<b>Lease liabilities - net of current portion</b>	<b>268,746</b>	<b>309,515</b>	<b>110,715</b>	<b>128,926</b>

The Bank and its subsidiaries had total cash outflows on leases during the years ended 31 December 2024 and 2023 of Baht 120 million and Baht 115 million, respectively (separate financial statements: Baht 71 million and Baht 67 million, respectively).

Expenses relating to leases that are recognised in profit or loss for the years ended 31 December 2024 and 2023 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
Depreciation expenses of right-of-use assets	111,532	104,859	78,637	71,949
Interest expenses on lease liabilities	10,941	11,991	4,944	5,244
Expenses relating to short-term leases	7,924	6,924	5,720	4,648
<b>Total</b>	<b>130,397</b>	<b>123,774</b>	<b>89,301</b>	<b>81,841</b>

INDUSTRIAL AND COMMERCIAL BANK OF CHINA (THAI) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

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**9.13 Intangible assets - net**

Movement of intangible assets for the years ended 31 December 2024 and 2023 are summarised as follows:

(Unit: Thousand Baht)

	Consolidated financial statements			Total
	Computer software	Related customer relationship fee	Computer software under development	
<b><u>Cost:</u></b>				
As at 1 January 2023	135,492	26,750	150	162,392
Additions/transfers-in	3,008	-	1,349	4,357
Disposals/written-off/transfers - out	-	-	(1,499)	(1,499)
As at 31 December 2023	138,500	26,750	-	165,250
Additions/transfers-in	9,888	-	-	9,888
As at 31 December 2024	148,388	26,750	-	175,138
<b><u>Accumulated amortisation:</u></b>				
As at 1 January 2023	(86,757)	(26,514)	-	(113,271)
Amortisation charged for the year	(7,155)	(234)	-	(7,389)
As at 31 December 2023	(93,912)	(26,748)	-	(120,660)
Amortisation charged for the year	(7,651)	-	-	(7,651)
As at 31 December 2024	(101,563)	(26,748)	-	(128,311)
<b><u>Net book value:</u></b>				
As at 31 December 2023	44,588	2	-	44,590
As at 31 December 2024	46,825	2	-	46,827
<b><u>Amortisation for the years ended 31 December:</u></b>				
2023				7,389
2024				7,651

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FOR THE YEAR ENDED 31 DECEMBER 2024

(Unit: Thousand Baht)

	Separate financial statements			Total
	Computer software	Related customer relationship fee	Computer software under development	
<b><u>Cost:</u></b>				
As at 1 January 2023	76,810	26,750	-	103,560
Additions/transfers-in	1,509	-	-	1,509
As at 31 December 2023	78,319	26,750	-	105,069
Additions/transfers-in	7,930	-	-	7,930
As at 31 December 2024	86,249	26,750	-	112,999
<b><u>Accumulated amortisation:</u></b>				
As at 1 January 2023	(45,109)	(26,514)	-	(71,623)
Amortisation charged for the year	(4,822)	(234)	-	(5,056)
As at 31 December 2023	(49,931)	(26,748)	-	(76,679)
Amortisation charged for the year	(5,138)	-	-	(5,138)
As at 31 December 2024	(55,069)	(26,748)	-	(81,817)
<b><u>Net book value:</u></b>				
As at 31 December 2023	28,388	2	-	28,390
As at 31 December 2024	31,180	2	-	31,182
<b><u>Amortisation for the years ended 31 December:</u></b>				
2023				5,056
2024				5,138

As at 31 December 2024 and 2023, the Bank and its subsidiaries have computer software which have been fully amortised but are still in use, with gross carrying amounts before deducting accumulated amortisation of approximately Baht 96 million and Baht 94 million, respectively (separate financial statements: Baht 60 million and Baht 58 million, respectively).

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## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

**9.14 Deferred tax assets/liabilities and income tax**

## 9.14.1 Deferred tax assets/liabilities

Deferred tax assets and liabilities as at 31 December 2024 and 2023 are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
		(Restated)		
Deferred tax assets	1,662,473	1,411,186	529,751	585,639
Deferred tax liabilities	(485,882)	(597,712)	(23,280)	(11,516)
<b>Net</b>	<b>1,176,591</b>	<b>813,474</b>	<b>506,471</b>	<b>574,123</b>

Movements in total deferred tax assets and liabilities during the year are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements			
	As at 1 January	Reported in		As at 31 December 2024
		Profit or loss	Other comprehensive income	
<b>Deferred tax assets</b>				
Interbank and money market items	369	(369)	-	-
Derivative assets	35,246	(10,948)	-	24,298
Investments	154,277	(66,044)	(25,971)	62,262
Loans to customers and accrued interest receivables	243,616	11,062	-	254,678
Allowance for expected credit losses	321,199	(23,280)	-	297,919
Properties foreclosed	67,461	(13,110)	-	54,351
Other assets	405,327	378,893	-	784,220
Provisions	135,472	1,580	(1,056)	135,996
Other liabilities	48,219	530	-	48,749
<b>Total</b>	<b>1,411,186</b>	<b>278,314</b>	<b>(27,027)</b>	<b>1,662,473</b>
<b>Deferred tax liabilities</b>				
Investments	(11,516)	(165)	(11,599)	(23,280)
Loans to customers and accrued interest receivables	(582,831)	124,153	-	(458,678)
Deferred direct costs of debentures	(3,365)	123	-	(3,242)
Others	-	(682)	-	(682)
<b>Total</b>	<b>(597,712)</b>	<b>123,429</b>	<b>(11,599)</b>	<b>(485,882)</b>
<b>Net</b>	<b>813,474</b>	<b>401,743</b>	<b>(38,626)</b>	<b>1,176,591</b>



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**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2024

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>			
	As at 1 January 2023 (Restated)	Reported in		As at 31 December 2023 (Restated)
		Profit or loss	Other comprehensive income	
<b>Deferred tax assets</b>				
Interbank and money market items	212	157	-	369
Derivative assets	56,365	(21,119)	-	35,246
Investments	200,589	(84,370)	38,058	154,277
Loans to customers and accrued interest				
receivables	260,618	(17,002)	-	243,616
Allowance for expected credit losses	545,958	(224,759)	-	321,199
Properties foreclosed	75,777	(8,316)	-	67,461
Other assets	369,713	35,614	-	405,327
Provisions	119,369	16,258	(155)	135,472
Other liabilities	47,319	936	-	48,219
Loss carry forward	15,242	(15,045)	-	-
<b>Total</b>	<b>1,691,162</b>	<b>(317,646)</b>	<b>37,903</b>	<b>(233)</b>
<b>Deferred tax liabilities</b>				
Investments	(31,616)	8,698	11,402	(11,516)
Loans to customers and accrued interest				
receivables	(638,763)	55,932	-	(582,831)
Deferred direct costs of debentures	(3,540)	175	-	(3,365)
Others	(31,582)	-	31,582	-
<b>Total</b>	<b>(705,501)</b>	<b>64,805</b>	<b>42,984</b>	<b>(597,712)</b>
<b>Net</b>	<b>985,661</b>	<b>(252,841)</b>	<b>80,887</b>	<b>(233)</b>

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## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(Unit: Thousand Baht)

	Separate financial statements			
	As at 1 January 2024	Reported in		As at 31 December 2024
		Profit or loss	Other comprehensive income	
<b>Deferred tax assets</b>				
Interbank and money market items	369	(369)	-	-
Derivative assets	35,246	(10,948)	-	24,298
Investments	154,277	(66,044)	(25,971)	62,262
Loans to customers and accrued interest receivables	13,024	(6,099)	-	6,925
Allowance for expected credit losses	217,922	58,046	-	275,968
Properties foreclosed	36,630	(316)	-	36,314
Other assets	2,222	(2,152)	-	70
Provisions	119,018	(493)	-	118,525
Other liabilities	6,931	(1,542)	-	5,389
<b>Total</b>	<b>585,639</b>	<b>(29,917)</b>	<b>(25,971)</b>	<b>529,751</b>
<b>Deferred tax liabilities</b>				
Investments	(11,516)	(165)	(11,599)	(23,280)
<b>Total</b>	<b>(11,516)</b>	<b>(165)</b>	<b>(11,599)</b>	<b>(23,280)</b>
<b>Net</b>	<b>574,123</b>	<b>(30,082)</b>	<b>(37,570)</b>	<b>506,471</b>

(Unit: Thousand Baht)

	Separate financial statements			
	As at 1 January 2023	Reported in		As at 31 December 2023
		Profit or loss	Other comprehensive income	
<b>Deferred tax assets</b>				
Interbank and money market items	212	157	-	369
Derivative assets	56,365	(21,119)	-	35,246
Investments	200,589	(84,370)	38,058	154,277
Loans to customers and accrued interest receivables	25,918	(12,894)	-	13,024
Allowance for expected credit losses	447,232	(229,310)	-	217,922
Properties foreclosed	64,524	(27,894)	-	36,630
Other assets	2,588	(366)	-	2,222
Provisions	105,149	13,869	-	119,018
Other liabilities	6,160	771	-	6,931
<b>Total</b>	<b>908,737</b>	<b>(361,156)</b>	<b>38,058</b>	<b>585,639</b>
<b>Deferred tax liabilities</b>				
Investments	(31,616)	8,698	11,402	(11,516)
Others	(31,582)	-	31,582	-
<b>Total</b>	<b>(63,198)</b>	<b>8,698</b>	<b>42,984</b>	<b>(11,516)</b>
<b>Net</b>	<b>845,539</b>	<b>(352,458)</b>	<b>81,042</b>	<b>574,123</b>

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**9.14.2 Income taxes**

Income taxes for the years ended 31 December 2024 and 2023 are as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
	(Restated)			
<b>Current income tax:</b>				
Corporate income tax for the year	1,019,917	484,734	918,912	306,550
Adjustment in respect of income tax of previous year	(3,369)	(1,526)	(2,605)	(101)
<b>Deferred tax:</b>				
Deferred tax on temporary differences and reversion of temporary differences	(401,743)	252,841	30,082	352,458
<b>Income tax reported in profit or loss</b>	<b>614,805</b>	<b>736,049</b>	<b>946,389</b>	<b>658,907</b>

Income tax recognised in other comprehensive income for the years ended 31 December 2024 and 2023 are as follows:

	Consolidated financial statements					
	2024			2023		
	Amount before income tax	Income tax	Amount net of income tax	Amount before income tax	Income tax	Amount net of income tax
Investments in equity instruments measured at fair value through other comprehensive income (loss)	(35,213)	7,043	(28,170)	(45,634)	11,715	(33,919)
Investments in debt instruments measured at fair value through other comprehensive income (loss)	223,063	(44,613)	178,450	(191,510)	37,745	(153,765)
Cash flow hedge reserve	-	-	-	(157,910)	31,582	(126,328)
Actuarial gains on defined employee benefit plans	5,281	(1,056)	4,225	773	(155)	618
Exchange differences on translation of financial statements in foreign currency	2,444	-	2,444	6,050	-	6,050
<b>Total</b>	<b>195,575</b>	<b>(38,626)</b>	<b>156,949</b>	<b>(388,231)</b>	<b>80,887</b>	<b>(307,344)</b>

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FOR THE YEAR ENDED 31 DECEMBER 2024

(Unit: Thousand Baht)

	Separate financial statements					
	2024		2023			
	Amount before income tax	Income tax	Amount net of income tax	Amount before income tax	Income tax	Amount net of income tax
Investments in equity instruments measured at fair value through other comprehensive income (loss)	(35,213)	7,043	(28,170)	(45,634)	11,715	(33,919)
Investments in debt instruments measured at fair value through other comprehensive income (loss)	223,063	(44,613)	178,450	(191,510)	37,745	(153,765)
Cash flow hedge reserve	-	-	-	(157,910)	31,582	(126,328)
<b>Total</b>	<b>187,850</b>	<b>(37,570)</b>	<b>150,280</b>	<b>(395,054)</b>	<b>81,042</b>	<b>(314,012)</b>

A reconciliation between income tax and the product of accounting profit multiplied by the applicable tax rate for the years ended 31 December 2024 and 2023 are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2024	2023 (Restated)	2024	2023
Accounting profit before income tax	3,099,463	3,685,431	4,718,886	3,278,633
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by applicable tax rate	619,893	737,086	943,777	655,727
Adjustment in respect of income tax of previous year	(3,369)	(1,526)	(2,605)	(101)
Income tax effects:				
Tax effect of non-deductible income/expenses	5,971	6,738	5,217	3,281
Income tax of the indirect subsidiaries that is not taxable	(7,690)	(6,249)	-	-
<b>Total</b>	<b>614,805</b>	<b>736,049</b>	<b>946,389</b>	<b>658,907</b>
Weighted average tax rate	19.84%	19.97%	20.06%	20.10%

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**9.14.3 Effect from international tax reform - Pillar Two model rules**

The Bank and its subsidiaries are within the scope of the Pillar Two model rules published by the Organisation for Economic Co-operation and Development (OECD). Accordingly, the Bank and its subsidiaries have applied the mandatory exception requiring that entities shall neither recognise nor disclose information about deferred tax assets and liabilities related to Pillar Two income taxes.

On 18 December 2023, Pillar Two legislation was enacted or substantially enacted in Ireland, where the Bank and its subsidiaries operates, and will be effective for fiscal years beginning on or after 1 January 2024.

The management of the Bank and its subsidiaries has determined that the exposure to Pillar Two income taxes does not have any significant impact on the Bank and its subsidiaries' financial statements.

**9.15 Other assets - net**

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
		(Restated)		(Restated)
Prepaid expenses	21,757	32,128	15,899	28,494
Deposit	32,954	30,891	22,049	19,720
Advance payment	309	265	299	254
Others	1,576	2,469	200	1,439
<b>Total</b>	<b>56,596</b>	<b>65,753</b>	<b>38,447</b>	<b>49,907</b>

**9.16 Deposits**

## 9.16.1 Classified by types of deposits

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
Demand deposits	11,956,567	16,245,703	11,960,169	16,251,435
Savings deposits	39,283,294	34,266,299	39,295,528	34,276,876
Fixed deposits				
- Not over 6 months	30,729,223	41,283,116	30,729,223	41,283,116
- Over 6 months but not over 1 year	25,185,801	25,865,595	25,185,801	25,865,595
- Over 1 year	42,344,458	35,928,720	42,344,457	35,928,720
<b>Total</b>	<b>149,499,343</b>	<b>153,589,433</b>	<b>149,515,178</b>	<b>153,605,742</b>

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## 9.16.2 Classified by currencies and residences of depositors

(Unit: Thousand Baht)

	Consolidated financial statements					
	2024			2023		
	Domestic	Foreign	Total	Domestic	Foreign	Total
Baht	120,146,764	5,151,427	125,298,191	129,766,622	4,510,035	134,276,657
US Dollar	11,782,446	1,338,004	13,120,450	10,448,953	771,390	11,220,343
Renminbi	10,419,067	473,440	10,892,507	7,200,779	418,798	7,619,577
Other currencies	173,105	15,090	188,195	460,218	12,638	472,856
<b>Total</b>	<b>142,521,382</b>	<b>6,977,961</b>	<b>149,499,343</b>	<b>147,876,572</b>	<b>5,712,861</b>	<b>153,589,433</b>

(Unit: Thousand Baht)

	Separate financial statements					
	2024			2023		
	Domestic	Foreign	Total	Domestic	Foreign	Total
Baht	120,162,599	5,151,427	125,314,026	129,782,931	4,510,035	134,292,966
US Dollar	11,782,446	1,338,004	13,120,450	10,448,953	771,390	11,220,343
Renminbi	10,419,067	473,440	10,892,507	7,200,779	418,798	7,619,577
Other currencies	173,105	15,090	188,195	460,218	12,638	472,856
<b>Total</b>	<b>142,537,217</b>	<b>6,977,961</b>	<b>149,515,178</b>	<b>147,892,881</b>	<b>5,712,861</b>	<b>153,605,742</b>

## 9.17 Interbank and money market items (liabilities)

Interbank and money market items (liabilities) as at 31 December 2024 and 2023 are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
<b>Domestic items</b>				
Bank of Thailand	347,198	347,600	347,198	347,600
Commercial banks	5,654,231	12,676,625	2,614,231	6,676,625
Specialised financial institutions	24,294	20,247	24,294	20,247
Other financial institutions	944,531	1,988,419	944,531	1,988,419
<b>Total domestic items</b>	<b>6,970,254</b>	<b>15,032,891</b>	<b>3,930,254</b>	<b>9,032,891</b>
<b>Foreign items</b>				
US Dollar	6,911,736	10,891,044	6,911,736	10,891,044
Renminbi	5,228,729	4,053,404	5,228,729	4,053,404
Euro	-	38,033	-	38,033
Thai Baht	348,258	554,996	348,258	554,996
<b>Total foreign items</b>	<b>12,488,723</b>	<b>15,537,477</b>	<b>12,488,723</b>	<b>15,537,477</b>
<b>Total domestic and foreign items</b>	<b>19,458,977</b>	<b>30,570,368</b>	<b>16,418,977</b>	<b>24,570,368</b>

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**9.18 Debt issued and borrowings**

Debt issued and borrowings as at 31 December 2024 and 2023 are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements					
	2024			2023		
	Maturity	Interest rate (Percent)	Amount	Maturity	Interest rate (Percent)	Amount
Bill of exchange Unsecured	2025	2.39 - 2.53	6,565,901	2024	2.60	198,967
debentures	2025 - 2027	1.17 - 3.70	28,679,248	2024 - 2027	1.17 - 3.70	34,702,863
Subordinated debentures <sup>(1)</sup>	2028	3.50	<u>4,994,564</u>	2028	3.50	<u>4,993,103</u>
<b>Total</b>			<u>40,239,713</u>			<u>39,894,933</u>

<sup>(1)</sup> Counted as of Tier 2 capital under Bank of Thailand's criteria for inclusion of financial instruments in Tier 2 Capital (See Note 8).

(Unit: Thousand Baht)

	Separate financial statements					
	2024			2023		
	Maturity	Interest rate (Percent)	Amount	Maturity	Interest rate (Percent)	Amount
Subordinated debentures <sup>(1)</sup>	2028	3.50	<u>4,994,564</u>	2028	3.50	<u>4,993,103</u>
<b>Total</b>			<u>4,994,564</u>			<u>4,993,103</u>

<sup>(1)</sup> Counted as of Tier 2 capital under Bank of Thailand's criteria for inclusion of financial instruments in Tier 2 Capital (See Note 8).

**Subordinated debentures**

On 23 March 2018, the Bank issued the Subordinated Debenture with no collateral No.1/2018 to be counted as Tier 2 capital under Based III requirement, amounting to Baht 5,000 million, with a 10 years and 6 months maturity period and carrying a fixed interest rate of 3.50% per annum, payable quarterly. The Bank can early redeem the Subordinated Debenture No.1/2018 after 5 years from the issue date or according to certain specified conditions. The Bank has the right for early redemption and the ability to write-off (fully or partially) when the authorities decide to give financial assistance to the Bank or under agreed condition. The Bank has to get the Bank of Thailand's approval before early redemption of the Subordinated Debenture.

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**9.19 Provisions for employee benefits**

Provision for long-term employee benefits, which is compensations on employees' retirement are as follows:

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
Beginning balance	381	365	300	295
Included in profit or loss:				
Current service cost	45	45	32	32
Interest cost	9	9	7	7
Benefits paid during the year				
Included in other comprehensive income:				
Actuarial (gains) losses arising from				
- Financial assumptions changes	(1)	1	-	-
- Experience adjustment	(4)	(2)	-	-
Benefits paid during the year	(32)	(37)	(28)	(34)
<b>Ending balance</b>	<b>398</b>	<b>381</b>	<b>311</b>	<b>300</b>

**Significant actuarial assumption**

(Unit: Percent per annum)

	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
Discount rate	2.53 - 2.71	2.34 - 2.53	2.53	2.53
Future salary increase rate	5.00 - 5.50	5.00 - 5.50	5.00	5.00
Turnover rate	0 - 20	0 - 20	0 - 20	0 - 20

As at 31 December 2024 and 2023, the Bank and its subsidiaries expects to pay long-term employee benefits during the next year of Baht 36 million and Baht 56 million, respectively (Separate financial statements: Baht 30 million and Baht 49 million, respectively).

As at 31 December 2024 and 2023, the weighted-average duration of the defined benefit obligation is 5.57 - 7.47 years and 5.57 - 7.54 years, respectively (separate financial statements: 5.57 years and 5.57 years, respectively).



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*Sensitivity analysis*

Reasonably possible changes at the reporting date to one of the relevant principal actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

(Unit: Million Baht)

	<b>Consolidated financial statements</b>			
	2024		2023	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Increase (decrease) in the provision:				
Discount rate	(21.03)	23.61	(19.17)	21.52
Future salary increase rate	29.06	(26.34)	23.72	(21.58)
Turnover rate	(22.56)	12.53	(20.54)	11.30

(Unit: Million Baht)

	<b>Separate financial statements</b>			
	2024		2023	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Increase (decrease) in the provision:				
Discount rate	(15.79)	17.69	(14.16)	15.85
Future salary increase rate	23.39	(21.21)	18.31	(16.69)
Turnover rate	(16.82)	9.06	(15.06)	7.95

**9.20 Other liabilities**

(Unit: Thousand Baht)

	<b>Consolidated</b>		<b>Separate</b>	
	financial statements		financial statements	
	2024	2023	2024	2023
Other payables	594,848	422,858	347,617	195,181
Miscellaneous payable - remittance transaction	935,881	943,830	935,881	943,830
Advance received from finance lease	11,902	80,541	-	-
Advance received from electronic payment <sup>(1)</sup>	142,938	150,975	142,938	150,975
Accrued expenses	624,268	712,651	536,651	608,888
Withholding tax payable	41,906	54,350	36,662	49,222
Special business tax payable	39,101	50,792	39,101	50,792
Corporate income tax payable	453,708	253,301	429,022	194,198
Deferred income	47,468	81,476	47,468	81,476
Others	257,964	335,588	165,766	242,077
<b>Total</b>	<b>3,149,984</b>	<b>3,086,362</b>	<b>2,681,106</b>	<b>2,516,639</b>

<sup>(1)</sup> Disclosed according to the BOT Notification number Sor Nor Chor 2/2562 dated 20 December 2019, regarding "Regulations on Service Business relating to Electronic Fund Transfer (EFT)"

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## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

**9.21 Offsetting of financial assets and financial liabilities**

Offsetting of financial assets and financial liabilities as at 31 December 2024 and 2023 are as follows:

(Unit: Million Baht)

Consolidated and separate financial statements					
2024					
	Gross amount	Amount offset in statement of financial position	Net amount presented in statement of financial position	Amounts not offset in statement of financial position eligible for offsetting per contracts	Net amount
<b>Financial assets</b>					
Reverse repurchase agreement	10,080	-	10,080	(10,080)	-
Derivative assets	202	-	202	(116)	86
<b>Total</b>	<b>10,282</b>	<b>-</b>	<b>10,282</b>	<b>(10,196)</b>	<b>86</b>
<b>Financial liabilities</b>					
Derivative liabilities	188	-	188	(48)	140
<b>Total</b>	<b>188</b>	<b>-</b>	<b>188</b>	<b>(48)</b>	<b>140</b>

(Unit: Million Baht)

Consolidated and separate financial statements					
2023					
	Gross amount	Amount offset in statement of financial position	Net amount presented in statement of financial position	Amounts not offset in statement of financial position eligible for offsetting per contracts	Net amount
<b>Financial assets</b>					
Reverse repurchase agreement	12,900	-	12,900	(12,900)	-
Derivative assets	441	-	441	(243)	198
<b>Total</b>	<b>13,341</b>	<b>-</b>	<b>13,341</b>	<b>(13,143)</b>	<b>198</b>
<b>Financial liabilities</b>					
Repurchase agreement	673	-	673	(673)	-
Derivative liabilities	281	-	281	(36)	245
<b>Total</b>	<b>954</b>	<b>-</b>	<b>954</b>	<b>(709)</b>	<b>245</b>

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**NOTES TO THE FINANCIAL STATEMENTS**

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Reconciliation to the net amounts of financial assets and financial liabilities presented in the statement of financial position as at 31 December 2024 and 2023 are as follows:

(Unit: Million Baht)

Consolidated financial statements					
2024					
Type of financial instruments	Net amount presented in statement of financial position	Items in statement of financial position	Notes	Carrying amount in statement of financial position	Carrying amount in statement of financial position that are not qualified for offsetting
<b>Financial assets</b>					
Reverse repurchase agreement	10,080	Interbank and money market items	9.3	36,745	26,665
Derivative assets	202	Derivative assets	9.5	677	475
<b>Total</b>	<b>10,282</b>			<b>37,422</b>	<b>27,140</b>
<b>Financial liabilities</b>					
Derivative liabilities	188	Derivative liabilities	9.5	186	2
<b>Total</b>	<b>188</b>			<b>186</b>	<b>2</b>

(Unit: Million Baht)

Consolidated financial statements					
2023 (Restated)					
Type of financial instruments	Net amount presented in statement of financial position	Items in statement of financial position	Notes	Carrying amount in statement of financial position	Carrying amount in statement of financial position that are not qualified for offsetting
<b>Financial assets</b>					
Reverse repurchase agreement	12,900	Interbank and money market items	9.3	36,386	23,486
Derivative assets	441	Derivative assets	9.5	1,263	822
<b>Total</b>	<b>13,341</b>			<b>37,649</b>	<b>24,308</b>
<b>Financial liabilities</b>					
Repurchase agreement	673	Interbank and money market items	9.17	30,570	29,897
Derivative liabilities	281	Derivative liabilities	9.5	325	44
<b>Total</b>	<b>954</b>			<b>30,895</b>	<b>29,941</b>

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(Unit: Million Baht)

Separate financial statements					
2024					
Type of financial instruments	Net amount presented in statement of financial position	Items in statement of financial position	Notes	Carrying amount in statement of financial position	Carrying amount in statement of financial position that are not qualified for offsetting
Financial assets					
Reverse repurchase agreement	10,080	Interbank and money market items	9.3	35,842	25,762
Derivative assets	202	Derivative assets	9.5	677	475
Total	10,282			36,519	26,237
Financial liabilities					
Derivative liabilities	188	Derivative liabilities	9.5	186	2
Total	188			186	2

(Unit: Million Baht)

Separate financial statements					
2023 (Restated)					
Type of financial instruments	Net amount presented in statement of financial position	Items in statement of financial position	Notes	Carrying amount in statement of financial position	Carrying amount in statement of financial position that are not qualified for offsetting
Financial assets					
Reverse repurchase agreement	12,900	Interbank and money market items	9.3	35,516	22,616
Derivative assets	441	Derivative assets	9.5	1,263	822
Total	13,341			36,779	23,438
Financial liabilities					
Repurchase agreement	673	Interbank and money market items	9.17	24,570	23,897
Derivative liabilities	281	Derivative liabilities	9.5	325	44
Total	954			24,895	23,941

The rights to call are agreed between both parties with specific call frequency and threshold. The gross amounts of financial assets and financial liabilities and their net amounts disclosed in the above tables have been measured in the statement of financial position on the assets and liabilities resulting from repurchase agreements and reverse repurchase agreements measured at amortised cost.

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**9.22 Share capital**

	Par value	Consolidated and separate financial statements			
		2024		2023	
		Number	Amount	Number	Amount
(Baht)	(Thousand shares)	(Thousand Baht)	(Thousand shares)	(Thousand Baht)	
<b>Registered</b>					
<b>At the beginning of the years</b>					
- Preference shares	8.92	442	3,946	442	3,946
- Ordinary shares	8.92	2,253,717	20,103,153	2,253,717	20,103,153
<b>At the end of the years</b>					
- Preference shares	8.92	442	3,946	442	3,946
- Ordinary shares	8.92	2,253,717	20,103,153	2,253,717	20,103,153
<b>Issued and paid-up</b>					
<b>At the beginning of the years</b>					
- Preference shares	8.92	442	3,946	442	3,946
- Ordinary shares	8.92	2,253,717	20,103,153	2,253,717	20,103,153
<b>At the end of the years</b>					
- Preference shares	8.92	442	3,946	442	3,946
- Ordinary shares	8.92	2,253,717	20,103,153	2,253,717	20,103,153

Preference shares of the Bank are divided into Class A and Class B shares, both of which are non-cumulative dividend-paying shares. Holders of Class B preference shares are entitled to preferential receipt of dividends and return of capital over holders of Class A preference shares and ordinary shares.

If the Bank reduces its capital as a result of operating losses on assets held prior to the injection of capital funds by the Ministry of Finance, the Bank is to reduce the capital of the ordinary shares and the Class A preference shares first, to the extent that this does not exceed the accumulated losses as at the date that the Ministry of Finance injects funds plus any subsequent losses on the assets held prior to that date. If the Bank reduces capital as a result of operating losses on assets acquired after the Ministry of Finance injects funds, the Bank is to reduce the capital of the ordinary shares first and then the Class A preference shares and Class B preference shares proportionately. All preference shares have a period of 10 years, which expired in November 2009. Hence, rights of preference shareholders have been the same as those of the ordinary shareholders since then.

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Holders of both classes of preference shares are entitled to convert the shares they hold into ordinary shares, with the conversion ratio of 1:1. All Class A preference shares were already converted into ordinary shares before the year 2010, and the Class B preference shareholders are still entitled to convert the remaining Class B preference shares into ordinary shares.

The holders of ordinary shares and preference shares are entitled to receive dividends in accordance with the Articles of Association of the Bank, and are entitled to one vote per share at the shareholders' meeting of the Bank.

**9.23 Legal reserve**

Pursuant to Section 116 of the Public Companies Act B.E. 2535, the Bank is required to allocate not less than 5% of its annual net profit, less any accumulated losses brought forward (if any), to a reserve account ("Legal reserve"), until this account reaches an amount not less than 10% of the registered capital. The legal reserve is not available for dividend distribution.

As at 31 December 2024 and 2023, the total legal reserve of the Bank is Baht 2,015 million.

**9.24 Other components of equity**

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
Surplus (deficit) on revaluation of debt instruments	77,581	(145,481)	77,581	(145,481)
Add (deduct): Effect of deferred tax assets (liabilities)	(15,516)	29,096	(15,516)	29,096
<b>Total</b>	<b>62,065</b>	<b>(116,385)</b>	<b>62,065</b>	<b>(116,385)</b>
Deficit on revaluation of equity instruments	(54,430)	(19,217)	(54,430)	(19,217)
Deduct: Effect of deferred tax liabilities	(5,393)	(12,436)	(5,393)	(12,436)
<b>Total</b>	<b>(59,823)</b>	<b>(31,653)</b>	<b>(59,823)</b>	<b>(31,653)</b>
Exchange differences on translation of financial statements in foreign currency	(66,671)	(69,115)	-	-
<b>Total other components of equity</b>	<b>(64,429)</b>	<b>(217,153)</b>	<b>2,242</b>	<b>(148,038)</b>

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**9.25 Commitments and contingent liabilities**

## 9.25.1 Commitments

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
Avals to bills and guarantees of loans	1,400	2,788	1,400	2,788
Letter of credit	164	70	164	70
Other contingencies				
- Overdraft undrawn committed line	868	825	898	855
- Other guarantees	21,159	26,945	21,159	26,945
- Others	5,783	6,517	5,783	6,517
<b>Total</b>	<b>29,374</b>	<b>37,145</b>	<b>29,404</b>	<b>37,175</b>

## 9.25.2 Litigations

As at 31 December 2024 and 2023, the Bank has been sued as a defendant in the court with the capital of approximately Baht 393 million and Baht 393 million, respectively, in the ordinary course of business. The Bank believes that the final judgment of such lawsuit will not materially affect the Bank's financial position and operating results.

**9.26 Related parties transaction**

Relationship with key management and related parties were as follows:

Name of entities	Country of incorporation/ Nationality	Nature of relationships
Industrial and Commercial Bank of China Limited	China	The ultimate parent company of the Bank
ICBC (Thai) Leasing Company Limited	Thailand	A direct subsidiary of the Bank
Sky High Li Leasing Designated Activity Company	Ireland	An indirect subsidiary of the Bank
ICBC (Thai) Insurance Broker Company Limited	Thailand	An indirect subsidiary of the Bank
Industrial and Commercial Bank of China (Asia) Limited	Hong Kong	The company that is related with the ultimate parent company
Industrial and Commercial Bank of China (Macau) Limited	Macau	The company that is related with the ultimate parent company

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Name of entities	Country of incorporation/	
	Nationality	Nature of relationships
Industrial and Commercial Bank of China (Malaysia) Berhad	Malaysia	The company that is related with the ultimate parent company
Industrial and Commercial Bank of China Limited - Guangdong	China	The branch of the ultimate parent company
Industrial and Commercial Bank of China Limited - Guangxi	China	The branch of the ultimate parent company
Industrial and Commercial Bank of China Limited - Hubei	China	The branch of the ultimate parent company
Industrial and Commercial Bank of China Limited - Henan	China	The branch of the ultimate parent company
Industrial and Commercial Bank of China Limited - Jiangsu	China	The branch of the ultimate parent company
Industrial and Commercial Bank of China Limited - Shanghai (FTU)	China	The branch of the ultimate parent company
Industrial and Commercial Bank of China Limited - Shenzhen	China	The branch of the ultimate parent company
Industrial and Commercial Bank of China Limited - Xiamen	China	The branch of the ultimate parent company
Industrial and Commercial Bank of China Limited - Sydney	Australia	The branch of the ultimate parent company
Industrial and Commercial Bank of China Limited - Frankfurt	Germany	The branch of the ultimate parent company
Industrial and Commercial Bank of China Limited - Hong Kong	Hong Kong	The branch of the ultimate parent company
Industrial and Commercial Bank of China Limited - Tokyo	Japan	The branch of the ultimate parent company
Industrial and Commercial Bank of China Limited - Kuwait	Kuwait	The branch of the ultimate parent company
Industrial and Commercial Bank of China Limited - Vientiane	Laos	The branch of the ultimate parent company
Industrial and Commercial Bank of China Limited - Luxembourg	Luxembourg	The branch of the ultimate parent company
Industrial and Commercial Bank of China Limited - Singapore	Singapore	The branch of the ultimate parent company



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Name of entities	Country of	Nature of relationships
	incorporation/ Nationality	
Industrial and Commercial Bank of China Limited - Dubai (DIFC)	UAE	The branch of the ultimate parent company
Industrial and Commercial Bank of China Limited - Abu Dhabi	UAE	The branch of the ultimate parent company
Industrial and Commercial Bank of China Limited - London	United Kingdom	The branch of the ultimate parent company
Industrial and Commercial Bank of China Limited - New York	United States	The branch of the ultimate parent company
Industrial and Commercial Bank of China Limited - Doha	Qatar	The branch of the ultimate parent company
Key management personnel	Thai/Chinese	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly and indirectly, including any directors (whether executive and otherwise) of the Bank and its subsidiaries

The pricing policies for particular types of transactions are explained further below:

Transactions	Pricing policies
Interest income	With reference to the terms and prices as offered to other customers
Interest expenses	Market rates and/or charged in compliance with the criteria specified by the Bank of Thailand
Dividend income	As announced by the investee company
Fee income	With reference to the terms and prices as offered to other customers
Derivatives	Market price

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	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
<b>Interbank and money market items (assets)</b>				
Parent company	10,900	10,434	10,866	10,399
Other related parties	37	18	37	18
<b>Derivative assets (fair value)</b>				
Parent company	337	169	337	169
Other related parties	155	549	155	549
<b>Investments in subsidiaries</b>				
Subsidiaries	-	-	4,250	4,250
<b>Loans to customers and accrued interest receivables, net</b>				
Subsidiaries	-	-	3,002	6,347
Key management personnel	-	1	-	1
<b>Other assets</b>				
Parent company	3	14	3	14
<b>Deposits</b>				
Subsidiaries	-	-	16	16
Key management personnel	83	67	83	67
<b>Interbank and money market items (liabilities)</b>				
Parent company	11,296	14,377	11,296	14,377
Other related parties	61	198	61	198
<b>Derivative liabilities (fair value)</b>				
Parent company	63	3	63	3
Other related parties	30	14	30	14
<b>Accrued interest payables</b>				
Parent company	74	128	74	128
Key management personnel	1	-	1	-
<b>Other liabilities</b>				
Parent company	88	61	88	61
Other related parties	2	1	2	1
Subsidiaries	-	-	1	-
<b>Off-balance sheet items</b>				
<b>Other commitments</b>				
Parent company	12,513	15,619	12,513	15,619
Other related parties	40	156	40	156
Subsidiaries	-	-	30	30

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FOR THE YEAR ENDED 31 DECEMBER 2024

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
<b>Forward exchange contracts-bought</b>				
<b>(notional amounts)</b>				
Parent company	12,869	4,006	12,869	4,006
Other related parties	13,032	14,139	13,032	14,139
<b>Interest rate swap contracts (notional amounts)</b>				
Parent company	1,728	3,111	1,728	3,111
Other related parties	3,154	5,249	3,154	5,249

Industrial and Commercial Bank of China Limited - Hong Kong had issued a Standby L/C as a collateral against the issuance of Letter of Guarantee for a Telecommunication Company. As a result, the Bank has to pay a fee for the Standby L/C on an annual basis until the end of the contract. The obligation under the Standby L/C as at 31 December 2024 and 2023 amount to US Dollars 124 million and US Dollars 248 million, respectively (equivalent to Baht 4,214 million and Baht 8,437 million, respectively).

Significant balances with related parties for the years ended 31 December 2024 and 2023 were as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
	(Restated)			
<b>Parent company</b>				
Interest income	324	178	324	178
Interest expenses	722	1,275	722	1,275
Fee income	16	20	16	20
Fee expenses	11	19	11	19
Net gains (losses) on financial instruments measured at fair value through profit or loss	135	(125)	135	(125)
Expected credit losses (reversal)	31	(21)	31	(21)
<b>Subsidiaries</b>				
Interest income	-	-	233	305
Fee income	-	-	2	3
Other income	-	-	2	2
Expected credit losses (reversal)	-	-	(125)	(193)

INDUSTRIAL AND COMMERCIAL BANK OF CHINA (THAI) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

**NOTES TO THE FINANCIAL STATEMENTS**

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	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
		(Restated)		
<b>Related companies</b>				
Fee income	2	2	2	2
Net gains (losses) on financial instruments				
measured at fair value through profit or loss	(278)	323	(278)	323
Expected credit losses	1	-	1	-
<b>Related persons</b>				
Interest expenses	1	1	1	1
<b>Key management personnel</b>				
Key management personnel compensation				
- Short-term employee benefit	161	193	123	154
- Post-employment benefit	2	3	2	3

**Directors and management's remuneration**

The Bank's directors and executives, which include Executive Vice President upwards, do not receive any benefits, either in monetary or non-monetary terms, other than the normal benefits such as monthly directors' remuneration, meeting allowances, salaries and bonuses, as the case may be. Directors who are executives of the Bank do not receive director's remuneration, in accordance with the Bank's policy, and the representative directors who are executives of Industrial and Commercial Bank of China Limited do not receive director's remuneration, in accordance with Industrial and Commercial Bank of China Limited's policies, except for those benefits granted in accordance with employment agreements such as housing allowances, medical expenses, life and accident insurance and home trip expenses, in accordance with the established criteria. Nevertheless, directors with permanent residence abroad can reimburse expenses of travelling and accommodation incurred in connection with the operation of the Bank's business, at the amount actually incurred.

INDUSTRIAL AND COMMERCIAL BANK OF CHINA (THAI) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

**NOTES TO THE FINANCIAL STATEMENTS**

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**9.27 Operating segment**

Operating segment is presented in respect of the Bank and its subsidiaries' business segments. The primary format in segment information report is based on the Bank and its subsidiaries' management and internal reporting structure.

9.27.1 The Bank and its subsidiaries' business operations involve 2 principal segments: (1) Banking business and (2) Hire-purchase and finance lease, that form the basis of how information is presented to the Chief Operating Decision Maker. Respective business segments serve both corporate and retail customers. However, retail represents an insignificant portion of the total at the Bank level.

These operations are carried mainly in Thailand. The Bank has determined that the Chief Operating Decision Maker is the Executive Committee of the Bank.

Operating segment by businesses for the years ended 31 December 2024 and 2023 are as follows:

(Unit: Million Baht)

	<b>Consolidated financial statement</b>				
	2024				
	Banking business	Hire- purchase and finance lease	Total	Elimination	Total
Net interest income	4,766	1,372	6,138	-	6,138
Net fees and service income	133	222	355	(2)	353
<b>Net gains on financial instrument measured</b>					
at fair value through profit or loss	479	-	479	-	479
Other operating income	621	358	979	-	979
Other operating expenses	(1,743)	(2,952)	(4,695)	2	(4,693)
Profit (loss) before expected credit losses	4,256	(1,000)	3,256	-	3,256
Reversal (expected credit losses)	462	(494)	(32)	(125)	(157)
Profit (loss) before income tax	4,718	(1,494)	3,224	(125)	3,099
Income tax	(946)	307	(639)	25	(614)
<b>Profit (loss) for the year</b>	<b>3,772</b>	<b>(1,187)</b>	<b>2,585</b>	<b>(100)</b>	<b>2,485</b>
<b>Financial position as at 31 December 2024</b>					
Total assets	216,544	51,200	267,744	(7,336)	260,408
Total liabilities	175,569	42,468	218,037	(3,349)	214,688

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(Unit: Million Baht)

	Consolidated financial statement				
	2023 (Restated)				
	Banking business	Hire- purchase and finance lease	Total	Elimination	Total
Net interest income	4,495	1,679	6,174	-	6,174
Net fees and service income	182	344	526	(3)	523
Net gains on financial instrument measured at fair value through profit or loss	366	-	366	-	366
Other operating income	226	349	575	-	575
Other operating expenses	(1,748)	(1,483)	(3,231)	3	(3,228)
Profit before expected credit losses	3,521	889	4,410	-	4,410
Expected credit losses	(242)	(290)	(532)	(192)	(724)
Profit before income tax	3,279	599	3,878	(192)	3,686
Income tax	(659)	(115)	(774)	38	(736)
<b>Profit for the year</b>	<b>2,620</b>	<b>484</b>	<b>3,104</b>	<b>(154)</b>	<b>2,950</b>

### Financial position as at 31 December 2023

Total assets	224,798	58,641	283,439	(10,708)	272,731
Total liabilities	187,745	48,728	236,473	(6,821)	229,652

### 9.27.2 The financial position and results of operations classified by domestic and foreign business

As at 31 December 2024 and 2023, the consolidated financial position classified by domestic and foreign business were as follows:

(Unit: Million Baht)

	Consolidated financial statement			
	2024			
	Domestic business	Foreign business	Elimination	Total
Total assets	264,738	3,006	(7,336)	260,408
Interbank and money market items - net (assets)	36,706	39	-	36,745
Investments - net <sup>(1)</sup>	82,343	-	-	82,343
Loans to customers and accrued interest receivables - net	137,198	2,967	(3,618)	136,547
Deposits	149,499	-	-	149,499
Interbank and money market items (liabilities)	19,459	3,290	(3,290)	19,459
Debt issued and borrowings	40,240	-	-	40,240

<sup>(1)</sup> The amount excludes investments in subsidiaries - net

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(Unit: Million Baht)

	<b>Consolidated financial statement</b>			
	2023 (Restated)			
	Domestic business	Foreign business	Elimination	Total
Total assets	280,404	3,035	(10,708)	272,731
Interbank and money market items - net (assets)	36,346	40	-	36,386
Investments - net <sup>(1)</sup>	79,204	-	-	79,204
Loans to customers and accrued interest receivables - net	152,362	2,995	(2,968)	152,389
Deposits	153,589	-	-	153,589
Interbank and money market items (liabilities)	30,570	3,422	(3,422)	30,570
Debt issued and borrowings	39,895	-	-	39,895

<sup>(1)</sup> The amount excludes investments in subsidiaries - net

The results of the consolidated operations classified by domestic and foreign business for the years ended 31 December 2024 and 2023 were as follows:

(Unit: Million Baht)

	<b>Consolidated financial statements</b>							
	2024				2023 (Restated)			
	Domestic business	Foreign business	Elimination	Total	Domestic business	Foreign business	Elimination	Total
Interest income	11,375	202	(201)	11,376	10,947	196	(230)	10,913
Interest expenses	(5,238)	(201)	201	(5,238)	(4,739)	(230)	230	(4,739)
Net interest income	6,137	1	-	6,138	6,208	(34)	-	6,174
Net fees and service income	353	-	-	353	522	1	-	523
Net gains on financial instrument at measured fair value at profit or loss	479	-	-	479	366	-	-	366
Other operating income	979	-	-	979	575	-	-	575
Other operating expenses	(4,693)	-	-	(4,693)	(3,225)	(3)	-	(3,228)
Expected credit losses	(135)	103	(125)	(157)	(687)	155	(192)	(724)
<b>Profit before income tax</b>	<b>3,120</b>	<b>104</b>	<b>(125)</b>	<b>3,099</b>	<b>3,759</b>	<b>119</b>	<b>(192)</b>	<b>3,686</b>

The Bank does not disclose the Bank's financial position and results of operations classified by domestic and foreign business since the Bank engages only domestic business in Thailand.

INDUSTRIAL AND COMMERCIAL BANK OF CHINA (THAI) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

**NOTES TO THE FINANCIAL STATEMENTS**

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**9.28 Interest income**

Interest income for the years ended 31 December 2024 and 2023 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
Interbank and money market items	1,035,888	755,370	1,031,849	752,525
Investments in debt instruments	2,872,843	2,638,912	2,872,843	2,638,912
Loans to customers and factoring	4,851,878	4,703,328	5,060,278	4,957,568
Hire-purchase and finance leases receivables	2,614,567	2,815,261	-	-
Others	699	106	699	106
<b>Total</b>	<b>11,375,875</b>	<b>10,912,977</b>	<b>8,965,669</b>	<b>8,349,111</b>

**9.29 Interest expenses**

Interest expenses for the years ended 31 December 2024 and 2023 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
Deposits	2,539,938	1,700,500	2,540,008	1,700,563
Interbank and money market items	988,405	1,394,372	861,079	1,349,279
Contributions to Deposit Protection Agency and Bank of Thailand	621,145	627,589	621,145	627,589
Debt issued - debentures	1,070,305	996,259	175,481	175,002
Debentures fee expenses	18,135	20,624	1,758	1,739
<b>Total</b>	<b>5,237,928</b>	<b>4,739,344</b>	<b>4,199,471</b>	<b>3,854,172</b>



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**9.30 Net fees and service income**

Net fees and service income for the years ended 31 December 2024 and 2023 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
Fees and service income				
Acceptances, avals and guarantees	108,111	146,581	108,111	146,581
Letter of credit fee	13,512	9,398	13,512	9,398
Hire-purchase and finance leases	51,616	59,064	-	-
Life and non-life insurance	194,529	327,253	943	1,224
Debit card, credit card and electronic service	229,604	121,769	229,604	121,769
Others	43,934	57,367	45,142	59,566
<b>Total fees and service income</b>	<b>641,306</b>	<b>721,432</b>	<b>397,312</b>	<b>338,538</b>
Fees and service expenses	(287,908)	(197,991)	(263,513)	(156,816)
<b>Net fees and service income</b>	<b>353,398</b>	<b>523,441</b>	<b>133,799</b>	<b>181,722</b>

**9.31 Net gains on financial instruments measured at fair value through profit or loss**

Net gains on financial instruments measured at fair value through profit or loss for the years ended 31 December 2024 and 2023 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
Gains on foreign currencies and foreign currency derivatives	292,911	366,543	292,714	366,169
Gains on trading securities - equity securities	185,892	-	185,892	-
Losses on hedge accounting	-	(169)	-	(169)
<b>Total</b>	<b>478,803</b>	<b>366,374</b>	<b>478,606</b>	<b>366,000</b>

**9.32 Directors' remuneration**

Directors' remuneration represents the benefits (exclusive of salaries and related benefits payable to directors who are executives of the Bank and its subsidiaries) paid to the Bank and its subsidiaries' directors in accordance with Section 90 of the Public Limited Companies Act.

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**NOTES TO THE FINANCIAL STATEMENTS**

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**9.33 Expected credit losses (reversal)**

Expected credit losses (reversal) for the years ended 31 December 2024 and 2023 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
		(Restated)		
Interbank and money market items (reversal)	47,276	(215)	47,276	(215)
Investments in debt instruments measured at fair value through other comprehensive income (reversal)	(824)	(1,189)	(824)	(1,189)
Investments in debt instruments measured at amortised cost	1,852	1,436	1,852	1,436
Loans to customers and accrued interest receivables (reversal)	53,403	612,247	(623,398)	177,994
Loan commitments and financial guarantee contracts (reversal)	(14,198)	64,165	(13,787)	64,154
Losses on modification	69,374	47,890	126,479	-
<b>Total</b>	<b>156,883</b>	<b>724,334</b>	<b>(462,402)</b>	<b>242,180</b>

**9.34 Basic earnings per share**

The calculations of basic earnings per share for the years ended 31 December 2024 and 2023 were based on the profit for the years attributable to shareholders of the Bank and the number of ordinary shares and preference shares which are equivalent to the ordinary shares outstanding during the years as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
		(Restated)		(Restated)
Profit for the years attributable to shareholders of the Bank (Million Baht)	2,485	2,949	3,772	2,620
Weighted average number of ordinary shares and preference shares which are equivalent to the ordinary shares outstanding (Million shares)	2,254	2,254	2,254	2,254
Basic earnings per share (Baht per share)	1.10	1.31	1.67	1.16

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FOR THE YEAR ENDED 31 DECEMBER 2024

**9.35 Fair value of financial instruments**

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy for the financial instruments measured at fair value as at 31 December 2024 and 2023. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(Unit: Million Baht)

	Consolidated financial statements				
	2024				
	Book value	Fair value			Total
Level 1		Level 2	Level 3		
<b><u>Financial assets</u></b>					
<b>Derivatives assets</b>					
- Foreign exchange rate	251	-	251	-	251
- Interest rate	426	-	426	-	426
<b>Financial assets measured at fair value through profit or loss</b>					
	797	-	-	797	797
<b>Investments</b>					
- Investments in debt instruments measured at amortised cost <sup>(1)</sup>	47,354	-	47,386	-	47,386
- Investments in debt instruments measured at fair value through other comprehensive income	34,911	-	34,911	-	34,911
- Investments in equity instruments designated at fair value through other comprehensive income	126	116	-	10	126
<b>Loans to customers <sup>(2)</sup></b>	140,965	-	59,097	81,832	140,929
<b><u>Financial liabilities</u></b>					
<b>Deposits</b>	149,499	-	149,529	-	149,529
<b>Derivatives liabilities</b>					
- Foreign exchange rate	113	-	113	-	113
- Interest rate	73	-	73	-	73
<b>Debts issued and borrowings</b>	40,240	-	40,434	-	40,434

<sup>(1)</sup> Presented at amount before deduction of allowance for expected credit losses.<sup>(2)</sup> Presented at amount before deduction of allowance for expected credit losses, and excluding accrued interest receivables.

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(Unit: Million Baht)

	Consolidated financial statements				
	2023 (Restated)				
	Book value	Fair value			Total
		Level 1	Level 2	Level 3	
<b><u>Financial assets</u></b>					
<b>Derivatives assets</b>					
- Foreign exchange rate	312	-	312	-	312
- Interest rate	951	-	951	-	951
<b>Investments</b>					
- Investments in debt instruments measured at amortised cost <sup>(1)</sup>	42,817	-	42,837	-	42,837
- Investments in debt instruments measured at fair value through other comprehensive income	36,272	-	36,272	-	36,272
- Investments in equity instruments designated at fair value through other comprehensive income	161	152	-	9	161
<b>Loans to customers <sup>(2)</sup></b>	157,691	-	88,568	68,968	157,536
<b><u>Financial liabilities</u></b>					
<b>Deposits</b>	153,589	-	153,614	-	153,614
<b>Derivatives liabilities</b>					
- Foreign exchange rate	283	-	283	-	283
- Interest rate	42	-	42	-	42
<b>Debts issued and borrowings</b>	39,895	-	39,842	-	39,842

<sup>(1)</sup> Presented at amount before deduction of allowance for expected credit losses.

<sup>(2)</sup> Presented at amount before deduction of allowance for expected credit losses, and excluding accrued interest receivables.

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(Unit: Million Baht)

	Separate financial statements				
	2024				
	Book value	Fair value			Total
		Level 1	Level 2	Level 3	
<b><u>Financial assets</u></b>					
<b>Derivatives assets</b>					
- Foreign exchange rate	251	-	251	-	251
- Interest rate	426	-	426	-	426
<b>Financial assets measured at fair value through profit or loss</b>					
	797	-	-	797	797
<b>Investments</b>					
- Investments in debt instruments measured at amortised cost <sup>(1)</sup>	47,354	-	47,386	-	47,386
- Investments in debt instruments measured at fair value through other comprehensive income	34,911	-	34,911	-	34,911
- Investments in equity instruments designated at fair value through other comprehensive income	126	116	-	10	126
<b>Loans to customers <sup>(2)</sup></b>	93,665	-	62,188	31,492	93,680
<b><u>Financial liabilities</u></b>					
<b>Deposits</b>	149,515	-	149,545	-	149,545
<b>Derivatives liabilities</b>					
- Foreign exchange rate	113	-	113	-	113
- Interest rate	73	-	73	-	73
<b>Debts issued and borrowings</b>	4,995	-	5,018	-	5,018

<sup>(1)</sup> Presented at amount before deduction of allowance for expected credit losses.<sup>(2)</sup> Presented at amount before deduction of allowance for expected credit losses, and excluding accrued interest receivables.

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(Unit: Million Baht)

	Separate financial statements				
	2023				
	Book value	Fair value			Total
		Level 1	Level 2	Level 3	
<b><u>Financial assets</u></b>					
<b>Derivatives assets</b>					
- Foreign exchange rate	312	-	312	-	312
- Interest rate	951	-	951	-	951
<b>Investments</b>					
- Investments in debt instruments measured at amortised cost <sup>(1)</sup>	42,817	-	42,837	-	42,837
- Investments in debt instruments measured at fair value through other comprehensive income	36,272	-	36,272	-	36,272
- Investments in equity instruments designated at fair value through other comprehensive income	161	152	-	9	161
<b>Loans to customers <sup>(2)</sup></b>	105,634	-	91,896	13,698	105,594
<b><u>Financial liabilities</u></b>					
<b>Deposits</b>	153,606	-	153,631	-	153,631
<b>Derivatives liabilities</b>					
- Foreign exchange rate	283	-	283	-	283
- Interest rate	42	-	42	-	42
<b>Debts issued and borrowings</b>	4,993	-	4,931	-	4,981

<sup>(1)</sup> Presented at amount before deduction of allowance for expected credit losses.

<sup>(2)</sup> Presented at amount before deduction of allowance for expected credit losses, and excluding accrued interest receivables.

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**Methods and assumptions in estimating fair values of financial assets and financial liabilities***Investments in debt instruments and other equity instruments*

The fair value of government and state enterprise and private debt securities is calculated by using the yield curve of the Thai Bond Market Association and reliable market data sources at the end of reporting period. The fair value of marketable equity securities is determined at the last bid price quoted on the last working day of the reporting period by the Stock Exchange of Thailand. The fair value of non-marketable equity securities is determined mainly based on common valuation techniques such as the market approach, cost approach or as well as book value or adjusted book value.

*Loans to customers and significant unobservable inputs used*

For variable floating-rate loans to customers that have no significant change in credit risk, fair value is based on carrying value. The fair value of fixed rate loans to customers that have remaining maturity within 1 year of the reporting date is approximated using the carrying value at the reporting date. Fair value for fixed interest loans to customers which the remaining maturity more than 1 year is estimated using discounted cash flow analysis, using interest rates currently being offered on loans to customers with similar characteristics and terms.

*Deposits*

The fair value disclosed for deposits which are payable on demand by the depositor is equal to the carrying value of such deposits. The carrying amounts of variable-rate, fixed-term money market accounts, certificates of deposit and fixed rate deposits which have remaining maturity within 1 year are approximated using their market value at the reporting date. Fair value for other fixed interest deposits is estimated using a discounted cash flow calculation that applies interest rates currently being offered on similar deposit and terms.

*Interbank and money market items (liabilities) and debts issued and borrowings*

The fair value of interbank and money market items and debts issued and borrowings and/or items which bear variable rates of interest approximates their carrying amount at the reporting date. Fair value for fixed rate instruments with remaining maturities greater than 1 year is estimated by using a discounted cash flow calculation applying interest rates currently being offered on similar instruments. The fair value of debentures is based on quoted market prices announced by the Thai Bond Market Association.

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*Derivatives*

Fair values are based on inputs which are observable from independent and reliable market data sources. Those inputs are tested for reasonableness by discounting expected future cash flows using market interest rate for a similar instrument at the measurement date. Fair values of over-the-counter derivative reflect the credit risk of the instrument and include adjustments to take account of the counter party and own entity credit risk when appropriate.

**9.36 Events after the reporting period***Litigations*

During 1 January 2025 to 25 March 2025, the subsidiary has been sued as a defendant in the court with the capital of approximately Baht 401 million in the ordinary course of business. The subsidiary believes that the final judgment of such lawsuit will not materially affect the financial position and operating results

*Issuance of long-term debentures*

During 1 January 2025 to 25 March 2025, the subsidiary offered 3 lots of registered, unsubordinated, unsecured debentures without representatives to institutional investors.

The first lot of not more than Baht 2,600 million and a term of 1 year 6 months with a diminishing interest rate.

The second lot of not more than Baht 2,900 million and a term of 1 year 11 months with a diminishing interest rate.

The third lot of not more than Baht 500 million and a term 3 years with interest rate of 2.48 percent per annum.

The total offering of the first, second, and third lots combined shall not exceed Baht 6,000 million with interest payable every 6 months.

*Issuance of bills of exchange*

During 1 January 2025 to 25 March 2025, the subsidiary issued 2 bills of exchange with face value of Baht 1,500 million offered to financial institutions with the maturity dates 91 days which interest rate was discount rate according to market rate at issue date. The maturity period was 87 days, with an annual interest rate of 2.24%.

*Redemption of long-term debentures and bills of exchange*

During 1 January 2025 to 25 March 2025, the subsidiary has redeemed long-term debentures and bills of exchange at face value amounting to Baht 3,129 million and Baht 5,000 million, respectively upon their maturity dates within the aforementioned period.

**9.37 Approval of the financial statements**

These financial statements have been approved for issuance by the Board of Director on 25 March 2025.



# AUDITORS

## Statutory auditor names and their engaged office

There were 4 auditors which had been nominated as the list below:

- Ms. Somjai Khunapasut Certified Public Accountant No. 4499
- Ms. Saranya Pludsri Certified Public Accountant No. 6768
- Ms. Bongkot Kriangphanamorn Certified Public Accountant No. 6777
- Ms. Chutiwan Chanswangphuwana Certified Public Accountant No. 8265

## Engaged Office

EY Office Limited

Lake Rajada Office Complex 193/136-137 Ratchadaphisek Road, Klongtoey, Bangkok, 10110, Thailand

Tel: +66 2264 9090 Fax: +66 2264 0789

## The auditor of the subsidiary of the bank

The auditors of ICBC (Thai) Leasing Co., Ltd (the Bank' subsidiary) were the auditors who are under the same office of the Bank's. The proposed auditors had no relationship with or interests in the Bank/Subsidiaries/executives/major shareholder or related parties thereof.

## Remuneration of auditors

The audit fee of Bank and Bank's subsidiary for the year 2024 was Baht 6,415,000 the audit fee of the Bank was Baht 4,040,000, ICBC (Thai) Leasing Co., Ltd (Bank's subsidiary) was Baht 1,881,000 and Insurance Broker Company (Leasing Company's subsidiary) was Baht 494,000.

# MANAGEMENT STRUCTURE

## 1. Board of Directors

The Board of Directors comprises of 10 members including qualified Directors, Directors who are ICBC representatives and 4 Independent Directors as follows:

Mr. Yimin Hu	Chairman
Mr. Xiaobo Li	Director
Ms. Unakorn Phruithithada	Independent Director
Mr. Natdanai Indrasukhsri	Independent Director
Mr. Jukr Boon-Long	Independent Director
Mr. Yong Hu	Director
Ms. Jing Jin	Director
Mr. Yijiang Zhang	Director
Dr. Shuxian Cui	Director
Mr. Apinetr Unakul	Independent Director

According to the Bank's Articles of Association, the Board of Directors' meeting shall be held at least once every three months. At least one half of the total number of Directors must be present to form a quorum.

The Board of Directors has the duties and responsibilities to set the overall direction, strategic objectives and policies of the Bank and to supervise and oversee the efficient management of the Bank. It also has a responsibility to ensure that the Bank has appropriate risk management systems in place and sufficient capital funds to cover current and future risks. In addition, it has the responsibility to monitor the Bank's business operations to ensure that the Bank has effective internal control and audit systems in place and that the Bank's operations are in compliance with the laws, the Bank's policies, resolutions of the shareholders' meetings, and principles of good corporate governance so that the stakeholders and customers will have confidence in the Bank. Moreover, it is responsible for assigning one or several Directors or other persons to perform actions on its behalf.

## Attendance in 2024

Name of Director	Attendance	Percentage of Attendance
Mr. Yimin Hu	6/6	100
Mr. Xiaobo Li	6/6	100
Ms. Unakorn Phruithithada	6/6	100
Mr. Natdanai Indrasukhsri	6/6	100
Mr. Jukr Boon-Long	5/5*	100
Mr. Yong Hu	6/6	100
Ms. Jing Jin	6/6	100
Mr. Yijiang Zhang	5/5*	100
Dr. Shuxian Cui	6/6	100
Mr. Apinetr Unakul	5/6	83

\* Appointed on 14 February 2024

## 2. Independent Directors

The Board of Directors has determined the qualifications of the Bank's Independent Directors to be in compliance with the qualifications of Independent Directors specified by the Bank of Thailand (BOT) under the Principles of Corporate Governance for Financial Institutions and by the Capital Market Supervisory Board. The qualifications stipulates that an Independent Director must be a Director who does not have any business relationship with or participate in the management of or have any interest in the Bank which may affect his or her independent decision.

## 3. Committees under the Board of Directors' Direct Supervision

The Board of Directors has appointed four committees to oversee and ensure an efficient management system which is in compliance with the Bank's policies. Each committee's responsibilities have been clearly specified. In addition, in accordance with the Handbook for the Directors of Financial Institutions of the Bank of Thailand, the Board of Directors is responsible for overseeing the performance of the committees under the direct supervision of the Board of Directors and requires that these committees report their performance to the Board of Directors on a regular basis. The four committees which are under the direct supervision of the Board of Directors are the Executive Committee; Audit Committee; Nomination, Compensation and Corporate Governance Committee; and Group Risk Supervision and Internal Control Committee. Details are as follows:

### 3.1 The Executive Committee

comprises 4 Directors and Senior Executives as follows:

Mr. Xiaobo Li	Chairman
Mr. Yijiang Zhang	Member*
Mr. Xinchun Liu	Member**
Mr. Jian Gong	Member
Dr. Shuxian Cui	Member
Ms. Suree Wipatakanok	Member

\* Appointed on 3 May 2024

\*\* Appointed on 25 July 2024

#### Attendance in 2024

Name of Member	Attendance	Percentage of Attendance
Mr. Xiaobo Li	36/49	73
Mr. Yijiang Zhang	31/34	91
Mr. Xinchun Liu	21/23	91
Mr. Jiang Gong	33/49	67
Dr. Shuxian Cui	42/49	86
Ms. Suree Wipatakanok	46/49	94

The Executive Committee has the responsibility to perform duties as delegated by the Board of Directors including the formulation of criteria and procedures for consideration and approval of credit facilities, debt restructuring, securities investments, acquisition or disposal of immovable properties resulting from debt restructuring or mortgage of properties of the Bank and any other normal businesses of the Bank. It also has the responsibilities to appoint sub-committees as well as amend, revise and alter the authorities and responsibilities of sub-committees. In addition, the Executive Committee is responsible for considering all matters which are to be proposed to the Board of Directors. It must also monitor the Bank's operations and report findings to the Board of Directors on a regular basis.

### 3.2 The Audit Committee

comprises 3 Independent Directors as follows:

Ms. Unakorn Phruithithada	Chairperson
Mr. Natdanai Indrasukhsri	Member
Mr. Apinetr Unakul	Member

The Audit Committee has responsibilities to review and ensure that the Bank and the companies in its financial business group have accurate and adequate financial reports as well as suitable and efficient internal control and internal audit systems. It must ensure that the operations of the Bank and the companies in its financial business group are in compliance with the relevant laws and regulations in relation to the business of the Bank and its financial business group. It also has the responsibilities to consider, select and nominate an independent person to be the Bank's statutory auditor and to propose such person's remuneration; and meet the independent auditor at least once a year without the presence of the management. Moreover, the Audit Committee has a duty to review transactions which may lead to conflicts of interest to ensure that they are conducted in compliance with relevant laws and regulations which are proceeded in a reasonable manner for the utmost benefits to the Bank. The meetings for review of credit transactions and Credit Review performance are held separately for the Audit Committee by the Credit Review Department.

#### Attendance of the Audit Committee Meetings in 2024

Name of Director	Attendance	Percentage of Attendance
Ms. Unakorn Phruithithada	6/6	100
Mr. Natdanai Indrasukhsri	6/6	100
Mr. Apinetr Unakul	6/6	100

#### Attendance of the Audit Committee for Credit Review Meetings in 2024

Name of Director	Attendance	Percentage of Attendance
Ms. Unakorn Phruithithada	6/6	100
Mr. Natdanai Indrasukhsri	6/6	100
Mr. Apinetr Unakul	5/6	83

### 3.3 The Nomination, Compensation and Corporate Governance Committee

comprises 3 Non-Executive Members with the Chairman being an Independent Director as follows:

Mr. Jukr Boon-Long	Chairman
Mr. Yong Hu	Member
Ms. Jing Jin	Member

The Nomination, Compensation and Corporate Governance Committee has the duties and responsibilities as follows:

### 1) Nomination

The Nomination, Compensation and Corporate Governance Committee has the responsibilities to establish policies, criteria and procedures for the selection of Directors, Members of Committees and Senior Executives for the Board of Directors' approval. It also has the responsibility to recommend to the Board of Directors the appropriateness of the size and composition of the Board of Directors, as well as any other adjustment required in order to adapt to changes in the business environment. The Committee shall consist of members with knowledge, skill and experience in various fields which are beneficial to the business of the Bank.

The Committee is responsible for the nomination of Directors, Members of Committees and Senior Executives by selecting qualified candidates according to the Bank's criteria to be appointed as Directors, Members of Committees and Senior Executives. The candidates shall not possess prohibited characteristics specified in the Financial Institutions Businesses Act B.E. 2551, the BOT's criteria and other relevant laws. For the position of Independent Director, a candidate shall possess all qualifications as set by the Bank's criteria, which are in line with the criteria of the supervisory authorities. It is also responsible for overseeing that there is a mechanism or tool to support the nomination of Directors. The most suitable candidates will be recommended to the Board of Directors for appointment or for proposing to the shareholders' meeting for approval, as the case may be.

Moreover, the Committee is to ensure that the policies, conditions and methods for the nomination of the Directors and Managing Director or equivalent position of the company(ies) in the Bank's financial business group are clearly stated, transparent and appropriate to the significant risks of the company(ies) in the Bank's financial business group.

In the case of election of the Directors to replace those who are scheduled to retire by rotation, the Committee will consider the qualifications and past performance of the Directors to ensure that such Directors have proper qualifications to be the Bank's Director before proposing to the Board of Directors' and shareholders' meetings for re-appointment.

### 2) Compensation

The Nomination, Compensation and Corporate Governance Committee has the responsibility to establish policies regarding compensation and benefits granted to the Directors, Members of Committees and Senior Executives for the Board of Directors' approval as well as overseeing that the Directors and Managing Director or equivalent position of the company(ies) in the Bank's financial business group are appropriately compensated backed by appropriate policies, conditions and methods for such compensation. The policies shall be based on clear and transparent criteria.

The Committee shall ensure that compensation is reasonable, comparable to the rates of other comparable financial institutions, compatible with the Bank's performance and commensurate with the Directors' Members of Committees' or senior executives' duties, responsibilities and experience. Directors assigned with additional duties and responsibilities as members of Committees should receive additional compensations that commensurate such additional assignments. It is also responsible for overseeing that there is a mechanism or tool to support the nomination of Directors by discussing with the Group Risk Supervision and Internal Control Committee the nomination and remuneration policy can reflect the significant risks of the Bank.

In addition, the Committee has the responsibility to formulate guidelines on the assessment of the performances of the Board of Directors and Senior Executives to be used to determine their annual compensations.

### 3) Corporate Governance

The Nomination, Compensation and Corporate Governance Committee has the responsibilities to develop and review the Bank's Corporate Governance Policy and procedures to ensure that they are in line with the Principles of Good Corporate Governance of the Bank of Thailand. The Committee also has a responsibility to advise the Board of Directors, the management and staff regarding corporate governance best practices and business ethics, while maintaining efficient management.

In addition, the Nomination, Compensation and Corporate Governance Committee is responsible for overseeing the CG Policy of the and practice of the company(ies) in the financial business group of the Bank and consider the nomination and compensation of the directors and Managing Director of company(ies) in the Bank's financial business group.

#### Attendance in 2024

Name of Director	Attendance	Percentage of Attendance
Mr. Natdanai Indrasukhsri	1/1*	100
Mr. Jukr Boon-Long	5/5	100
Mr. Yong Hu	6/6	100
Ms. Jing Jin	6/6	100

\* Was Acting Chairman until 13 February 2024 and was replaced by Mr. Jukr as Chairman on 14 February 2024.

### 3.4 The Group Risk Supervision and Internal Control Committee

comprises 5 Members as follows:

Mr. Natdanai Indrasukhsri	Chairman
Ms. Unakorn Phruithithada	Vice Chairperson
Mr. Xiaobo Li	Member
Dr. Shuxian Cui	Member
Mr. Apinetr Unakul	Member

#### Attendance in 2024

Name of Director	Attendance	Percentage of Attendance
Mr. Natdanai Indrasukhsri	4/4	100
Mr. Xiaobo Li	4/4	100
Ms. Unakorn Phruithithada	4/4	100
Dr. Shuxian Cui	3/4	75
Mr. Apinetr Unakul	4/4	100

The Group Risk Supervision and Internal Control Committee has 2 main responsibilities risk oversight and internal control of the Bank and company(ies) in its financial business group as follows:

#### 1) Risk Oversight

The Group Risk Supervision and Internal Control Committee is responsible for providing recommendations to the Board of Directors regarding the risk management framework as well as ensuring that the Chief Risk Officer (CRO) complies with the risk management policies, strategies and risk appetite of the Bank and evaluate the performance of the CRO. It shall oversee that the strategies on capital and liquidity management are in line with the approved risk appetite as well as monitoring and controlling of the risk management policies by the financial group to ensure that such policies are implemented as defined and are in compliance with the Bank of Thailand's regulations. The Committee shall also report significant risk related issues to the Bank's Board of Directors.

#### 2) Internal Control

The Group Risk Supervision and Internal Control Committee is responsible for defining internal control policy and objective of the financial group and organize the formulation of the internal control programs to ensure the efficiency and sufficiency of monitoring system. The Committee shall ensure that there is an effective three lines of defense structure and clear segregation of duties. It shall also promote the financial group to perform internal control, analyze material control deficiencies and review the assessment reports and results.

The Board of Directors has one more committee under the supervision which is the Anti-Money Laundering Committee which assists the Board of Directors in overseeing the anti-money laundering and counter-terrorism and proliferation of weapon of mass destruction financing in order to ensure that the Bank complies with the various regulations of the Anti-Money Laundering Office and the Bank of Thailand on such issue. This Committee comprises of 13 members including the top executive and Senior Executive from business and supporting business units.

In addition to the four abovementioned committees, the Bank also has other important committees reporting directly to the Executive Committee such as the Management Committee, the Credit Committee, the Asset Management Committee and the Technology Committee.

# REMUNERATION OF DIRECTORS AND SENIOR EXECUTIVES IN 2024

## 1. Remuneration of Directors

No.	Name	Amount (Baht)
1	Ms. Unakorn Phruithithada	660,000
2	Mr. Natdanai Indrasukhsri	660,000
3	Mr. Jukr Boon-Long	572,069
4	Mr. Apinetr Unakul	630,000
<b>Total</b>		<b>2,522,069</b>

## 2. Remuneration of Senior Executives

Executives	No. of Person	Total Amount (Baht)
<b>Total</b>	<b>16</b>	<b>123,072,070</b>

### Remuneration of Members of the Audit Committee

1	Ms. Unakorn Phruithithada	600,000
2	Mr. Natdanai Indrasukhsri	360,000
3	Mr. Apinetr Unakul	360,000
<b>Total</b>		<b>1,320,000</b>

### Remuneration of Member of the Nomination, Compensation and Corporate Governance Committee

1	Mr. Natdanai Indrasukhsri	72,414
2	Mr. Jukr Boon-Long	527,586
<b>Total</b>		<b>600,000</b>

### Remuneration of Members of the Group Risk Supervision and Internal Control Committee

1	Mr. Natdanai Indrasukhsri	600,000
2	Ms. Unakorn Phruithithada	360,000
3	Mr. Apinetr Unakul	360,000
<b>Total</b>		<b>1,320,000</b>
<b>Grand Total</b>		<b>5,762,069</b>

**Directors' and Senior Executives' holding of Positions in other Companies as of 31 December 2024**

Name	ICBC (Thai)	The Bank's Financial Business Group		Position	Other Companies
		Directors			
1. Mr. Yimin Hu	Non-Executive Director	-	-	Non-Executive Director	ICBC (Asia) Limited
		-	-	Non-Executive Director	ICBC Wealth Management Company Limited
		-	-	Non-Executive Director	Chinese Mercantile Bank
		-	-	Non-Executive Director	ICBC Asset Management (Global) Company Limited
		-	-	Senior Expert	ICBC H.O.
2. Mr. Xiaobo Li	Authorized Director/ Chief Executive Officer	Authorized Director/ Chairman of the Board of Directors	ICBC (Thai Leasing Co., Ltd.	-	-
		Independent Director	-	Financial Statement Advisor	Office of the Securities and Exchange Commission
3. Ms. Unakorn Phruithithada	Independent Director	-	-	Independent Director	Sri Trang Gloves Thailand PLC
		-	-	Independent Director/ Chairman of the Audit Committee	Dusit Foods Company Limited
4. Mr. Natdanai Indrasukhsri	Independent Director	-	-	Independent Director/Chairman of Audit Committee	Nextech Asia Company Limited
		-	-	Independent Director/Chairman of Audit Committee	Globlex Holding Management PLC
5. Mr. Jukr Boon-Long	Independent Director	-	-	Independent Director/ Chairman of Audit Committee	Triton Holding PLC
		-	-	Non-Executive Director	Wastech Exponential Company Limited
		-	-	Independent Director	P.C.S. Machine Group Holding PLC
		-	-	Independent Director	CP Axtra PLC
		-	-	Non-Executive Director	Neighboring Countries Economic Development Cooperation Agency (Public Organization)
		-	-	Independent Director	Glow Energy PLC
		-	-	Non-Executive Director	Glow Company Limited
		-	-	Non-Executive Director	Glow SPP 11 Company Limited
		-	-	Non-Executive Director	Glow SPP 2 Company Limited
		-	-	Non-Executive Director	Glow SPP 3 Company Limited
		-	-	Non-Executive Director	Glow IPP Company Limited
		-	-	Non-Executive Director	Glow IPP 2 Holding Company Limited
		-	-	Independent Director	S Hotels and Resorts PLC

Name	ICBC (Thai)	The Bank's Financial Business Group			Position	
		Directors		Other Companies		
6. Mr. Yong Hu	Non-Executive Director	-	-	Non-Executive Director	ICBC (Moscow) JSC	
				Non-Executive Supervisor	ICBC Technology Company Limited	
				Non-Executive Director	ICBC Financial Asset Investment Company Limited	
7. Ms. Jing Jin	Non-Executive Director	-	-	Expert	ICBC H.O.	
				Non-Executive Director	ICBC Financial Leasing Co., Ltd	
				Non-Executive Director	ICBC-AXA Assurance Co., Ltd	
8. Mr. Apinetr Unakul	Independent Director	-	-	Expert and Accredited Non-executive Director	ICBC H.O.	
				Authorized Director	Vuduranadda Company Limited	
				Authorized Director	Kaew Manee Netr Company Limited	
				Authorized Director	Nanthanakul Company Limited	
				Non-Executive Director	Silicon Craft Technology Public Company Limited	
				Non-Executive Director	BDH Corporation Company Limited	
<b>Senior Executives</b>						
9. Mr. Xiangfeng Li	Senior Executive Vice President	President/Authorized Director	ICBC (Thai) Leasing Company Limited	-	-	
				Non-Executive Director	Finansia Syrus Securities PLC	
10. Mr. Seksan Chumsereechai	Senior Executive Vice President, Risk Management Division	Non-Executive Director	ICBC (Thai) Leasing Company Limited	Non-Executive Director	Finansia X PLC	
				Non-Executive Director	Finansia X PLC	



# CORPORATE GOVERNANCE

Corporate governance is an important practice and mechanism to ensure accountability, fairness and transparency to all shareholders and stakeholders of a company as well as the society at large. The Board of Directors of the Bank recognizes the importance of the principles of good corporate governance in setting its strategies and its daily operations thus has prescribed a written Corporate Governance Policy of the Bank which is based on the Bank of Thailand's Notification on Corporate Governance for Financial Institutions and Financial Business Groups, the set of 6 Notifications announced in 2023. In addition to the Corporate Governance Policy, the Bank also complies with other corporate governance-related policies such as business ethics, CSR policy and anti-corruption policy as well as the Sustainable Report included in this Annual Report. In setting up the organization structure, operational guidelines and duties based on corporate governance, the Bank places high priority to accountability, equitable treatment and transparency to ensure that the Bank's business operations are in accordance with the relevant laws and regulations.

The Board of Directors oversees that the Bank operates under the scope of good corporate governance which means conducting business with integrity and ethics. It ensures that all executives and employees understand the ethical standard of the Bank and comply with such standard so that the Bank could continue to operate as an institution with a high standard of corporate governance.

The Board of Directors recognizes the importance of sound management and control systems based on the principle of checks and balances, therefore, it has delegated the management to establish adequate and appropriate internal control systems to help mitigate risks as well as to mitigate any adverse impact that could occur in accordance with the new notification of the Bank of Thailand Re: Corporate Governance of Financial Institutions. In addition, the Bank oversees its corporate governance as well as the risk and remuneration of directors and persons with managerial power of the company in its financial business group.

The Bank has designated sustainability as an important issue in operating its business thus it has included a Sustainability Report in the Annual Report since the Annual Report 2021. Sustainability or Sustainable Banking is based on the Environment, Social and Governance (ESG) Framework, therefore, NCC plays a large role in Sustainable Banking as it oversees corporate governance. Details on Sustainable Banking can be found in the Sustainability Report.

The Bank's Board of Directors has determined the control activities to be an important part of operational processes for every working section of the Bank, therefore, has assigned several committees to oversee the control system. These committees are the Audit Committee, the Nomination, Compensation and Corporate Governance Committee and the Group Risk Supervision and Internal Control Committee. These committees help ensure that a proper corporate governance system is in place and in compliance with the Corporate Governance Policy in various aspects.

The Audit Committee has duties and responsibilities as assigned by the Board of Directors to review and assess, through the Internal Audit Department, the adequacy and efficiency of the internal control system and make certain that operations are continuously performed in compliance with the policies and regulations of the Bank's supervisory authorities. The Internal Audit Department is an independent department which reports directly to the Audit Committee and assists the Bank accomplish its objectives by conducting a systematic and disciplined approach to evaluate and improve the effectiveness of risk management, internal control and governance processes. The Audit Committee can help strengthen internal controls, financial reporting and corporate governance.

Moreover, in accordance with the Bank's Corporate Governance Policy, every year the Board of Directors is required to conduct its self-assessment for the performance of the Board of Directors as a whole according to the requirement of the Bank of Thailand. The Board of Directors self-assessment forms are divided into 4 forms as follows:

- 1) Assessment of the performance of the Board of Directors as a whole;
- 2) Assessment of the performance of individual performance;
- 3) Cross-evaluation of the performance of individual Directors; and
- 4) Cross-evaluation of the performance of the Chairman of the Board of Directors.

The assessments covered various topics such as qualifications of Directors, Board composition and Board meetings. The result of the 2024 Board of Directors' Assessment for the Board as a whole had a score of 99.75%, the result of the overall average for individual performance was 99.00% while the cross-evaluations resulted in an average of 100% for individual performance of each Director and 99.25% for the performance of the Chairman.

Furthermore, as a member of the CAC, the Bank must comply with the Anti-Corruption Policy requirements in order for its Directors, Senior Executives and all staff including companies in its financial business group to recognize the importance of Anti-Corruption as well as the procedures to prevent bribery and corruption.

Lastly, the Bank gives high priority on Market Conduct based on the best interest of its customers. The Bank is committed to providing services with transparency and fairness to its customers as well as willing to offer advices on the various products of the Bank appropriately and clearly. Moreover, the Bank will be ready to take responsibility in handling and rectifying complaints when launched by the customers.

The Bank has policies and strategies which reflect its business operations that place importance on creating instilling fair service. The Bank's Directors and Senior Executives are an integral part in driving effective fair services provision with transparency by considering the impacts to the environment and society with corporate governance.

# CAPITAL STRUCTURE

## Registered Capital

As at 31 December 2024 the Bank had a registered capital of Baht 20,107,099,047.12 divided into 2,253,716,655 ordinary shares at par value of Baht 8.92 and 442,431 Class B preferred shares at par value of Baht 8.92 with paid-up capital of Baht 20,107,099,047.12 divided into 2,253,716,655 ordinary shares at par value of Baht 8.92 and 442,431 Class B preferred shares at par value of Baht 8.92.

## Preferred Shares

The Bank's preferred shares were previously divided into Class A and Class B preferred shares. Currently, all Class A preferred shares have been converted into ordinary shares. Class B preferred shares have rights and benefits equal to ordinary shares with the exception that the holders of Class B preferred shares are entitled to convert their shares into ordinary shares at a ratio of 1:1. The holders of Class B preferred shares are able to exercise the conversion of Class B preferred shares into ordinary shares four times a year. The exercise dates for the conversion of Class B preferred shares into ordinary shares are 22 February, 22 May, 22 August and 22 November. The holder of Class B preferred shares must lodge the application for the conversion together with the share certificates to the Bank (Head Office Branch) as the Share Registrar during business hours on the specified dates. Consequently, the Bank has become its own Share Registrar since 1 September 2013.

# GENERAL INFORMATION

## 1. Industrial and Commercial Bank of China (Thai) Public Company Limited

Type of Business	Commercial bank
Address of Head Office	L, 11 <sup>th</sup> - 13 <sup>th</sup> Floors, Emporium Tower, 622 Sukhumvit Road, Khlong Ton, Khlong Toei, Bangkok 10110 Thailand
Registration No.	0107536000251
Website	www.icbcthai.com
Telephone	+66 2663 9999
Fax	+66 2663 9888
Call Center	+66 2629 5588
Registered Capital	Baht 20,107,099,047.12 (as of 31 December 2024)
Paid-up Capital	Baht 20,107,099,047.12 (as of 31 December 2024)
Par Value	Baht 8.92

## 2. Entities which are subsidiaries of the Bank

### ICBC (Thai) Leasing Company Limited

Address	87/2 CRC Tower, All Seasons Place, Wireless Road, Lumpini, Pathumwan Bangkok 10330 Thailand
Type of Business	Leasing Business
Telephone	+66 2626 8100
Fax	+66 2626 8191-6
Registered Capital	Baht 8,000,000,000.00 (as of 31 December 2024)
Paid-up capital	Baht 4,250,000,000.00 (as of 31 December 2024)
Par Value	Baht 10
Percentage of Shareholding	99.99%

### ICBC (Thai) Insurance Broker Company Limited

Address	87/2 CRC Tower, All Seasons Place, Wireless Road, Lumpini, Pathumwan Bangkok 10330 Thailand
Type of Business	Insurance Broker
Telephone	+66 2253 1588
Fax	+66 2253 1589
Registered capital	Baht 6,000,000.00 ( as of 31 December 2024)
Paid-up Capital	Baht 6,000,000.00 ( as of 31 December 2024)
Par Value	Baht 10
Percentage of Shareholding	Indirect holding 99.99%

**Sky High Li Leasing Designated Activity Company Limited**

Registered Office	2 <sup>nd</sup> Floor, Block 5, Irish Life Centre, Lower Abbey Street, Dublin, Ireland DO1P767
Business Type	Leasing of commercial jet aircraft
Telephone No.	+66 2626 8100
Share Registered	1 EURO (As at 31 December 2024)
Paid-up Share	1 EURO (As at 31 December 2024)
Share Price	1 EURO
Percentage of Holding	Indirect holding 99.99%

**Reference Information**

<b>- Registrar</b>	Industrial and Commercial Bank of China (Thai) Public Company Limited 622 Emporium Tower, 13 <sup>th</sup> Floor, Sukhumvit Road, Khlong Ton, Khlong Toei, Bangkok 10110 Thailand
Telephone	+66 2663 9999
Fax	+66 2663 9768
<b>- Auditors</b>	EY Office Limited 193/136-137 Lake Rajada Office Complex Ratchadaphisek Road, Klongtoey, Bangkok, 10110, Thailand
Telephone	+66 2264 9090
Fax	+66 2264 0789



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